

David Hufton	CEO
Murad Sirkot	FD



- 
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 - 2 Financial highlights
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 - 4 Q&A

Agenda

Business update



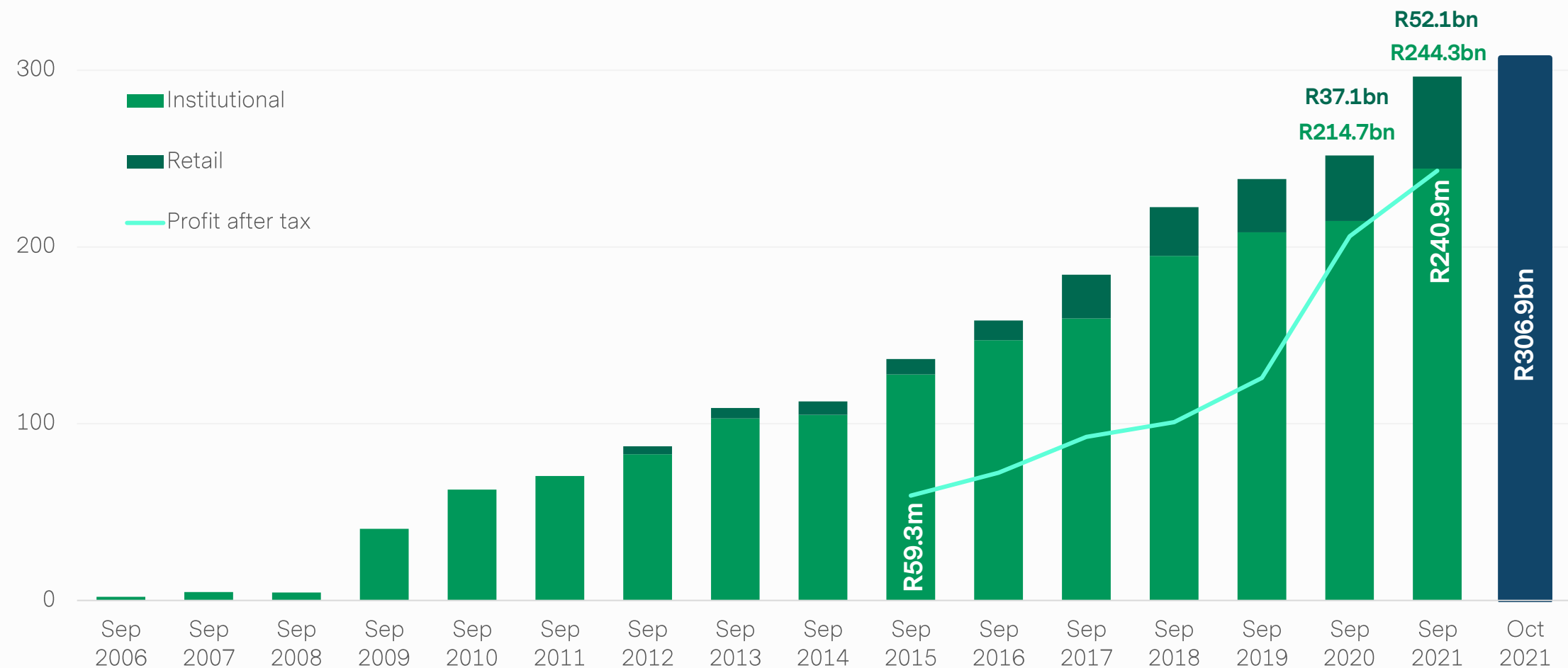
Financial year at a glance

Key numbers	30 September 2021	30 September 2020	Change
Assets under management and administration (AUMA)	R296.4bn	R251.8bn	17.7%
Average AUMA	R275.6bn	R240.1bn	14.8%
Revenue	R737.2m	R661.0m	11.5%
Profit after tax	R240.9m	R206.1m	16.9%
Basic earnings per share	170.7c	146.4c	16.6%
Dividend	135c	110c	22.7%

**Delivering for shareholders
in any environment**



Assets under management and administration

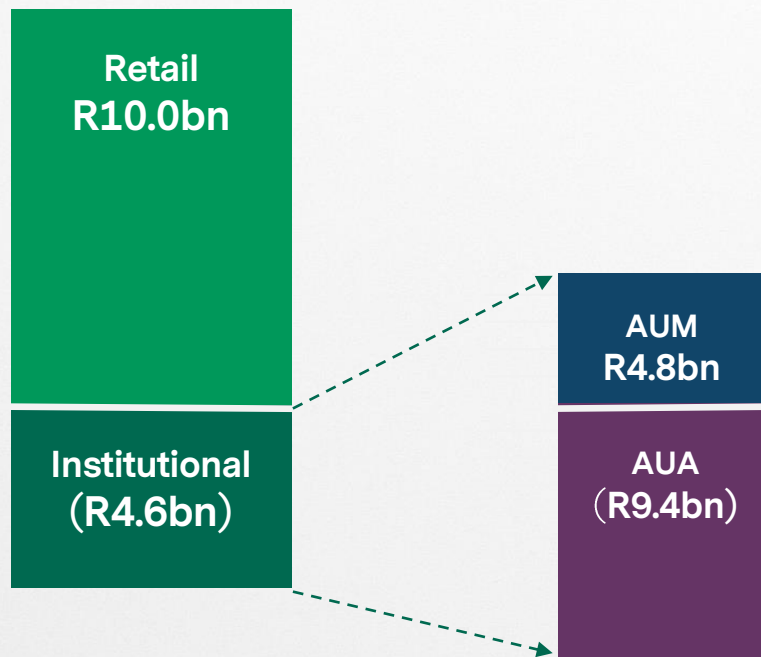


By client type (Rbn)

