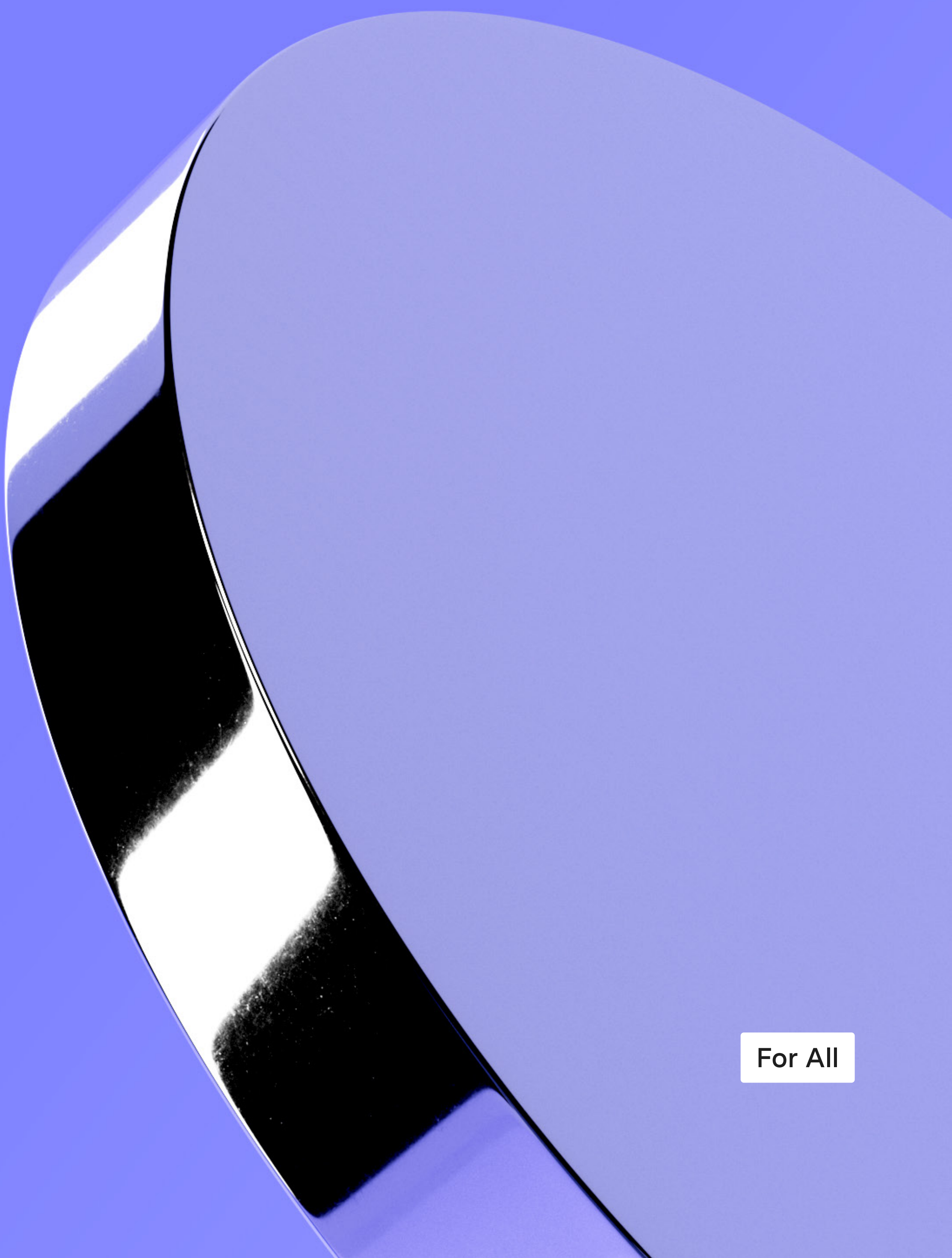
Sygnia

Integrated Report 2024



For All

Contents

Highlights

For the year ended 30 September 2024

Assets under management and administration

R350.1bn ↑ 10.1%

2023: R318.1 billion

Revenue

R946.0m ↑ 12.1%

2023: R843.9 million

Profit after tax

R347.2m ↑ 15.6%

2023: R300.4 million

Basic earnings and headline earnings per share

229.1c ↑ 15.2%

2023: 198.9 cents

Total dividends per share

217c ↑ 3.3%

2023: 210 cents

Scope of the integrated report

This report is designed to communicate Sygnia's objectives, value creation proposition and business sustainability to all stakeholders to enhance their understanding of the Group.

Introduction

Sygnia Limited, which includes all its subsidiaries ("Sygnia" or "the Group"), is pleased to present its 2024 Integrated Report covering the performance of the Group from 1 October 2023 to 30 September 2024. This report provides an overview of the Group's financial, governance, environmental and social components for stakeholders to assess the Group's ability to create and sustain value over the short, medium and long term.

Framework and guidelines

The 2024 Integrated Report was compiled in accordance with the International Integrated Reporting Framework ("IIRF"), discussion papers issued by the International Integrated Reporting Council ("IIRC") and the Integrated Reporting Council of South Africa ("IRCSA") and, as required by the applicable legislation, the report indicates how the Group has applied the principles of the King IV Report™ on Corporate Governance ("King IV"). The King IV principles were applied and explained as outlined in the relevant sections of this report.

The IIRC recommends reference to the six capitals or stores of value that a company can use in the production of its goods and services, namely: financial capital, human capital, intellectual capital, social and relationship capital, natural capital, and manufactured capital. Only the first four are regarded as relevant to Sygnia and are covered in this report.

The consolidated financial statements are prepared in accordance with IFRS® Accounting Standards (IFRS Accounting Standards), financial reporting pronouncements as issued by Financial Reporting Standards Council, the requirements of the Companies Act of South Africa, No. 71 of 2008, as amended ("the Companies Act") and the listings requirements of the Johannesburg Stock Exchange ("JSE").

Assurance

The consolidated financial statements were audited by Forvis Mazars, whose unmodified opinion is included on page 59 of this Integrated Report.

Forward-looking statements

The 2024 Integrated Report includes forward-looking statements, which are subject to risks and uncertainties. Actual performance may differ significantly, so stakeholders should not place undue reliance on them. Sygnia will not update or revise forward-looking statements unless required by JSE listings requirements.

Statement of responsibility

The Audit and Risk Committee acknowledges its oversight responsibility, on behalf of the Board of Directors ("the Board"), to assess the integrity of this Integrated Report. The Audit and Risk Committee has accordingly applied its mind to the report and believes that it appropriately and sufficiently addresses all material issues and fairly presents, in all material respects, the integrated performance of Sygnia for the year ended 30 September 2024, within the scope and boundaries mentioned in the preceding paragraphs. The Audit and Risk Committee has recommended this Integrated Report to the Board for approval.

Board assurance and approval for publication

The Board has established processes and policies appropriate for Sygnia to ensure that the Group applies the principles outlined by King IV. The Board confirms the implementation of the King Code through the application of the King Code disclosure and application regime. The Board further confirms that Sygnia complies with the Companies Act in all material respects and is operating in conformity with its memorandum of incorporation. The Board is ultimately responsible for ensuring the integrity of the 2024 Integrated Report and has approved the final report.

The directors have applied their collective minds in the preparation and presentation of this report in accordance with the requirements of the IIRF and have satisfied themselves of the materiality, accuracy and balance of disclosures in terms of the performance of Sygnia for the year ended 30 September 2024.

The 2024 Integrated Report was approved for publication by the Board on 4 December 2024.

Haroon Bhorat
Chairperson

Magda Wierzycka
Chief Executive Officer

Chairperson's report

At the time of writing, the world economy has entered a potentially crucial inflection point after the US Federal Reserve reduced interest rates at its September 2024 Federal Open Market Committee meeting. All economic data – and indeed Fed chairman Jerome Powell himself – suggest further reductions in the Fed rate, although the size and number of cuts are perhaps being too aggressively forecast by most punters. This may reflect the collective desperation of investors searching for growth and yield in the US and world economy after years of strangling interest rates and accepting the higher-for-longer thesis at the beginning of 2024.

Haroon Bhorat
Chairperson

The generous 50 bps rate cut is the first cut after 11 increases between 2022 and 2023, when the Fed raised the interest rate from below 0.1% to over 5%. The key aim is to moderate inflation while simultaneously achieving a soft landing, thus avoiding negative real economy consequences such as severe unemployment and a recession. This soft landing, which Princeton economist Alan Blinder calls “the holy grail of monetary policy”, is in sight for Powell and his team.

But while these interest rate cuts will give all economies a reprieve, a few key drivers have shaped global growth over the last year and are likely to continue to predict economic growth outcomes and investor returns over the next year. These core factors are the slowdown in global growth, patterns of deglobalisation amidst rising protectionism, and escalating geopolitical conflicts.

World economic growth will hover in the 2.4–2.6% range for 2024 and 2025, well below the 20-year (2000–2019) average of 3.8%. It is clear that we are witnessing the equivalent of a three-year correction for the global economy as it seeks to fully exit the pandemic. But global returns remain too dependent on the United States (US): while the US has grown at 2.5%, the European Union (EU) and Japan are growing at a paltry 0.5%. China’s slowdown has continued as it struggles with a debt overhang in the housing market and with slow global export demand amidst sluggish consumer demand. What was once the world’s growth engine has gone in for “servicing” – at least for the 2023–2024 period.

Reinforcing this low growth has been a return to protectionism, driven principally by the nationalism of Donald Trump. Under his leadership, the US Congress moved from proponents of free trade to being strongly protectionist – in Trump’s first term, US import tariffs increased on average from 2.6% to 16.6% on 12 043 products, covering $303bn (12.7%) of annual US imports.

The Trump administration also set tariffs of 25% on 818 categories of goods imported from China worth $50 billion. The EU and China followed suit, launching a period of rising trade protectionism that at times has threatened to spill over into a global trade war. This is bad for final consumers, inflation and, ultimately, global economic growth. Given Trump's strong victory in the November elections, we can expect much more policy agitation in relation to tariffs, taxes, immigration, climate change policy reversals and deregulation. Watch this space!

The final key trend to consider for 2024 is the re-emergence of near-conflict, such as in the Taiwan Straits, or open war, as in Ukraine and the Middle East. The latter two open conflicts threaten to destabilise the world economy by increasing energy prices and/or food prices. While the fallout has been contained in 2024, the next year promises further uncertainty for commodities ranging from grain to oil.