Net flows

Strong net inflows of R5.4 billion despite subdued market conditions

- Exceptional retail support dampened by institutional net outflows
- Strong institutional AUM inflows offset by lower-margin institutional AUA outflows due to low economic growth and Covid-19



By client type (Rbn)



Top investment performance

Flagship institutional funds

- Sygnia Signature range of risk profiled funds ranked mostly top-quartile over three through ten-year timeframes to 30 September 2021
- Sygnia Signature 70 and (after fees) Skeleton 70 outperformed most large active managers' global balanced portfolios over three through ten-year timeframes
- Sygnia Signature 70 outperformed all large managers over ten years
- All funds outperformed their benchmarks over all timeframes since inception, bar one over five years

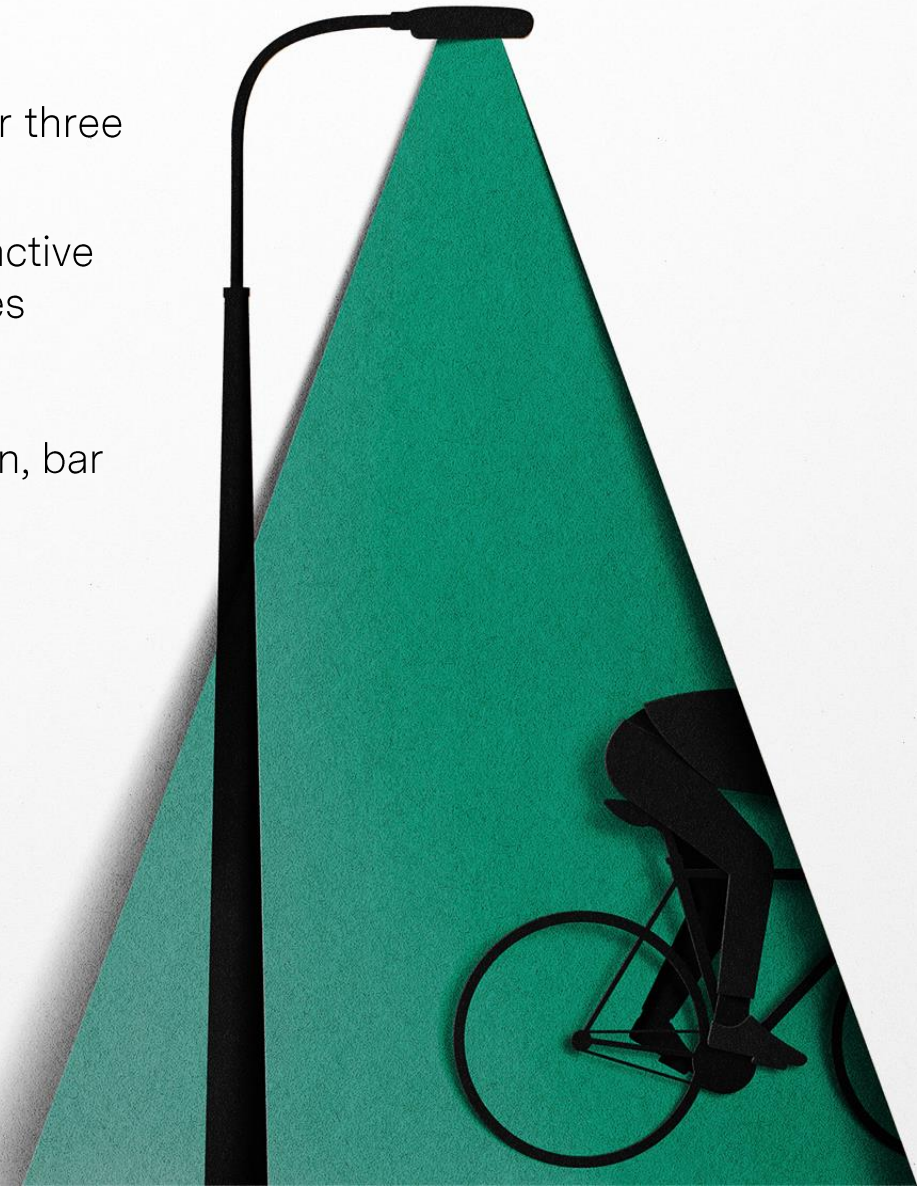
Source: Alexander Forbes surveys and published fact sheets

First-rate retail fund rankings

- Flagship retail funds feature in top quartile of peer groups over medium to long term

Source: Morningstar

**Delivering long-term value for
our clients**



Sygnia Umbrella Retirement Fund

Notable milestone surpassed

- Starting AUM on 1 May 2016 **R1.2bn**
- One all-in fee
- AUM as at 30 September 2021 and awaiting regulatory approval **R10.7bn** (2020: R8.3bn)
- Participating employers / membership **601 / 42 461** (2020: 496 / 39 149)

Impact of Covid-19

- Retrenchments accounted for an average of 35% of all exits during 12 months after first lockdown, peaking at 61%. Almost back to pre-pandemic levels of ~10%.
- 36% of participating employers suspended or reduced contributions since first lockdown. Down to 2% as at 30 September 2021.

**6th largest commercial umbrella fund
in South Africa**



Retail business

Platform for growth

- 12-month net inflows **R10.0bn**
- AUMA as at 30 September 2021 **R52.1bn** (2020: R37.1bn)

Comprehensive product offering

- Domestic and global multi-manager, passive, index tracking, and single manager funds
- Three UCITS launched in Ireland during November and recently approved for marketing in South Africa

Sygnia LISP

- Number of investors on platform **35 494** (2020: 24 092)
- Ratio of adviser-led / direct investors **54 / 46** (2020: 52 / 48)
- Sygnia market share of LISP industry flows as a multiple of Sygnia share of industry assets **3.2 times** (FY2021)
- New and differentiated retail platform launching April 2022

**Making investing simple and affordable
for all walks of investors**

First-rate retail fund rankings

Fund	ASISA category	AUM	Launch date	Performance ranking since inception
Sygnia Skeleton Balanced 40	SA - Multi-Asset Low Equity	R1 021m	April 2014	2 nd out of 73 unit trusts
Sygnia Skeleton Balanced 60	SA - Multi-Asset Medium Equity	R1 137m	June 2014	1 st out of 54 unit trusts
Sygnia Skeleton Balanced 70	SA - Multi-Asset High Equity	R3 066m	Nov 2013	8 th out of 82 unit trusts
Sygnia 4th Industrial Revolution Global Equity	Global - Equity General	R3 929m	Nov 2016	2 nd out of 43 unit trusts
Sygnia FAANG Plus Global Equity	Global - Equity General	R834m	Sep 2018	3 rd out of 54 unit trusts

Source: Morningstar

Institutional business

Group retirement fund industry suffered from Covid-19

- Impact of contribution reductions / suspensions and retrenchments still evident but abating

Client engagement intensified with significant new business success

- Several multi-national AUM appointments

Opportunities

- Top performance and low management fees attracting assets from competitors
- Rising demand for passive investing

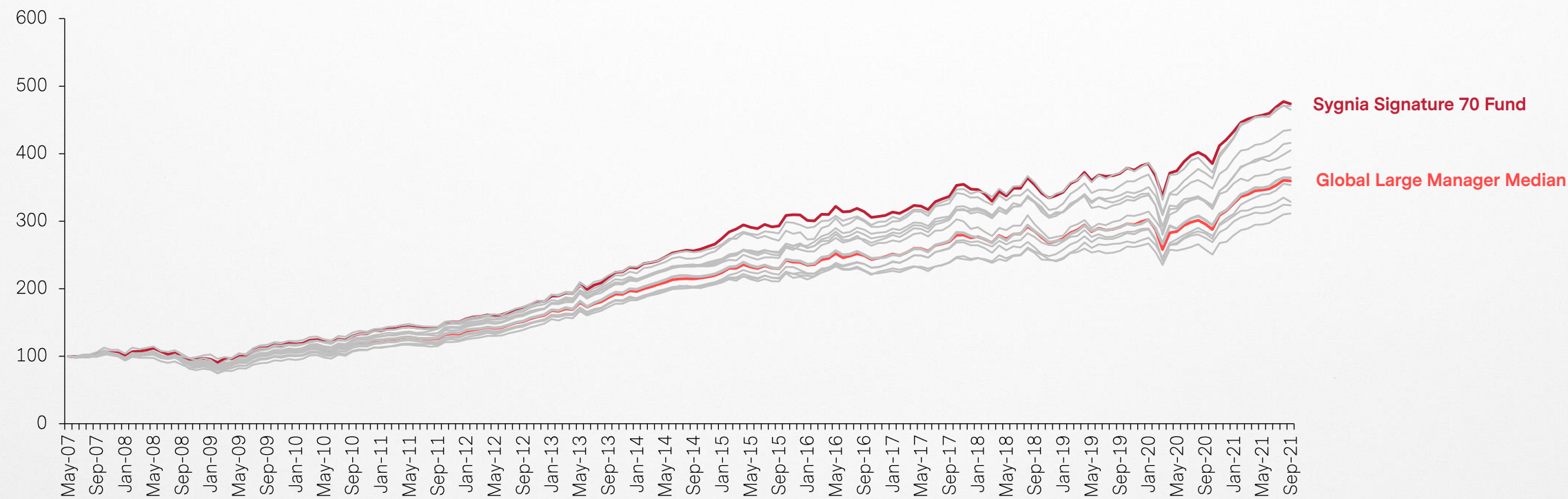
Top performing suite of funds

Risk profile	Multi-manager	Passive
High risk	Signature 70 / Synergy 70	Skeleton 70
Moderate / High risk	Signature 60 / Synergy 60	Skeleton 60
Moderate risk	Signature 50 / Synergy 50	Skeleton 50
Low risk	Signature 40 / Synergy 40	Skeleton 40