"World economic growth will hover in the 2.4–2.6% range for 2024 and 2025, well below the 20-year average of 3.8%. This three-year correction reflects the global economy's path to fully exit the pandemic, with growth still heavily reliant on the US, while regions like the EU, Japan and China struggle to keep pace."

While South Africa started off in a weak investment position over the reporting period for Sygnia's financial year, driven in large part by negativity around elections and the slow pace of economic growth, the post-election period has brought much promise. In lockstep with the US Fed, we have seen a reduction in interest rates as inflation comes into range, and economic growth seems to be slowly ticking up. A key event here is the government of national unity (GNU), which explicitly excludes the populist parties of Jacob Zuma and Julius Malema. The markets responded positively to the ANC's preference for rule with constitutionalists, so government's economic policy can be pursued without concerns of a populist cabinet fuelling investment uncertainty. We have also had no load shedding for five months – though this has as much to do with households moving off the grid as it does with Eskom's turnaround. And as is clear from new regulations and management decisions at state-owned enterprises, government is very open to working with the private sector. While still balking at the outright privatisation of state assets, the GNU seems willing to exploit opportunities for cooperation with the private sector, which bodes well for our short-term growth turnaround.

With the South African Reserve Bank's (SARB's) projection of a positive growth kick from the launch of the two-pot retirement system, 2024 may end on a relatively positive note. Much remains to be done, but at this stage even baby steps are beneficial for South Africa.

Risks for South Africa remain – key among them our debt-to-GDP ratio, which is one of the highest in the developing world. With the National Treasury team at the helm, though, this situation is unlikely to place us on the cusp of fiscal dominance. More worrying is the possibility of a breakdown in the fledgling GNU partnership – a turn to populism (already being gingerly tested in Gauteng) would deliver us back to where we were under Zuma's presidency. May we never return there!

Even in this soft economic environment, we can still report a solid R350.1bn of assets under management as at 30 September 2024. We remain focused on growing the business and maintaining high levels of service and unique product offerings to our ever-expanding client base. Sygnia remains very well set for the future under the guidance of a strong and focused executive team ably led by our Chief Executive Officer, Magda Wierzycka.

As Chairman and long-time champion of Sygnia, I would like to take this opportunity to thank the management team and all Sygnia staff for their dedication and commitment to delivering this sterling set of results. Finally, I thank my fellow Board members for their ongoing guidance and sage assistance in meeting the strategic objectives of the business.

Chief Executive Officer's report

For the first time in over a decade, we enter the new financial year excited about South Africa's future. Despite many challenges, the new government, representative of our rainbow nation, has an opportunity to revive the country's economic and global standing. Against that background, we are also excited about Sygnia and its future prospects. Building on solid foundations, we are well-positioned to capitalise on the positive momentum across all our business pillars.

Magda Wierzycka
Chief Executive Officer

"An exciting development in the past year has been the unveiling of a first AI-driven chatbot in the financial services industry in South Africa - SygniaChat. Available on our website, SygniaChat has already had many engaging conversations with our visitors."

Personal comment

I want to start by saying a personal goodbye to two giants of the struggle for democracy: Pravin Gordhan and Tito Mboweni. South Africa would not be where it is without their personal sacrifice and dedication. In the timeless words of Bruce Springsteen:

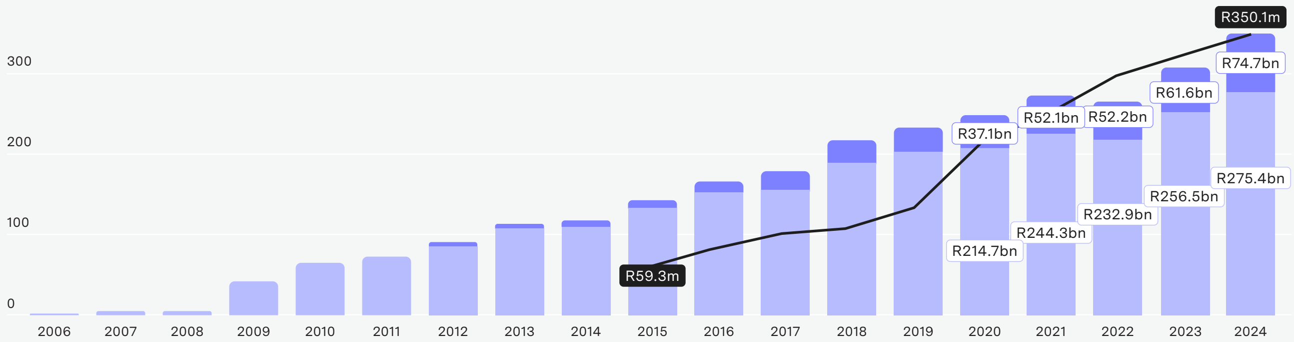
When all our summers have come to an end
I'll see you in my dreams
We'll meet and live and laugh again
I'll see you in my dreams
Yeah, up around the river bend
For death is not the end
And I'll see you in my dreams

Overview of 2024

In 2024, South Africa stands at a pivotal post-election moment – the government of national unity (GNU) has infused many with renewed optimism about the country's future. The political landscape has shifted with this government – disorganised and inelegant as it might be – that for the first time in 30 years represents many political voices and opinions (though how long the newly forged alliances can last remains to be seen). It is unfortunate that the GNU still includes members of the "rogue's gallery" that engineered State Capture, but this cabal is now a shadow of its former self. It will take some time for the ANC to get used to the new reality that country policy and party ideology are no longer the same thing. It can no longer make unilateral decisions that ignore optics, such as siding with Russia or its unequivocal support for NHI in its current form. And finally, there is some political entertainment in watching musical chairs play out as members of the EFF jump ship to the MK Party.

One of the most notable national developments is the unexpected end of load-shedding, a burden on the South African economy for over a decade. The state utility, Eskom, has achieved this miracle by restarting several coal-powered power stations, climate change commitments be damned. However, this move, while controversial, is seen as necessary to stabilise the economy

Assets under management and administration



in the short term while renewable energy projects ramp up. The end of load-shedding is anticipated to have a positive effect on various sectors, particularly manufacturing, mining and small businesses, as well as bring back tourists and foreign investors. As to the latter, the South African Reserve Bank and other regulators are making a valiant effort to remove South Africa from the Financial Action Task Force's grey list, but the end is not yet in sight. South Africa's economic recovery depends on how quickly and effectively reforms are implemented, the corrupt are prosecuted and political stability is maintained.

South Africa is a small player on the global stage, and our future prosperity is closely tied to that of economies such as the US and China – as are the equity and bond markets and the rand. The US economy has shown resilience in 2024, and with inflation falling, the Federal Reserve has started cutting interest rates, providing a boost to the markets. This is a welcome change from the AI boom being the only driver of equity returns.

Meanwhile, China is focusing on transitioning its economy from investment-led growth to a more sustainable model based on domestic consumption and innovation... but has so far failed to convince investors. China has not recovered from the effects of the pandemic, nor has it managed to shake off the effects of its property market implosion. Massive government stimulus has not been sufficient to mobilise investors' interest, with China turning to cheap exports to revive growth. A decade ago, when growth and demand for commodities boosted our economy, an alignment with China made economic sense. As it continues to struggle with economic recovery, however, the benefits are less tangible.

The election of Donald Trump as the next President of the United States poses a significant challenge for South Africa, and it is time to choose our allies carefully. We are squarely in the original BRICS camp – aligned with China and Russia and "neutral" with Iran . North Korea has also entered the stage now, helping Russia fight in the Ukraine. As we know from his last administration, Trump has little time for Africa generally, and he will have no time for South Africa. Although suspending South Africa from the benefits of the African Growth and Opportunity Act is largely insignificant, it tarnishes South Africa's international standing – particularly when its bedfellow is grey-listing. With this hanging over our heads, the investment thesis for foreign investors of any material size, particularly those hoping to curry favour with Trump, is getting weaker.

So what should the South African government be doing? It is probably best to follow India's example and work much harder at "staying neutral". It is not what you say but what you do that matters.

Overall, 2024 turned out to be a year of political renewal for South Africa. With Trump in charge of the world's largest economy, it is fair to say that we should expect the unexpected, but I hope that 2025 is a pivotal year in shaping South Africa's economic recovery and growth trajectory for the coming years.

Business performance

The past year has been characterised by sentiment-driven volatility. Against that background, Sygnia continues to deliver pleasing results, with its assets under management and administration (AUMA) ending September 2024 at R350.1bn (2023: R318.1bn).

Our Sygnia Skeleton unit trusts – passively managed risk-profiled balanced portfolios suitable for all – have passed their 10-year benchmark with stellar results. They are a clear testament that after all fees and costs, index-tracking funds win the game.

Fund	Sygnia Skeleton Balanced 40 A	Sygnia Skeleton Balanced 60 A	Sygnia Skeleton Balanced 70 A
1 Year	49th out of 147	39th out of 98	90th out of 217
3 Years	30th out of 141	27th out of 89	83rd out of 195
5 Years	12th out of 130	11th out of 80	54th out of 177
7 Years	7th out of 115	7th out of 67	25th out of 158
10 Years	5th out of 70	4th out of 47	16th out of 89
Since inception	4th out of 65	3rd out of 45	10th out of 78

AUMA as at 30 September 2024

R350.1bn

2023: R318.1 billion

Our focus on thematic investing continues to attract new business flows, with funds focused on technology and healthcare. Against the background of AI-driven enthusiasm for the “Magnificent Seven” technology companies, the Sygnia FANG.AI and Sygnia 4th Industrial Revolution funds are the clear winners. The Sygnia FANG.AI Equity Fund (Class A) has delivered *38.6% return over the past year, *20.2% over three years and *28.6% over five years.

*Annualised performance.

Sygnia is comprised of four business pillars supported by a strong operational foundation. These pillars are asset management (passive and multi-management), institutional administration, the umbrella funds offering and a retail division.

With R350.1bn in AUMA, and with another R70bn in secured assets under administration, we are poised to exceed R400bn, a massive milestone for Sygnia.

On the institutional side, Sygnia is well-positioned for continuing institutional market net outflows. As more stand-alone funds continue to collapse into umbrella funds, the Sygnia Umbrella Retirement Fund (“SURF”) has seen significant growth in both its assets and the number of participating employers. At R17.4bn (2023: R13.6bn), SURF is the sixth-largest umbrella fund in South Africa. Competing against insurance giants in that space, SURF continues to win new business based on client service, pricing and administration excellence.

The two-pot retirement system has had an immaterial impact on Sygnia, with the number of claims exceeding 6 500 but only amounting to R112 million in outflows.