Investment Performance

Long-term performance to 30 September 2021



Peers

Absa	Coronation	Ninety One	OMIGSA	Sanlam
Allan Gray	Foord	Oasis	Prudential	Stanlib

Source: Alexander Forbes survey and published fact sheets



















Investment Performance
















High equity multi-manager portfolios to 30 September 2021

(Source: Alexander Forbes Multi-Manager Watch™ survey and published data/fact sheets)

















1 Year

Old Mutual Multi-Managers Max 28	 28.7%
Old Mutual Multi-Managers Inflation Plus 5-7%	 27.6%
AF Investments Accelerator	 26.6%
Mentenova Wealth Builder	 25.8%
Stanlib Balanced	 24.9%
Old Mutual Managed	 24.2%
Sygnia Synergy 70 Fund	 23.6%
Momentum Classic 7	 23.6%
AF Investments High Growth	 23.3%
Sanlam MM 70	 23.1%
Momentum Enhanced 7	 22.9%
AF Investments Performer	 22.3%
Momentum Flexible 7	 22.3%
AF Investments Spectrum	 21.7%
Sygnia Signature 70 Fund	 19.6%
Sygnia Skeleton 70 Fund	 17.9%

2 Years

Old Mutual Multi-Managers Inflation Plus 5-7%	 14.9%
Old Mutual Multi-Managers Max 28	 13.9%
Sygnia Synergy 70 Fund	 13.7%
Stanlib Balanced	 13.6%
AF Investments Accelerator	 13.5%
AF Investments Performer	 13.4%
Old Mutual Managed	 13.1%
Sygnia Signature 70 Fund	 13.1%
AF Investments High Growth	 12.7%
Sygnia Skeleton 70 Fund	 12.2%
AF Investments Spectrum	 11.5%
Sanlam MM 70	 11.3%
Momentum Flexible 7	 11.0%
Momentum Classic 7	 8.9%
Momentum Enhanced 7	 8.9%

3 Years

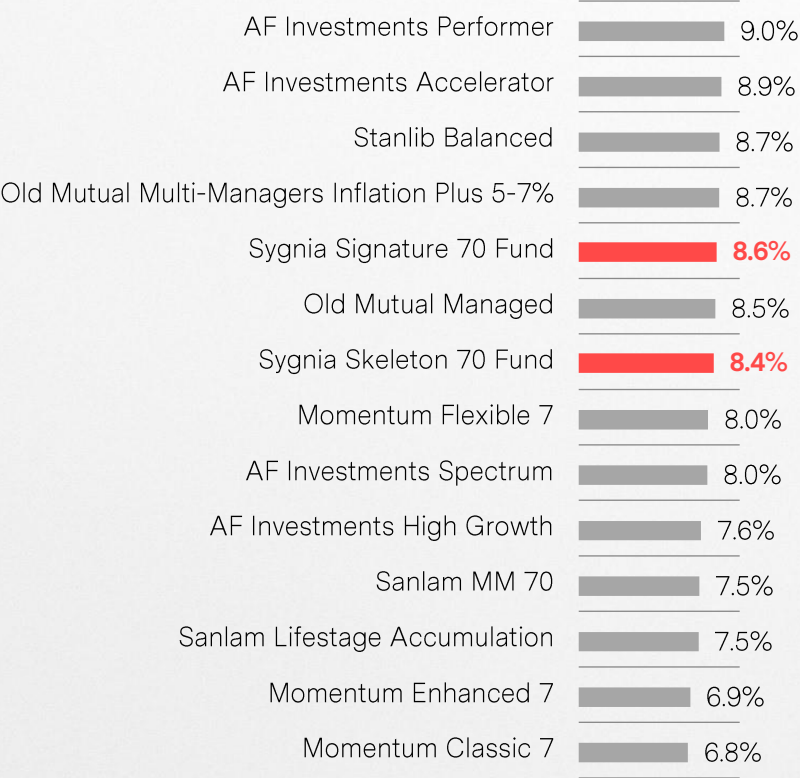
Old Mutual Multi-Managers Inflation Plus 5-7%	 10.4%
Sygnia Signature 70 Fund	 10.2%
Stanlib Balanced	 10.2%
Sygnia Synergy 70 Fund	 10.2%
AF Investments Accelerator	 9.8%
AF Investments Performer	 9.7%
Mentenova Wealth Builder	 9.7%
Sygnia Skeleton 70 Fund	 9.7%
Old Mutual Multi-Managers Max 28	 9.6%
Old Mutual Managed	 9.4%
Momentum Flexible 7	 9.0%
Sanlam MM 70	 9.0%
AF Investments High Growth	 9.0%
AF Investments Spectrum	 8.6%
Momentum Enhanced 7	 6.7%
Momentum Classic 7	 6.5%

Investment Performance

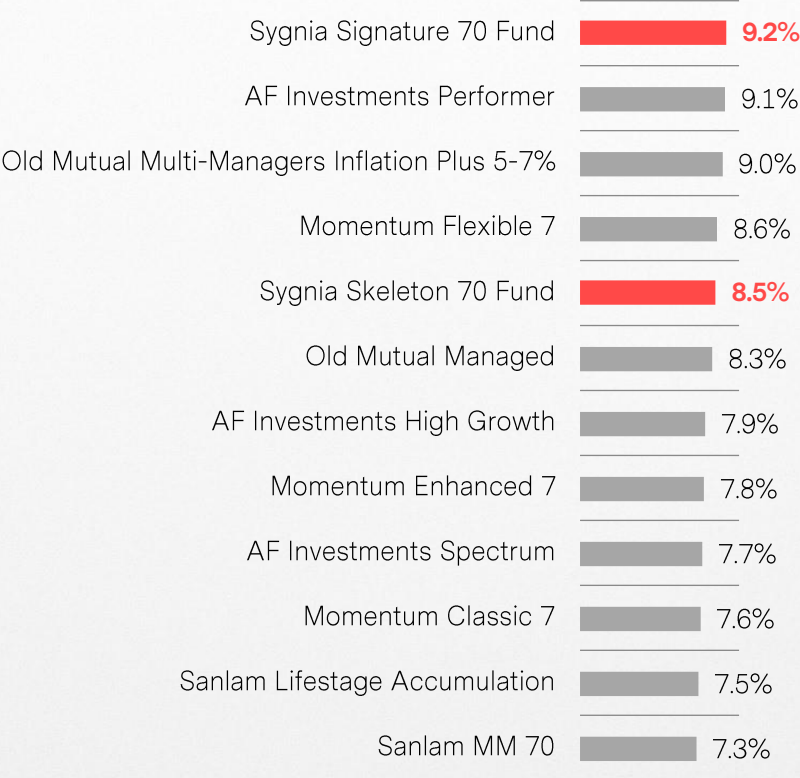
High equity multi-manager portfolios to 30 September 2021

(Source: Alexander Forbes Multi-Manager Watch™ survey and published data/fact sheets)