Our institutional administration business continues to be regarded as a leader in South Africa, with Sygnia winning appointments of over R70bn in the past year. The assets are in the process of transitioning to Sygnia’s platform. Although the management fees relating to administration are modest, Sygnia will benefit from the economies of scale built into its business model. Overall, Sygnia’s institutional AUMA has grown to R275.4bn (2023: R256.5bn).

Our retail business is a key growth driver and has attracted net inflows of R3.1bn for the 2024 financial year (2023: R1.0bn). We are extremely pleased with this result given the difficult market conditions, where the high cost of living is eroding savings.

Independent financial advisors and discretionary fund managers remain our key business development focus areas. Sygnia’s retail assets under management (AUM) increased to R74.7bn from R61.6bn in the prior year.

Sygnia Itrix, our ETF product range, ended the year with R43.9bn in AUM (2023: R37.2bn), making Sygnia the second-largest ETF provider in South Africa. In line with our reputation for innovation, we launched one of the first actively managed ETFs in the country, the Sygnia Itrix FANG.AI Actively Managed ETF.

Investment performance is not predictable, but we are confident that the philosophy of our investment team, which has served our clients well over time, will continue to deliver competitive long-term value.

Overall, group revenue increased by 12.1% to R946.0 million (2023: R843.9 million). Our expenses increased by 9.9% to R508.7 million (2023: R462.8 million) on the back of an increased investment in staff.

Sygnia continued its growth trajectory, with an after-tax profit increase of 15.6%, to R347.2 million for the year ended 30 September 2024 (2023: R300.4 million). Basic and headline earnings per share increased to 229.1 cents (2023: 198.9 cents).

Dividend

The overall performance of the Group has enabled the Board to declare a final dividend of 127 cents (2023: 123 cents), bringing our total dividend for 2024 to 217 cents (2023: 210 cents).

Total dividend per share

217 cents

2023: 210 cents

Looking ahead

The Group’s strategy for delivering value to shareholders is guided by our vision of turning ordinary savers into extraordinary investors. Recognising the need to consolidate assets, we are moving past the era of organic growth to one in which we are open to making strategic acquisitions should suitable opportunities present themselves.

In closing

Our achievements are a function of the efforts of our extraordinary staff, committed management and supportive Board of Directors. I thank them all. My final thank you goes to all our clients, who support our vision of saving for a secure future.

Our Group

The Sygnia Group comprises the holding company, Sygnia Limited (listed on the main board of the Johannesburg Stock Exchange ("JSE") and the A2X exchange) and its subsidiaries, and is regulated by the Prudential Authority, the Financial Sector Conduct Authority, the JSE and the UK Financial Conduct Authority.

Sygnia Asset Management Proprietary Limited (“Sygnia Asset Management”)
An asset management company that provides the following services and products to institutional and retail clients:

- Multi-manager investment solutions
- Specialist and balanced index-tracking solutions
- Management and administration of custom-designed investment strategies
- Transition management
- Investment administration.

Sygnia Life Limited (“Sygnia Life”)
A life insurance company with a licence limited to issuing linked investment policies, used for the purposes of structuring pooled, unitised investment portfolios and for issuing sinking fund policies and living annuities.

Sygnia Collective Investments (RF) Proprietary Limited (“Sygnia Collective Investments”)
A management company that offers a range of single manager, multi-manager, fund of funds and index-tracking unit trusts to the institutional and retail market.

Sygnia Capital (RF) Proprietary Limited (“Sygnia Capital”)
An entity registered for the purpose of issuing preference shares for the partial funding of the acquisition of Sygnia Itrix.

Sygnia Itrix (RF) Proprietary Limited (“Sygnia Itrix”)
A management company that offers a range of exchange traded funds listed on the JSE.

Sygnia Securities Proprietary Limited (“Sygnia Securities”)
An “agency-only” stockbroker that does not engage in proprietary trading. It is used for Sygnia’s index-tracking funds and transition management and also provides securities-lending services.

Sygnia Securities Nominees (RF) Proprietary Limited ("Sygnia Securities Nominees”)
A nominee company for Sygnia Securities.

Sygnia Financial Services Proprietary Limited (“Sygnia Financial Services”)
A linked investment service provider company that offers investment administration services and savings products (retirement annuities, living annuities, preservation funds, investment policies and tax-free savings accounts) to the retail market.

Sygnia Nominees (RF) Proprietary Limited (“Sygnia Nominees”)
A nominee company for Sygnia Financial Services.

Sygnia Benefit Administrators Proprietary Limited (“Sygnia Benefit Administrators”)
An employee-benefits administration company that offers liability administration services to institutional investors and that sponsors the Sygnia Umbrella Retirement Fund offered to the institutional market.

Sygnia Holdings UK Limited (“Sygnia UK”)
A group structure registered in the United Kingdom (UK) to house the individual operating entities registered for the purposes of expansion into the UK.

Sygnia Asset Management UK Limited (“Sygnia Asset Management UK”)
A wholly owned subsidiary of Sygnia UK that provides investment advisory services and support services and operates as a general partner to a UK partnership.

WealthFoundry Proprietary Limited (“WealthFoundry”)
A linked investment service provider (LISP) company that offers investment administration services and savings products (retirement annuities, living annuities, preservation funds, investment policies and tax-free savings accounts) to the retail market. This company is 51%-owned by Sygnia Limited.

100%	Sygnia Asset Management			
100%	Sygnia Life			
100%	Sygnia Collective Investments			
100%	Sygnia Capital	→	100%	Sygnia Itrix
100%	Sygnia Securities	→	100%	Sygnia Securities Nominees
100%	Sygnia Financial Services	→	100%	Sygnia Nominees
100%	Sygnia Benefit Administrators			
100%	Sygnia UK	→	100%	Sygnia Asset Management UK
51%	WealthFoundry			

Our business

Sygnia is a financial services group based in South Africa and the United Kingdom and is listed on the Johannesburg Stock Exchange and the A2X exchange. The Group focuses on the provision of investment management solutions and administration services to institutional and retail clients located predominantly in South Africa.

Introduction

Founded in 2006, Sygnia entered the institutional investment market with R2 billion under management on behalf of a few retirement funds. Today, Sygnia is the second largest multi-management company in South Africa, one of the two largest passive managers in the country and the largest provider of international exchange traded funds ("ETFs") in South Africa, with AUMA of R350.1bn as at 30 September 2024.

The Group employs 337 people across its Cape Town headquarters and its offices in Johannesburg, Durban and London.

Sygnia offers domestic and international multi-manager and index-tracking funds, customised investment strategy design and management, transition management and investment and liability administration services to institutional and retail clients. Institutional investors can access Sygnia's offerings directly, and employers can do so through the Sygnia Umbrella Retirement Fund ("SURF") on behalf of their employees. Retail investors have access to Sygnia-managed unit trusts and JSE-listed ETFs, either directly or through a comprehensive range of savings products accessible on the Sygnia LISP platform and various other LISP platforms. Our retail distribution strategy is supplemented by the Sygnia RoboAdvisor.

Our history

Sygnia's operations date back to 2003, when the founding shareholders of Sygnia started one of the first domestic funds-of-hedge-funds operations in South Africa and began developing systems suited to the administration of multi-manager investment portfolio structures. In the same year, those undertakings were acquired by African Harvest Proprietary Limited and Magda Wierzycka was appointed CEO of African Harvest. In 2006, the African Harvest group was split in two, with the active asset management division being sold to Cadiz Proprietary Limited and the passive asset management, multi-management, funds-of-hedge-funds, and software development divisions being sold to the original founding shareholders. The latter entities commenced operating under the Sygnia brand name on 1 November 2006.

Sygnia has grown because of its strong relationships with many employee benefits consulting firms in South Africa, as well as with a multitude of independent financial advisory firms. Since inception, it has offered its clients flexible administration, superior investment performance, transparent charges, cost efficiencies, sophisticated analytical tools, and excellent client service.

Our purpose

Our purpose is **to turn ordinary savers into extraordinary investors.**

Our mission

It is our mission at Sygnia to make saving and investing simple, affordable, and accessible to all.

Our values

To successfully pursue our purpose and our mission, we live values that guide our actions, unite our people, and define our brand.

We help our clients prosper: We build products to help our clients save and invest successfully, knowing that the decisions we make have real-life consequences.

We believe in low fees: No hiding, no spin, and no waiting until we are asked. We are open about the fees we charge and proud that we can offer the best products and performance for much less.

We listen to our clients: Every day the world teaches us to stay humble and to put our clients first, because they give us some of our best ideas.

We listen to each other: We work well together, stay positive in the face of obstacles, and support each other.

We simplify complexity: Simplicity is the ultimate sophistication.

And we stand up for what's right: Every day the world teaches us to stay humble and to put our clients first, because they give us some of our best ideas.

Our operation

Every day the world teaches us to stay humble and to put our clients first, because they give us some of our best ideas.

- A client servicing pillar comprising three units, responsible for servicing institutional clients, employee benefits clients and retail clients.
- An investment pillar that manages the funds we offer our diverse range of clients.
- A business support pillar comprising information technology, human resources, finance, legal and compliance, risk management and marketing.

The Group's management team has a wealth of experience in the fields of asset management and retirement fund consulting and has a deep understanding of the institutional and retail markets in South Africa. It also has a successful track record of organically building entrepreneurial businesses and creating shareholder value.

Sygnia remains one of the most innovative financial services groups in South Africa. A combination of low fees, competitive long-term investment performance, original products and exponentially evolving and leading-edge technology is key to Sygnia continuing to grow its AUMA.

The Group focuses on disruptive business strategies, vertical integration of all operations to control pricing strategies, and innovation rather than imitation. Sygnia's strong culture of innovation and entrepreneurship has led to exponential growth over the past 18 years in the services it offers and the clients it attracts. That culture will drive the Group's continued focus on growing its footprint in South Africa.

Sygnia also recognises that the key to its past and future success is securing new clients and retaining existing clients. Consequently, we strive to build a client-centric culture across the Group and client service excellence is prioritised and embedded in every aspect of its interaction with external stakeholders.

Although the Group may acquire complementary businesses to enter certain sectors of the market faster and to build scale, organic growth remains central to its continued success.

2006 Sygnia enters the institutional market by reinventing the "multi-manager" proposition, with customised investment strategies underpinned by its leading-edge investment administration platform. It also launches the institutional Sygnia Signature range of multi-manager funds, blending actively managed strategies outsourced to third-party asset managers with in-house-managed passive strategies.