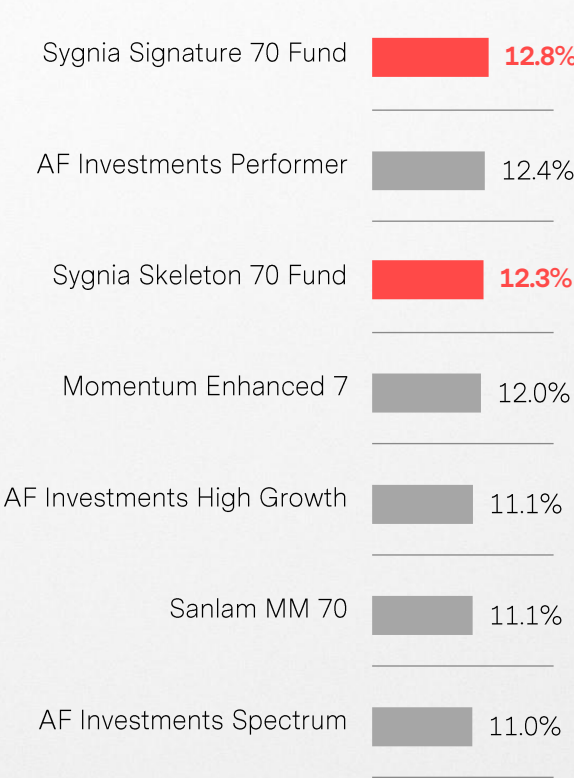
5 Years



7 Years



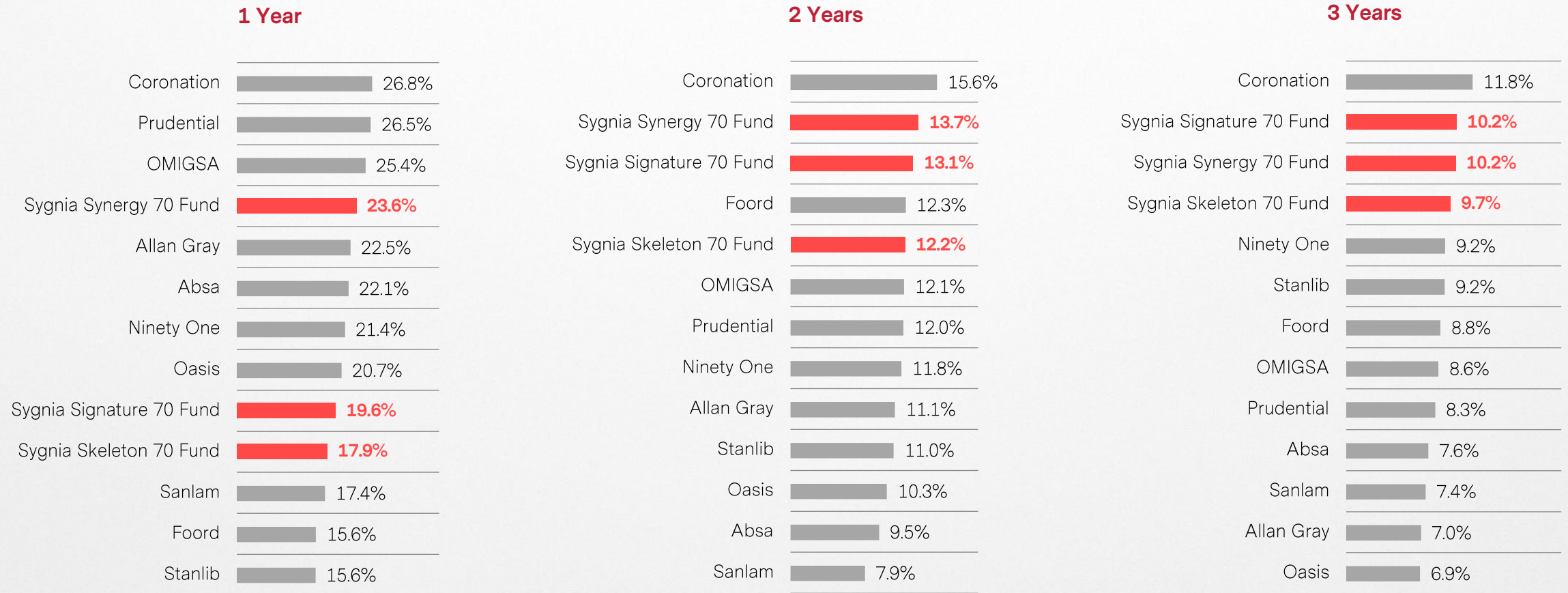
10 Years



Investment Performance

Large manager global balanced portfolios to 30 September 2021

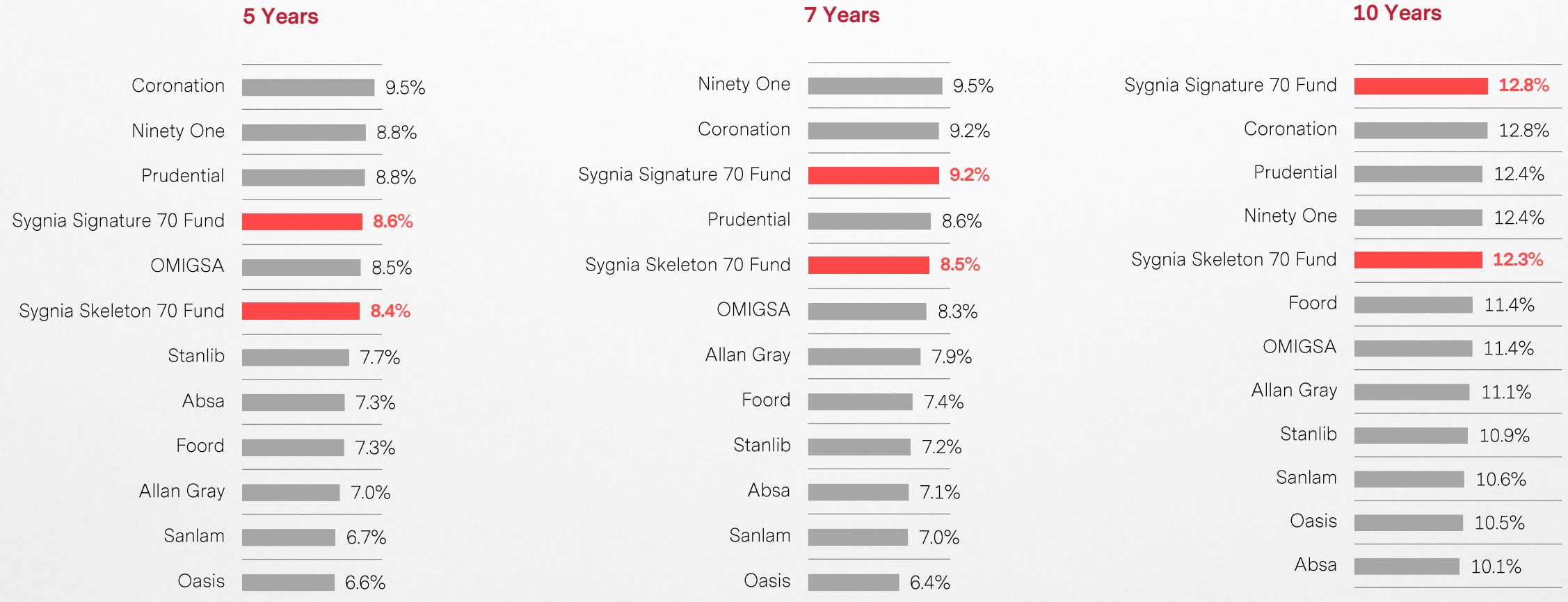
(Source: Alexander Forbes Global Large Manager Watch™ survey and published data/fact sheets)



Investment Performance

Large manager global balanced portfolios to 30 September 2021

(Source: Alexander Forbes Global Large Manager Watch™ survey and published data/fact sheets)



Trading

Overall variable revenue down year-on-year

- Mixed performance across three business lines

Securities brokerage

- Trading activity higher with some transition opportunities
- Revenue 13.7% up over prior year

Securities lending (Institutional business)

- Borrowing demand down ~14%
- Revenue half prior year

Foreign exchange transacting

- Less activity and fewer transition opportunities
- Revenue 5.8% lower than prior year



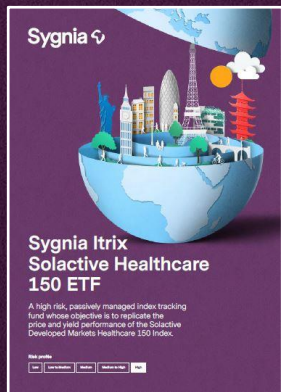
Sygnia Itrix

Second largest ETF manager in South Africa

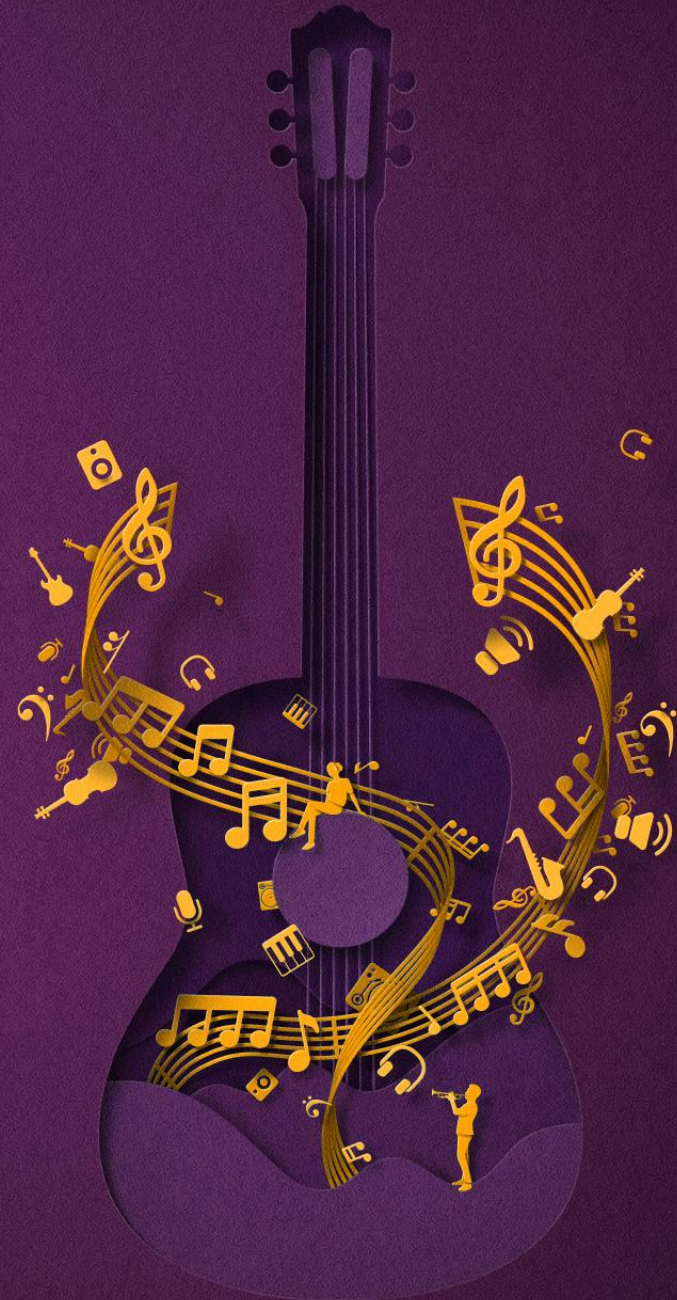
- Largest provider of international ETFs
- AUM as at 30 September 2021 **R30.9bn** (2020: R23.1bn)
- 12-month net inflows **R4.0bn**

Innovation thriving at Sygnia

- Three new ETFs launched taking range to 13 funds
- More to come: Sustainable Technologies and New China Sectors



Convenient access to whole markets
with a single investment



Successful empowerment

Ulundi Staff Share Scheme

- Vendor-financed scheme established in 2013
- ~6% shareholding of Sygnia group
- For all black staff employed for more than one year

Positive impact on lives

- Unwound scheme towards financial year-end @ R16 per share
- 149 staff rewarded at an average of ~R470,000 per beneficiary





Financial highlights

Consolidated statement of profit and loss

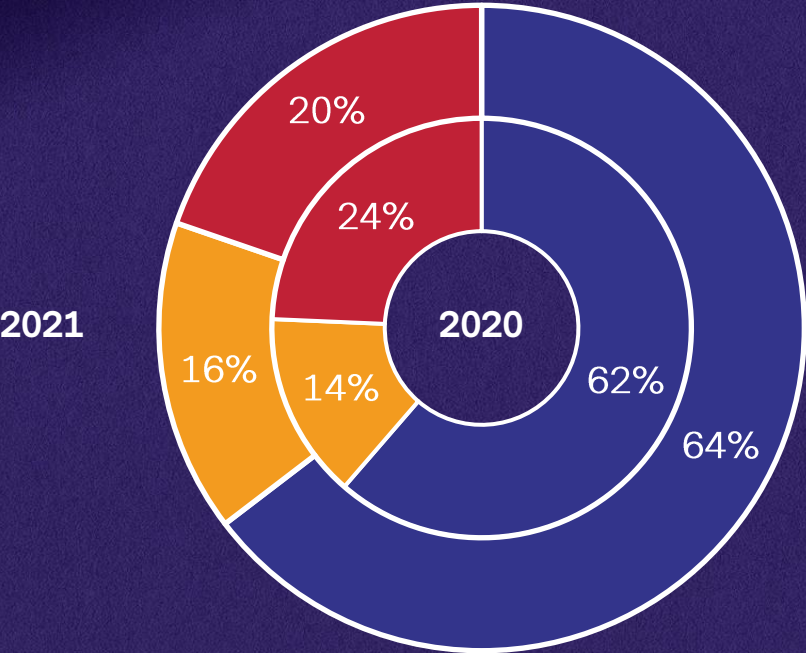
R000s	30 September 2021	30 September 2020	Change
Revenue	737 198	661 009	11.5%
Expenses	(411 885)	(381 886)	7.9%
Profit from operations	325 313	279 123	16.5%
Interest income	19 595	26 315	(25.5%)
Other investment income	4 156	8 536	(51.3%)
Finance costs	(12 437)	(16 408)	(24.2%)
Profit before tax	336 627	297 566	13.1%
Income tax	(95 680)	(91 484)	4.6%
Profit after tax	240 947	206 082	16.9%