2012 The company launches the first South African passively managed multi-asset-class range of life funds - the Sygnia Skeleton funds. It also expands into the retail market with the launch of a range of multi-manager unit trusts.

2013 The Sygnia LISP platform is launched, offering retail investors a full suite of savings products, while the first passively managed range of balanced unit trusts in South Africa – the Sygnia Skeleton Balanced funds – is added to its unit trust offering.

2014 Sygnia Securities is launched to support the company's index-tracking and clients' transition management activities.

2015 Sygnia Limited lists on the Johannesburg Stock Exchange.

2016 Sygnia acquires the Gallet Employee Benefits Group to fast-track its entry into the umbrella retirement funds market, launching the Sygnia Umbrella Retirement Fund (SURF). It also launches the Sygnia RoboAdvisor, the first comprehensive internet-based financial planning tool in South Africa.

2017 Sygnia acquires db X-trackers from Deutsche Bank and renames it Sygnia Itrix, making Sygnia the largest provider of international exchange traded funds in South Africa.

2018 Sygnia lists on the A2X exchange.

2019 Sygnia expands internationally, opening an office in London.

2020 Sygnia reinforces its lead in thematic investing in South Africa with the launch of the Sygnia Oxford Sciences Innovation Fund and the Sygnia Health Innovation Global Equity Fund.

2021 The Sygnia Itrix range of ETFs is expanded by the addition of the Sygnia Itrix S&P Global 1200 ESG ETF, Sygnia Itrix MSCI Emerging Markets 50 ETF and Sygnia Itrix Solactive Healthcare 150 ETF.

2022 The listing of the Sygnia Itrix New China Sectors ETF and the Sygnia Itrix Sustainable Economy ETF takes the Sygnia Itrix range to 15 funds.

2023 Sygnia lists its first actively managed exchange traded fund (AMEFT), the Sygnia Itrix FANG.AI Actively Managed ETF on the JSE.

2024 The Sygnia Skeleton Balanced funds reach a 10-year milestone of outstanding investment performance.

Our business:
Institutional business

Iva Madjarova
Head: Institutional Business & SURF

"Sygnia's investment administration services set it apart from its competitors in the financial services industry due to its unique technology, which enables the Group to offer excellent value-for-money administration of complex multi-manager strategies."

Sygnia's institutional business provides a range of investment management and administration services to its client base, which comprises stand-alone retirement funds, participating employers in several umbrella retirement funds, medical schemes, insurance companies and charities, predominantly in South Africa. As at 30 September 2024, aggregate AUMA amounted to R275.4bn (including SURF), compared to R256.5bn a year ago.

Institutional capabilities

The institutional business provides the following services:

Multi-manager investment funds: The Sygnia multi-manager range of risk-profiled pooled investment funds blend passive and actively managed investment strategies. Passively managed strategies are largely managed in-house, while the actively managed components are outsourced to a range of third-party asset managers.

Index-tracking investment funds: Sygnia offers institutional clients passively managed domestic and international investment funds. These funds include risk-profiled global multi-asset-class or balanced strategies as well as specialist strategies and are offered as pooled products and as segregated client-specific accounts.

Customised multi-management: Sygnia offers institutional clients the option to design their own investment strategies according to the risk profile of their membership. Sygnia assists in the design of such strategies and implements, manages and administers the strategies as if they were stand-alone multi-manager funds.

Institutional AUMA as at 30 September 2024

R275.4bn

2023: R256.5 billion

Investment administration services: Sygnia provides multi-tier unitisation, compliance and regulatory reporting, optimised cashflow management and rebalancing, and performance analysis reporting to both stand-alone and umbrella retirement funds.

Foreign exchange transacting services: Sygnia's dedicated foreign exchange dealing desk enables us to eliminate the high costs associated with foreign exchange transactions within our own range of funds and for some of the Group's large investment administration clients.

Transition management: A combination of Sygnia's leading-edge investment administration systems and stockbroking services means that Sygnia can facilitate and manage transitions implemented by institutional clients, as well as offer hedging and other structured finance transactions.

Institutional funds

Sygnia is recognised as a leading multi-manager and provider of passive funds in South Africa, and consistent, superior, long-term performance across its flagship fund ranges (see below) ensures the continued support of large employee-benefits consulting firms and other established distribution channels.

Risk profile	Multi-manager funds	Passively managed funds
High risk	Signature 70	Skeleton 70
	Synergy 70	
Moderate risk	Signature 60	Skeleton 60
	Synergy 60	
Moderate to low risk	Signature 50	Skeleton 50
	Synergy 50	
Low risk	Signature 40	Skeleton 40
	Synergy 40	

Investment opportunities among stand-alone retirement funds are generally fewer, in line with the ongoing trend of employers of all sizes choosing to participate in umbrella funds. However, the Sygnia Signature and lower-cost Skeleton fund ranges are ideal default investment strategies for retirement funds that have not migrated to an umbrella fund.

Sygnia Umbrella Retirement Fund

The Sygnia employee-benefits pillar offers liability administration and consulting services to stand-alone retirement funds, and it sponsors the SURF offering to employer groups.

SURF offers employers access to an umbrella fund with in-fund preservation and annuitisation underpinned by its institutional investment funds and best-in-class service providers. Since its launch in 2016, SURF has challenged market convention by offering innovative solutions on the investment and administration fronts and an exceptional level of service on the consulting front.

SURF continues to enjoy good support from independent employee benefit intermediaries and is the sixth-largest commercial umbrella fund in South Africa by AUM. With more than 830 employers participating in the fund, SURF now manages over R18.4bn in assets (including committed assets awaiting regulatory transfer approval) on behalf of its 63 466 members.

SURF's growth reflects its status as an umbrella fund of choice in the independent intermediary market.

SURF AUM as at 30 September 2024 accounting for committed assets

R18.4bn

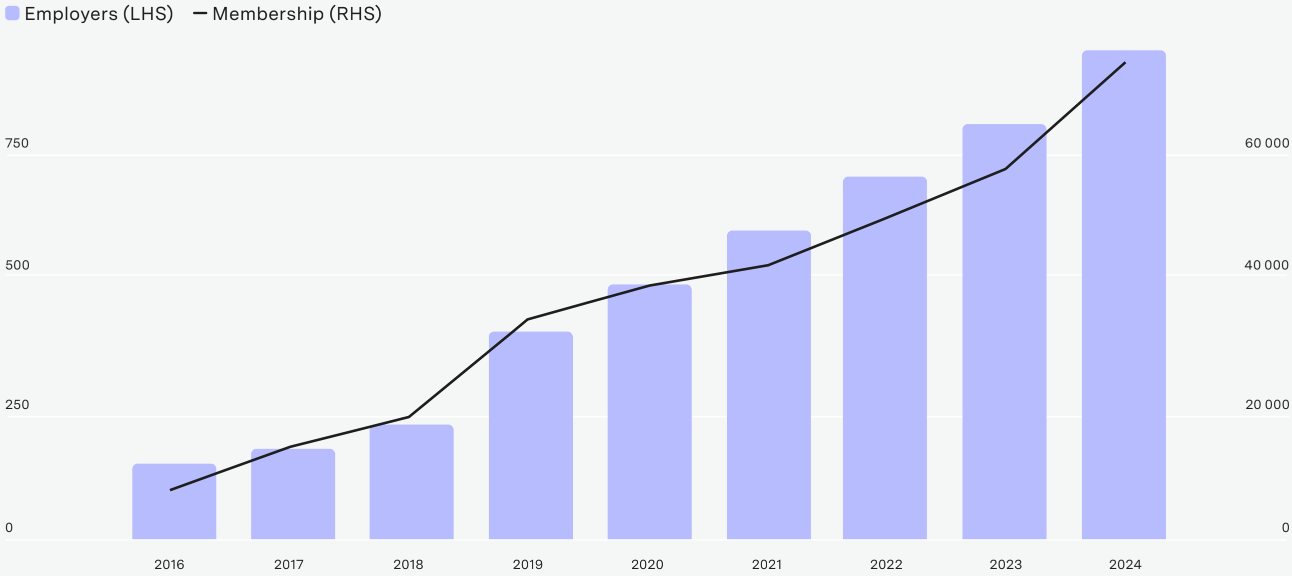
2023: R14.8 billion

Two-pot system

We focused considerable resources over the past year on preparing for the implementation of the two-pot retirement system. This included extensive staff training, ensuring that every team member was equipped with the knowledge and skills necessary to support employers and members and to handle any enquiries.

In addition to staff training, we placed a high priority on engaging with both employers and members. We dedicated significant time

Growth in participating employers and membership



and effort to creating clear and detailed communication materials designed to educate all stakeholders about the changes. These materials have been instrumental in helping employers and members grasp the key aspects of the two-pot system.
We hosted a series of member education sessions throughout the year, providing a platform to address questions and ensure that members understood the impending changes to their retirement plans. Substantial efforts were also made to ensure that all systems were updated and ready for the 1 September 2024 implementation.

Product enhancements

We continue to drive innovation in the umbrella fund space, enhancing flexibility for participating employers. Employers can now customise their investment strategies to better meet the specific needs of their members. To further broaden our offering, we have introduced two new lifestage model options, both of which have a proven track record at Sygnia: the Skeleton Pro Lifestage range, which employs a passive investment approach, and the Signature Pro Lifestage range, which blends both active and passive strategies. These options maximise offshore exposure within the limits set by Regulation 28.

SURF now offers three levels of flexibility designed to accommodate employers of different sizes. SURF Core is ideal for smaller employers with a lower asset base, providing a limited selection of investment options, standard communication, risk benefits and annual consultant engagement.
SURF Professional offers a broader range of investment choices, more frequent communication and regular engagement, while SURF Expert delivers full flexibility, allowing employers to tailor investment options, communication strategies, risk benefits and more to suit their specific requirements.

Industry consolidation

National Treasury's efforts to reduce the number of stand-alone retirement funds to fewer than 200 has placed a greater regulatory burden on boards of trustees but provides SURF with a significant growth opportunity as consolidation among stand-alone funds continues. The tighter industry cost-disclosure requirements serve as a boost to SURF's competitive cost and transparent pricing model, while its specialist design resolves some of the structural conflicts of interest inherent in many one-stop-shop offerings. In addition to the continuing trend of stand-alone funds moving into umbrella fund arrangements, many employers regularly review their existing umbrella fund participation, creating a vibrant secondary market within the umbrella fund industry.

Our business:
Retail business

Trisha Jorge
Head: Retail Business

"Our retail business continues to prosper because of the support of independent financial advisors, whose needs are always front of mind for us."