The value of a diversified and resilient business model

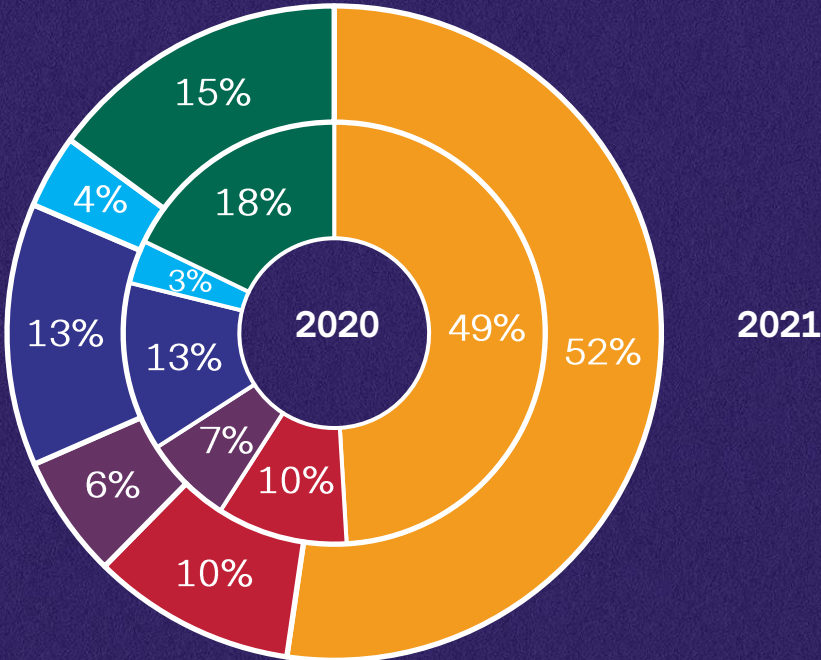
Revenue and expense analysis

Revenue



- Management fees
- Administration fees
- Trading income

Expenses



- Staff costs
- Professional fees
- Rental
- Management fees, tracking fees and trading costs
- Marketing
- Other

Earnings per share and dividend

	30 September 2021	30 September 2020	Change
Basic earnings per share (cents)	170.7	146.4	16.6%
Headline earnings per share (cents)	170.7	146.4	16.6%
Dividend per share (cents)	135.0	110.0	22.7%
Shares in issue			
Shares in issue	149 633 224	148 402 374	0.83%
Weighted average number of shares	140 825 446	140 790 102	0.03%
Diluted weighted average number of shares	144 795 287	143 441 220	0.94%

Record dividend of 135 cents

An abstract graphic featuring a profile of a human head. The head is composed of several overlapping, layered shapes in shades of purple and blue, creating a sense of depth and movement. The background is a dark, textured blue. The text "Looking ahead" is positioned on the left side, and the Sygnia logo is in the bottom right corner.

Looking
ahead

Sygnia 

Concluding remarks

Record numbers

- Nearing R300 billion AUMA milestone
- Strong retail and institutional AUM flows
- Best-ever profit

Continued top quartile peer-relative investment performance

Unchanged strategy

- Clarity of focus on AUM growth, service excellence, innovation, operational efficiencies, and risk management
- Well positioned for a new investment paradigm

Turning ordinary savers into
extraordinary investors



Sygnia 

Sygnia well positioned for new paradigm

1

Low-cost passive investing

- Investors more fee sensitive
- Index tracking has won the performance debate
- SA investors turning to passive for low-cost beta

2

Risk management

- Active tactical asset allocation

3

Alternative investment strategies

- Search for alpha that is uncorrelated to market
- Investor preferences are changing

4

Thematic investing

- Exposure to mega-trends and disruptive innovation
- 4th Industrial revolution, FAANG Plus, Health Innovation, and Emerging Markets funds. With more to come.



Sygnia 

Q&A



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Sygnia Financial Services: CAT I/II/III LISP and approved Section 13 B Administrator (FSP Registration No. 44426)
Sygnia Securities: CAT I FSP and member of the JSE (FSP Registration No. 45818)

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