The Sygnia Linked Investment Service Provider ("LISP") retail platform is growing at a pleasing rate, with 52 380 investors using the platform as at 30 September 2024, compared to 46 248 at the end of the previous financial year.

Of those investors, 58% are advice-led and, significantly by industry standards, 42% are DIY investors – which speaks to our appeal to all types of investors. A wide range of Sygnia managed unit trusts and life funds and the Itrix range of exchange traded funds are available to those investors, either directly or through a comprehensive range of savings products (retirement annuities, living annuities, preservation funds, investment policies, direct investments and tax-free savings accounts). The Sygnia LISP platform also offers retail investors access to a comprehensive range of third-party unit trusts, exchange traded funds and exchange traded notes managed by external asset managers. Similarly, many of the Sygnia-managed funds are available on other LISPs.

Sygnia also offers investment planning services via its digital financial planning tool – the Sygnia Roboadvisor.
This internet-based tool comprehensively considers an individual's financial position and recommends an appropriate mix of passively managed investments best suited to an investor's personal circumstances and goals.

Retail AUMA as at 30 September 2024

R74.7bn

2023: R61.6 billion

Retail AUMA increased over the 12 months under review, from R61.6bn to R74.7bn as at 30 September 2024, with market appreciation of R9.9bn.

Looking ahead

The Sygnia retail business enjoys the support of a large group of independent financial advisors due to the competitive investment performance and cost-effectiveness of its range of conventional and innovative thematic funds. Sygnia's penetration of the independent financial advisory market continues to grow from year to year, as does its direct market share due to growing brand recognition.

The Sygnia LISP platform remains a central pillar of our strategy to drive growth and expand our retail offering. In a rapidly evolving market, we recognise the importance of technology that is agile, scalable and fully aligned with the needs of financial advisors and investors.

As part of this commitment, we have made the strategic decision to transition from relying on external providers to enhancing and developing our in-house Alchemy investment platform.

This shift grants us greater control over our technology, ensuring it can adapt swiftly to market dynamics and deliver robust solutions that meet the expectations of our stakeholders. To achieve these objectives, we are investing significantly in specialised skills, technology infrastructure and resources. Delivering exceptional user experiences across all touchpoints, our focus is on building a platform that not only provides seamless functionality but also reinforces Sygnia's reputation as a trusted partner in wealth management.

Multi-manager funds	Passively managed funds	Index-tracking funds	Single manager funds
Sygnia CPI +2% Fund ⬟	Sygnia Skeleton Balanced Absolute Fund ⬟	Sygnia Top 40 Index Fund ▲	Sygnia 4th Industrial Revolution Global Equity Fund ▲
Sygnia CPI +4% Fund ●	Sygnia Skeleton Balanced 40 Fund ⬟	Sygnia Listed Property Index Fund ▲	Sygnia FANG.AI Equity Fund ▲
Sygnia CPI +6% Fund ■	Sygnia Skeleton Balanced 60 Fund ●	Sygnia All Bond Index Fund ◆	Sygnia Health Innovation Global Equity Fund ▲
Sygnia Enhanced Income Fund ◆	Sygnia Skeleton Balanced 70 Fund ■		Sygnia Enhanced All Bond Fund ◆
Sygnia International Flexible Fund of Funds ■	Sygnia Skeleton International Equity Fund of Funds ▲		Sygnia Money Market Fund ⬟
	Sygnia Skeleton Worldwide Flexible Fund ■		Sygnia Transnational Equities Fund ▲
			Sygnia DIVI Fund ■

Life funds

Sygnia Life Berkshire Hathaway Fund ▲	Sygnia Signature 40 Fund ⬟	Sygnia Skeleton 40 Fund ◆	Sygnia Synergy 40 Fund ◆
Sygnia Life Income Maximiser Fund ◆	Sygnia Signature 50 Fund ◆	Sygnia Skeleton 50 Fund ◆	Sygnia Synergy 50 Fund ●
Sygnia Life Transnational Equity Fund ▲	Sygnia Signature 60 Fund ●	Sygnia Skeleton 60 Fund ●	Sygnia Synergy 60 Fund ●
Sygnia Oxford Sciences Enterprise IPF Fund ▲	Sygnia Signature 70 Fund ■	Sygnia Skeleton 70 Fund ■	Sygnia Synergy 70 Fund ■
Sygnia Signature Pro 40 Fund ⬟	Sygnia Skeleton 40 Pro Fund ◆		Skeleton Global 30 Fund ⬟
Sygnia Signature 50 Pro Fund ◆	Sygnia Skeleton 50 Pro Fund ◆		Skeleton Global 50 Fund ◆
Sygnia Signature 60 Pro Fund ●	Sygnia Skeleton 60 Pro Fund ●		Skeleton Global 70 Fund ■
Sygnia Signature 70 Pro Fund ■	Sygnia Skeleton 70 Pro Fund ■	ProsperSA 70 Fund ■	Skeleton Global Equity Fund ▲

Exchange traded funds

Sygnia Itrix 4th Industrial Revolution Global Equity Actively Managed ETF ▲	Sygnia Itrix Top 40 ETF ▲	Sygnia Itrix MSCI World Index ETF ▲	Sygnia Itrix MSCI USA Index ETF ▲
Sygnia Itrix MSCI Emerging Markets 50 ETF ▲	Sygnia Itrix MSCI Japan Index ETF ▲	Sygnia Itrix Health innovation Actively Managed ETF ▲	Sygnia Itrix S&P 500 ETF ▲
Sygnia Itrix S&P Global 1200 ESG ETF ▲	Sygnia Itrix Euro Stoxx 50 ETF ▲	Sygnia Itrix New China Sectors ETF ▲	
Sygnia Itrix Global Property ETF ▲	Sygnia Itrix FANG.AI Actively Managed ETF ▲	Sygnia Itrix FTSE 100 ETF ▲	

Risk profile: ▲ High risk ■ Medium to high risk ● Medium risk ◆ Low to medium risk ⬟ Low risk

Our business:
Investments

Iain Anderson & Kyle Hulett
Co-heads: Investments

"Sygnia's investment process aims to grow clients' assets in a stable, consistent manner, prioritising lower short-term volatility and downside risk. Through rigorous quantitative analysis and tactical asset allocation, we deliver risk-controlled returns, outperforming benchmarks and achieving top-quartile performance across various funds."

The ultimate objective of Sygnia's investment process is to grow clients' assets in a stable and consistent manner over time. We believe that achieving this with lower short-term volatility and lower downside risk will, all else being equal, be a better experience for investors than experiencing greater volatility and more significant drawdowns, even if the ultimate long-term returns are similar. Investment in a well-constructed and managed portfolio allows investors to access returns in a risk-controlled manner.

We believe that in an emerging market such as South Africa, asset class and sector allocations are the main determinants of both risk and the ultimate returns of a portfolio. Consequently, Sygnia employs rigorous quantitative analysis processes to determine the optimised allocation of both to ensure that the client's risk and return profile is consistent with their expectations and their liability profile.

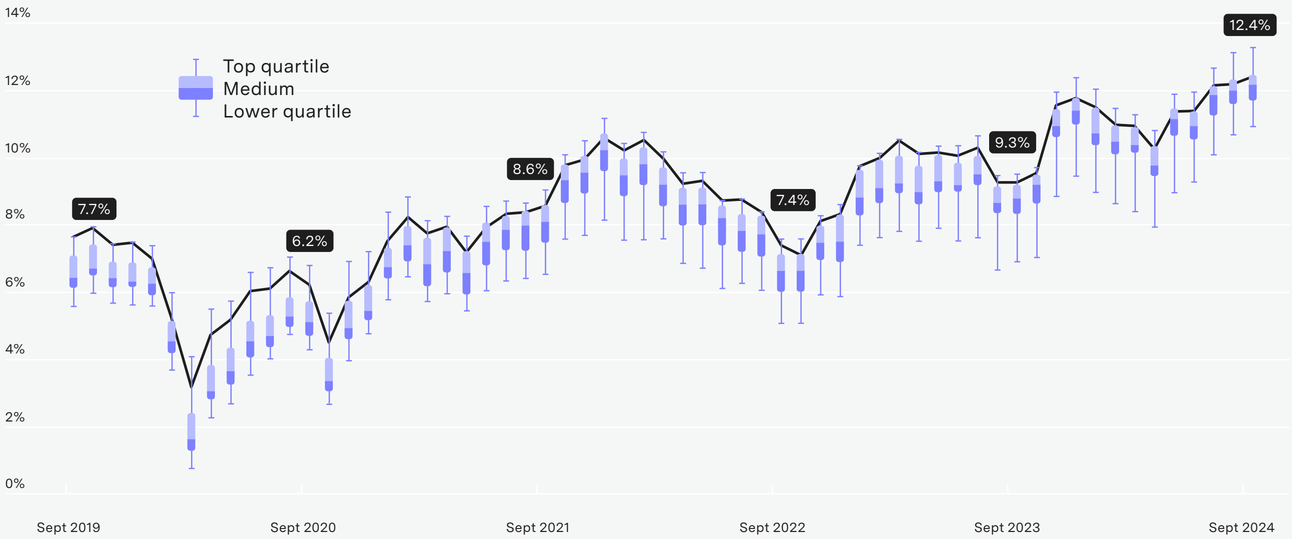
Furthermore, we believe in adding index-tracking funds, enhanced income funds and inflation-linked bonds to improve the overall risk and return characteristics of the investment strategies.

Extensive quantitative research into the performance behaviour of different asset classes and sectors over time, both local and international, inform the strategic asset allocation targets and bands we employ as the foundation for a range of different investment strategies, including benchmark-relative and absolute return-oriented strategies.

In addition, we believe that tactical asset allocation, within strict limits, adds significant value in periods of heightened volatility, when downside risk protection can generate exceptional returns.

Signature 70 vs AF Multi-Manager High Equity and BIV peers

Box and whisker plot: 60-month rolling returns



Source: Alexforbes Multi-Manager™ Survey (high equity and best investment view).

Fund	Ranking since inception	Category
Sygnia FANG.AI Equity	1st out of 50 unit trusts	Global – Equity – General
Sygnia 4th Industrial Revolution	6th out of 40 unit trusts	Global – Equity – General
Sygnia Skeleton International Equity FoF	12th out of 36 unit trusts	Global – Equity – General
Sygnia International Flexible FoF	6th out of 22 unit trusts	Global – Multi-Asset – Flexible
Sygnia Skeleton Balanced Absolute	15th out of 143 unit trusts	South African – Multi-Asset – Low Equity
Sygnia Skeleton Worldwide Flexible	4th out of 48 unit trusts	Worldwide – Multi-Asset – Flexible
Sygnia Skeleton Balanced 40	4th out of 65 unit trusts	South African – Multi-Asset – Low Equity
Sygnia Skeleton Balanced 60	3rd out of 45 unit trusts	South African – Multi-Asset – Medium Equity
Sygnia Skeleton Balanced 70	10th out of 78 unit trusts	South African – Multi-Asset – High Equity
Sygnia CPI + 2%	6th out of 54 unit trusts	South African – Multi-Asset – Low Equity
Sygnia CPI + 4%	1st out of 33 unit trusts	South African – Multi-Asset – Medium Equity
Sygnia CPI + 6%	6th out of 66 unit trusts	South African – Multi-Asset – High Equity
Sygnia Enhanced Income	27th out of 80 unit trusts	South African – Multi-Asset – Income
Sygnia Enhanced All Bond	8th out of 33 unit trusts	South African – Interest-Bearing – Variable Term

Source: Morningstar (as at 30 September 2024)

Performance

Our institutional flagship Signature multi-manager and passively managed Skeleton fund ranges outperformed their benchmarks 98% of the time over all periods and risk profiles. Compared to peers, the Sygnia Signature range is ranked first in the Alexforbes Multi-Manager Watch™ Survey across the fixed asset allocation risk profiles over the full time period of ten years to 30 September 2024, and the Sygnia Skeleton range similarly ranked first or second. The Sygnia Signature 70 Fund is consistently top quartile over three, five, seven and ten years against all single mangers' actively managed portfolios in the Alexforbes Global Large Manager Watch™ Survey, while the Sygnia Synergy 70 Fund is ranked first in the Alexforbes Multi-Manager Watch™ Best Investment View category over five, seven and ten years.

Our wide range of domestic and global funds, specialist index-tracking funds and risk-profiled Sygnia Skeleton Balanced unit trusts have continued to produce outstanding peer-comparable performance in the retail market since the funds' respective inception dates.

The Skeleton Balanced range is in the top quartile over the medium and long term, and the newer Zen funds have returned similarly impressive performances. The Enhanced Bond Fund is top quartile over three years, five years and since inception. The Money Market Fund is top quartile over one, three and five years.

Looking at our global funds, the FANG.AI Fund is not only top quartile over all time periods but is first over one year, five years and since inception. The Skeleton Worldwide Flexible Fund is top quartile over three, five, seven years and since inception. The 4th Industrial Revolution Fund has had a fantastic comeback and is top quartile over one year and since inception.

Product innovation

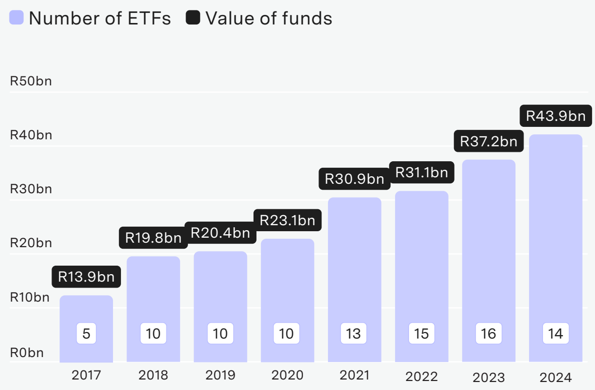
Since inception, Sygnia has been positioned as an innovative financial services group, always looking for new opportunities to create value for its investors. Sygnia remains a pioneer in investing directly into offshore markets, passing the cost savings on to our investors. Over the past 12 months, we have expanded the markets and themes we invest in.

We have transformed our Health Innovation ETF and 4th Industrial Revolution ETF into AMETFs, joining the Sygnia FANG.AI AMETF and completing our lineup of actively managed global thematic funds, offering investors access to our best ideas in these three themes through both unit trusts and AMETFs. For institutional investors, we have introduced the ProsperSA range of global balanced Regulation 28-compliant funds, which differs from our existing offerings by emphasising exposure to South African assets.

The range aims to capitalise on the country's promising future after the formation of South Africa's government of national unity, with a particular focus on providing capital to support infrastructure development and to benefit from the active management industry.

We continue to innovate in the umbrella fund space, enhancing flexibility for participating employers in the Sygnia Umbrella Retirement Fund. Employers can now tailor their investment strategies to better align with their members' needs. We have expanded our offering with two new lifestage model options with a proven track record at Sygnia: the Skeleton Pro Lifestage range, which follows a passive approach, and the Signature Pro Lifestage range, which blends active and passive strategies. These options maximise offshore exposure within the limits set by Regulation 28.

Sygnia Itrix exchange traded funds



Index tracking

Sygnia has a 17-year performance track record managing specialist index-tracking funds and has the longest South African track record managing risk-profiled multi-asset-class and international index-tracking funds. The Group will continue to offer superior service to harness the growing demand among institutional and retail investors for low-cost passive investment solutions.

The demand for local and international index-tracking strategies is expected to grow exponentially in South Africa, driven by the default regulation that obliges retirement fund boards of trustees to consider passive strategies, and by the Association for Savings and Investment South Africa (ASISA) Standards in respect of the disclosure of effective annual cost, total expense ratios and transaction costs, which came into effect for retail investors in 2016 and for institutional investors in 2019.

We have consolidated our range and deployed cost-saving initiatives for the benefit of investors. We employ specialists in equities, fixed interest, foreign exchange and money markets to manage the complexity of our funds, which trade across the globe on an almost continual basis on multiple exchanges.

Our business:

Securities

Michael Terry-Lloyd
Head: Securities

"Sygnia Securities' primary business is multi-product execution-only transactions on the JSE in support of Sygnia's index-tracking funds, retail clients and transition management services."

Sygnia Securities is the Sygnia Group's independent, cost-effective in-house broker and trading division. Its primary business is multi-product execution-only transactions on the JSE in support of Sygnia's index-tracking funds, retail clients and transition management services.

Sygnia Securities introduced a securities lending service six years ago, which is well-employed across the Sygnia institutional product suite. The product is also applied across the Group's large investment and administration client base and contributes many benefits to asset owners and to the Group as a whole.

Securities trading

The trading desk faced a challenging trading environment in 2024 as a result of lower-than-expected market turnover. The delisting and merging of various listed companies weighed on the domestic market, and changes in the regulatory environment had to be carefully navigated. While these factors affected equity trading revenue, they were balanced by consistent and continuous cash equities and futures trading. Our transition management services also contributed positively to the division's revenue.

Securities lending

The securities lending business unit enjoyed another year of favourable market conditions in 2024, with high interest rates and continued demand helping to drive revenue. Effective collateral optimisation and higher borrower utilisation rates contributed significantly to surpassing 2023 revenue numbers.

Revenue for the year ended 30 September 2024

+16.17%

versus 2023

Our business:
Stakeholders

Sygnia views clear and transparent engagement with all its stakeholders as vital to building sustainable and constructive long-term relationships. In preparing the 2024 Integrated Report, Sygnia aimed to identify and report on all matters material to its stakeholders (with materiality defined as any matter that can affect short-, medium- and/or long-term value creation by the Group).

Our shareholders	Our regulators
We are accountable to our shareholders to deliver on the Group's strategic goals and they, in turn, support the long-term growth of our business by investing in the Group.	Our regulators include the Financial Sector Conduct Authority, the Prudential Authority, the South African Revenue Service, the Financial Intelligence Centre, the Johannesburg Stock Exchange, A2X, the South African Reserve Bank and the UK Financial Conduct Authority.
Expectations • A compelling business model and clear growth path • A sustainable business over the long term • Sound corporate governance, compliance and risk management • Good corporate citizenship	**Expectations** • Regulatory compliance • Transparency • Active engagement on an ongoing basis • Acting in clients' best interests • Provision of commentary on proposed regulatory changes
Stakeholder engagement • Individual and group meetings with institutional investors • Annual general meeting • Stock Exchange News Service (SENS) announcements • Shareholders' section on the website • Integrated report • Clear and transparent policies and procedures, including those relating to environmental, social and corporate governance (ESG), corporate social initiatives, ethics and transformation	**Stakeholder engagement** • On-site visits by the regulators • Ongoing reporting to the regulators • Ad hoc discussions and engagement based on an open and transparent relationship with the regulators • Participation in industry bodies, including the Association for Savings and Investment South Africa (ASISA), the South African Institute of Chartered Accountants (SAICA) and the Actuarial Society of South Africa (ASSA) • Provision of commentary on draft legislation

Our clients	Our people
We help our institutional and retail clients achieve their investment goals through access to a wide range of savings and investment products. Our clients include a variety of intermediaries who are critical to the distribution of our products.	Our people are central to the ongoing success of the Group and to delivering service of the highest quality to our clients. In return, we offer them challenging and rewarding careers with the Group.
Expectations • Provision of appropriate investment and savings products to meet evolving needs • Access to an appropriate range of funds • Client service excellence and administrative accuracy • Regular and clear communication • Reasonable costs • Security of assets • Adoption of the principles of the Treating Customers Fairly framework	**Expectations** • Market-related remuneration • Performance recognition • Ongoing development and training • Career progression • Job security • Alignment of values and ethical and social standards
Stakeholder engagement • Dedicated client service team of investment and employee benefit professionals and client relationship managers • Regular client meetings and operational due diligence exercises • Quarterly report-back presentations to institutional clients • Monthly administration and investment reports, and fund fact sheets • Quarterly regulatory reporting • Access to daily investment and performance data (via the Sygnia Platinum Light portal for institutional investors and via the Sygnia Alchemy portal for retail investors) • Access to www.sygnia.co.za for comprehensive product descriptions and monthly performance reporting • Formal client complaints procedure • Monthly economic and market commentary • Access to free investment planning advice via the Sygnia RoboAdvisor digital financial planning tool	**Stakeholder engagement** • Market-related remuneration, including performance-based bonuses • Share option schemes for key staff members • Ongoing internal and external training and development • Financial support for approved study courses and regulatory exams • Performance management scorecards and appraisals • Team-building activities, company functions and other sponsored events • Business updates from the Chief Executive Officer • Clearly articulated codes of conduct, ethical standards and governance and risk policies

Corporate governance

Sygnia subscribes to responsible leadership, business sustainability, stakeholder inclusivity and the sound values of good corporate governance, integrity and ethical behaviour.

Our Board of Directors

Executive directors

Magdalena Wierzycka
Chief Executive Officer

Appointed: 17 September 2007

Rashid Ismail
Chief Financial Officer

Appointed: 1 September 2024
Member: Social and Ethics Committee

Magda Wierzycka is a Fellow of the Faculty of Actuaries and has served on the council of the Actuarial Society of South Africa. With over 28 years of asset management experience, she joined Southern Life in 1993, then worked at Alexander Forbes as an investment consultant. In 1997, she became Head of Institutional Business at Coronation Fund Managers. In 2003, she founded a fund-of-hedge-funds business, later sold to African Harvest, where she became CEO. After the sale of African Harvest in 2006, she led a management buyout and founded Sygnia, serving as CEO until becoming Group chairperson in 2021. Magda resumed her CEO role in May 2023 and is also a founding partner of Braavos Investment Advisers LLP and a senior adviser to Atlas Merchant Capital LLC.

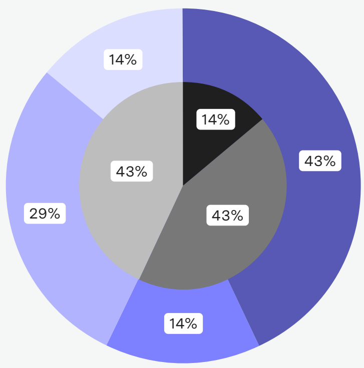
Rashid Ismail is a highly accomplished finance professional with over a decade of experience at Sygnia. He holds a Bachelor of Business Science in Finance and a Postgraduate Diploma in Accounting, both from the University of Cape Town, and is a qualified chartered accountant (CA (SA)). After completing his articles at Deloitte in the Financial Services team in 2012, Rashid joined Sygnia in 2013 as a Financial Manager. He was promoted to Head of Finance in 2017 and, in 2024, was elected Chief Financial Officer.

Joanna Corelli
Global Head: Marketing/Strategy

Appointed: 14 December 2023

Joanna Corelli has more than two decades of experience in marketing and has played a key role in the expansion of Sygnia Asset Management. She spearheads Sygnia's Marketing department, expanding assets from R4.7bn to over R350.1bn and introducing several key products. Her extensive background includes a role as Senior Producer at MTV Networks, where she innovated digital content strategies, along with various media production roles at major US networks. Holding a BA (Hons) in Art History from the University of Cape Town, Joanna began her professional journey at the South African National Gallery and the Market Theatre.

Age and tenure of the Board of Directors



Non-executive directors

Haroon Bhorat

Chairperson and Non-Executive Director

Appointed: 11 June 2015
Member: Social and Ethics Committee

Haroon Bhorat is a Professor of Economics and is the Director of the Development Policy Research Unit at the University of Cape Town. He obtained his PhD in Economics through Stellenbosch University, studied at the Massachusetts Institute of Technology and was a Cornell University research fellow. He is currently a member of the Presidential Economic Advisory Council, established in 2019 by President Ramaphosa to generate new ideas for economic growth and job creation and to address poverty in South Africa.

George Cavaleros

Lead Independent Non-executive Director

Appointed: 28 June 2019
Chair: Audit and Risk Committee
Member: Remuneration Committee

George Cavaleros was a partner at Deloitte until his retirement in 2015 after a career spanning 30 years. He is a chartered accountant, holds a Master of Commerce in Applied Risk Management (cum laude) and is a CFA charter-holder. George currently serves as an independent non-executive director on the board of Omnia Holdings Limited, a diversified chemicals group.

Jurgen Boyd

Independent Non-executive Director

Appointed: 29 July 2021
Chair: Remuneration Committee
Member: Audit and Risk Committee

Jurgen Boyd is a chartered accountant. He joined the Financial Sector Conduct Authority (FSCA) in November 2000 and retired as Divisional Executive for Market Integrity Supervision at the end of March 2021. He previously held roles in the private sector as an accountant, auditor, financial manager, business consultant and financial director. At the FSCA he was responsible for conduct oversight of market infrastructures, over-the-counter derivatives providers and rating agencies.

Aboubakar (Bakar) Jakoet

Independent Non-executive Director

Appointed: 7 August 2023
Chair: Social and Ethics Committee
Member: Audit and Risk Committee
Member: Remuneration Committee

Bakar Jakoet is a chartered accountant and an experienced director. He currently serves as a non-executive director on the board of Pick n Pay Stores Limited, having retired as Chief Financial Officer of Pick n Pay Stores Limited in 2019 after many years of service. He has held various positions, directorships and executive positions across the Pick n Pay group.

Role of the Board

Sygnia has a rigorous corporate governance framework in place, headed by its unitary Board of Directors (“the Board”) and several board committees. Responsibility for the maintenance of the corporate governance framework rests with the Board, supported by the Group’s Risk, Legal and Compliance departments and company secretarial department, as well as advice provided by external risk, legal, regulatory and compliance experts. The Board acts as the focal point for and custodian of corporate governance by managing its relationship with management, shareholders and other stakeholders of the Group along sound corporate governance principles.

The Board ensures that the Group is, and is seen to be, a responsible corporate citizen by having regard to not only the financial aspects of the business of the Group but also to the impact that business operations have on the environment and societies within which it operates.

The Board provides strategic input to management and approves the implementation of strategic plans to create sustainable value for all stakeholders. In creating such value, the Board is at all times governed by the need for ethical conduct, business sustainability, strong corporate governance and rigorous risk management. The Board has full and effective control of the Group, which is exercised through senior management and the subsidiary boards. The roles of the chairperson and the chief executive officer are separate. An approved Board charter regulates the directors’ obligations in respect of the Group, which ensures that no one director has unfettered power of decision making.

An approved delegation-of-authority framework articulates the Board's direction on reservation and delegation of power. The Board is satisfied that it has fulfilled its responsibilities in accordance with its charter. The Board is further satisfied that the delegation-of-authority framework contributes to role clarity and the effective exercise of authority and responsibilities. The Board meets a minimum of four times a year to review and discuss the performance of the Group, any strategic issues and other matters regarded as material. Material decisions may also be taken between meetings through written resolutions, as provided for in the Memorandum of Incorporation. The Board has approved the strategic direction of the Group for 2025.

Board composition

The Board is comprised of seven directors, of whom three are executive, three are independent non-executive directors and one is a non-executive director. The independence of non-executive directors is assessed by the Board on a regular basis. Directors are identified through a formal process and must be persons with sound ethical reputations and business or professional acumen. The Board must have, on an ongoing basis, an appropriate number and mix of individuals to ensure overall adequate levels of knowledge, skill and expertise at the Board level commensurate with the governance structure and the nature, scale and complexity of the Group's business.

During the year, the board welcomed Mr Rashid Ismail (previously Head: Finance) as Chief Financial Officer (1 September 2024) and executive director as well as Ms Joanna (Ashka) Corelli as an executive board member. Ms Niki Giles resigned as Chief Financial Officer (31 August 2024) and as an executive director.

To ensure the promotion of gender and race diversity, the Board's long-term aim continues to be to ensure that at least 50% of the Board of Sygnia is made up of black people and that at least one-third of the directors are women. Currently, 57% of the Board members are black and 29% are women, one of whom is the chief executive officer. The Board continues its efforts to improve its gender and racial diversity.

Company secretary

The Board selects and appoints the Company Secretary in recognition of the importance of this role in entrenching good corporate governance. All directors have unlimited access to the services of the Company Secretary, who in turn has access to appropriate resources in the provision of this support, such as obtaining independent professional advice on any issues that may arise. Ms Leanne van Wyk was appointed as Company Secretary on 5 July 2024 by the Board in accordance with the Companies Act and the JSE Listings Requirements. The Board is satisfied as to her competence, qualifications and experience. There is an "arm's length relationship" between the Board and the Company Secretary so that the objectivity and independence of the Company Secretary is not unduly influenced.

Conflicts of interest

Actual or potential conflicts of interest are inherent in the financial services industry. It is therefore essential that the Group be able to identify such conflicts and manage them fairly and appropriately. While not all potential conflicts of interest will manifest in actual conflicts, the very perception of bias can lead to a negative impression in the industry and result in reputational damage. Sygnia's Conflict of Interest Policy is adopted by the Board and applied throughout the Group. The policy provides guidance and mechanisms for the identification of conflicts of interest and to provide measures for the avoidance, disclosure, mitigation and/or management of such conflicts. The policy also regulates the relationship between the Sygnia Group and its employees and directors and its relationship with clients, suppliers, service providers and intermediaries.

The Group's Conflict of Interest Policy is available on Sygnia's website (www.sygnia.co.za).

Performance

The Board is responsible for the appraisal of its own performance, the performance of its committees and that of the Chief Executive Officer. A formal Board evaluation was performed in March 2024 and confirmed that the Board, its committees and the Chief Executive Officer are appropriate and effective.

Board committees

The Board has set up the following committees to assist in the process of monitoring the implementation of its adopted strategies and policies:

- Audit and Risk Committee
- Remuneration Committee
- Social and Ethics Committee.

All committees discharge their responsibilities on behalf of the company and its subsidiaries.

Meetings and attendance

The attendance and composition of directors at Board and committee meetings during the 2024 financial year is detailed below.

Board member	Board	Audit and Risk Committee	Remuneration Committee	Social and Ethics Committee
Magda Wierzycka	4 / 4			
Niki Giles *	3 / 3			1 / 1
Wojtek Wierzycki *	1 / 1			
Haroon Bhorat	4 / 4			2 / 2
George Cavaleros	3 / 4	4 / 4	2 / 2	
Jurgen Boyd	4 / 4	4 / 4	2 / 2	
Bakar Jakoet	4 / 4	4 / 4	2 / 2	1 / 1
Joanna Corelli #	3 / 3			
Rashid Ismail #	1 / 1			1 / 1

Appointed during the year. * Resigned during the year.

Audit and Risk Committee

The Group's Audit and Risk Committee ("ARC") is chaired by the lead independent non-executive director and consists of two other independent non-executive directors. The ARC meets four times a year and on an ad hoc basis as required. The ARC has decision-making authority in regard to its statutory duties and is accountable in this respect to both the Board and the shareholders. The ARC is required to assist the Board in discharging its responsibilities as they relate to the safeguarding of assets and the operation of adequate and effective systems, controls and risk processes. These responsibilities extend to the preparation by the executives of fairly presented integrated reports in compliance with all applicable legal and regulatory requirements and accounting standards.

The ARC assumes oversight responsibility for the governance of technology and information by recommending policy to the Board on the employment of technology and information, based on the approved Board strategy. The ARC is also responsible for ensuring that information and technology, insofar as they relate to financial reporting and the going concern status of the Group, are adequately managed. This includes ensuring adequate arrangements exist to provide for business resilience, including proactive monitoring of intelligence to identify and respond to incidents, including cyber-attacks and adverse social media events. This responsibility also extends to exercising ongoing oversight of the management of information, in particular, that results in the leveraging of information to sustain and enhance the Group's intellectual capital, information architecture that supports confidentiality, integrity and availability of information, the privacy and protection of personal information and the monitoring of the security of information and of the security culture within the organisation.

The ARC is also responsible for oversight of the external and internal audit functions, including appointments and terminations. The ARC's report can be found on page 56. Following the ARC's request for information from Forvis Mazars to assess the suitability of their appointment and that of the designated partner, the ARC recommended to shareholders the appointment of Forvis Mazars as external auditors and the approval of their terms of engagement. The ARC also confirmed the reappointment of PwC as internal auditors until the end of annual year 2027 and approved the internal audit plan for the Group. The ARC is satisfied that the Chief Financial Officer has the appropriate expertise and experience to perform the duties required of the position. The ARC ensures that the Group has established appropriate financial reporting procedures and that those procedures operate effectively.

The Board of Directors confirms that the ARC has executed its responsibilities.

Risk management

Effective risk management is essential for the Group to operate at a competitive advantage within its market. As risk is an unavoidable consequence of business activities, the purpose of risk management is to provide a framework within a sound risk culture in which management can operate.

This is crucial to the protection of stakeholders' interests, adherence to regulatory requirements, and the conservation of the long-term sustainability of the business.

Risk management requires expert knowledge, independent review and monitoring, and frequent communication to stakeholders. Risk management is an ongoing process that should ensure that resources are effectively employed to minimise negative impacts within the Group's risk appetite and maximise opportunities and positive impacts.

Management is responsible for the ongoing identification, evaluation and management of risks that could prevent the Group from achieving its objectives. Annual risk management workshops are held with all key departments and executive management to identify and measure risks in line with the Board- approved risk methodology. Ongoing monitoring is performed by the Head of Risk and is overseen by the Chief Operating Officer. In the event of new business initiatives or ventures undertaken by the Group, ad hoc risk assessments are undertaken to identify potential new exposures. As not all risks can be prevented, the Group identifies and ranks risks in order of impact and probability, and these are then actively managed by being terminated, transferred, tolerated or managed through mitigating controls. The effectiveness of these controls is also assessed as part of the combined assurance model. The results of all the risk workshops are presented to the ARC and to the Board.

The ARC is not aware of any material issues in relation to the risk management and compliance functions that have arisen during the 2024 financial year. The ARC recognises that risk management is a continuously evolving process that must adapt to the complex financial services environment.

Risk matrix

The below risk matrix summarises the principal risks facing the Group, as well as the mitigating controls in place to manage the identified risks.

Risk	Management and mitigation
Market risk The risk of clients achieving poor investment performance relative to expectations, or the risk of losses to the Group's capital investments.	• Managed by the Investment Committee. • Well-established investment process and philosophy. • For multi-managed funds, expert asset managers are selected who apply their own processes to manage risk. • For passive funds, tracking error is closely monitored and managed. • The Group's statutory capital is only invested in cash and fixed income instruments.
Regulatory and legislative risk The risk of non-compliance with existing and/or new legislation, and/or regulation having an adverse impact on the business of the Group.	• Dedicated legal and compliance teams monitor compliance with financial sector regulations and assess the impact of any legislative and regulatory changes. • Business unit heads and senior managers ensure compliance with all applicable regulations and assess the impact of any legislative and regulatory changes. • Membership of appropriate industry bodies. • Ongoing engagement with the regulators. • Regular training of management and staff about new legislation and regulatory requirements. • Oversight by the Internal Audit Function and the Head of Actuarial Function.
Operational risk The risk of loss (incl. fraud) resulting from inadequate or failed internal processes, people, and systems or from external factors.	• Automated processes are subject to ongoing systems development. • Defined incident management process in place. • The Risk Events and Compliance Committee assesses the internal controls environment, identifying areas for improvement. • Risk workshops held at departmental level are used to identify, assess and manage risks. Treatment and mitigation plans to improve the control environment are monitored. • Oversight by the Internal Audit Function and the Head of Actuarial Function. • ISAE3402 reviews. • A combined assurance model ensures ongoing assessment of the design and operating effectiveness of the control environment. • Insurance cover in excess of independently recommended or regulated amounts. • Own Risk and Solvency Assessment. • Whistleblowing process in place.
Loss of client risk The risk that poor client service or investment performance may result in client losses, uncompetitive pricing, and reputational concerns.	• Adherence to the six outcomes of the Treating Customers Fairly framework. • Dedicated retail and institutional client service teams to deal with client service- related issues and to manage relationships on a proactive basis. • Investments managed by the Investment Committee, made up of experienced investment professionals who follow a structured and well-established investment process and philosophy. • Performance and fees are assessed relative to benchmark and peers. • Frequent and transparent client communication. • Access to information is provided to clients via dedicated retail and institutional web-based platforms. • Complaints management procedures and escalation policies are in place. • Treatment and remedial action plans are put in place for any clients deemed to be "at risk".

Risk	Management and mitigation
Business development risk The risk of not growing Sygnia's client base.	• Dedicated business development teams focused on attracting new direct clients and expanding external distribution by broadening and deepening relationships with third-party consulting and advisory firms. • Marketing strategy focused on enhancing brand awareness to particularly support the growth of the retail business. • Continue to launch innovative and cost-effective products and services via the Product Development Committee. • Leverage existing client relationships.
Reputational risk The risk that a decision, event, or action could compromise or damage Sygnia's brand.	• Adherence to the six outcomes of the Treating Customers Fairly framework. • Fit and proper policies are in place and ongoing monitoring is performed on key individuals and representatives of the Group. • All staff are required to comply with the Group's Code of Conduct and Ethics policy. • All staff are required to comply with the Group's Personal Account Trading policy. • A policy is in place regarding all media engagement and is actively monitored by dedicated staff. • Complaints management procedures and escalation policies are in place. • Whistleblowing process in place.
Business continuity risk The risk that the business is unable to operate due to unforeseen events or external factors.	• A comprehensive incident response plan (incl business continuity and disaster recovery) is in place. • Disaster recovery plans are tested biannually and are assessed by external auditors as part of the ISAE3402 engagement. • Advanced remote working capabilities for all staff. • Client data are stored in a secure off-site location and are backed up daily. • Offices in Cape Town and Johannesburg are equipped with generators.
Cybersecurity risk Ineffective management of cyberthreats may significantly disrupt core operations and cause financial/data loss and reputational damage.	• A well-defined IT strategy, underpinned by established governance and monitoring processes. • The implementation of and adherence to IT security policies and risk assessments, which are aligned with industry best practice. • Ongoing employee awareness training. • Ongoing vulnerability management, wherein server and desktop environments are scanned for threats, and patches are deployed as needed. • The Internal Audit Function, in their capacity as independent subject matter experts, perform regular penetration testing.
Human resource risk The risk of key staff leaving, which could negatively affect the Group.	• Sygnia's remuneration policy is designed to attract and retain skilled and experienced staff. • Salary benchmarking exercise ensures employees are paid market-related salaries. • Financial retention schemes are in place. • Key staff and management own approximately 62% of the Group. • Succession plans for key roles are in place, including for the CEO. • Ongoing skills development.

Assurance

The Group has adopted a combined assurance framework to monitor the effectiveness of the controls implemented to mitigate risk. This framework comprises:

- Senior and executive management
- Compliance and risk management functions
- Internal auditors and statutory actuaries
- Independent external assurance providers (ISAE3402).

Combined assurance is an effective coordination of various "lines of defence" through the encouragement of collaboration and the development of a holistic view of the Group's risk universe to manage risk most effectively and efficiently. The collaboration between the role players in a combined assurance framework provides a more complete, transparent and reliable view of the Group's risk profile and assurance activities to all stakeholders. Sygnia outsources its internal audit function to PwC to ensure complete independence. The internal audit function provides independent (objective and impartial) assurance, as well as advisory services designed to add value and improve Sygnia's operations and internal control environment. The internal audit does this by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management and governance processes and to report on the integrity of the controls within the business. The internal audit function follows a risk-based approach to audit planning and execution, and the annual risk-based internal audit plans are developed and presented for approval to the ARC.

No material breakdowns in the Group's governance, risk management and controls processes were identified during the year to be brought to the attention of management or the ARC.

Compliance

Sygnia is committed to complying with both the letter and the spirit of all applicable laws. The Board of Directors has approved the establishment of an effective compliance function as part of the Group's compliance strategy.

Although the Board accepts ultimate responsibility for compliance within Sygnia, the mandate for the effective oversight of financial regulatory compliance is delegated to the ARC. The Head of Legal and Compliance, with the support of the compliance team, is responsible for monitoring and assisting with the effective implementation of financial regulation. The business unit heads are responsible for the effective implementation of all regulations.

The roles underpinning the compliance function are varied but culminate in the attainment of a single objective – adherence to regulatory and statutory requirements, standards and codes. Effective compliance management is the responsibility of each employee. The compliance process and responsibilities do not, however, reside in any one individual or function but require an inclusive team-based approach for effective application across Sygnia.

The ARC regards compliance as a matter of the highest priority. All employees understand that failure to comply can result in exposure of the Group to penalties and/or risk of loss of licences to conduct business in the financial services industry. Sygnia has not had any material or repeated regulatory penalties, sanctions or fines for contraventions or non-compliance with regulatory obligations imposed on it, its directors or its officers since its inception.

Client complaints

Client satisfaction with Sygnia's products and services is a key component of client retention and of the long-term sustainability of the business.

Sygnia is committed to rendering financial services honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry. This requires a robust and transparent complaints process that ensures clients have full knowledge of the steps necessary to resolve a complaint and that the resolution of all complaints is fair to the client, to Sygnia and to its staff.

A comprehensive complaints policy and process is in place and the public document is available on the Group's website (www. sygnia. co.za). The public policy defines the process necessary to log a complaint and the steps to be taken to resolve it.

Remuneration Committee

The Remuneration Committee ("the Committee") is chaired by an independent non-executive director and consists of two other independent non-executive directors at 30 September 2024. The Committee meets twice a year and on an ad hoc basis as required.

The role of the Committee is to assist the Board to ensure that the Group remunerates its directors and employees fairly, responsibly and transparently by, amongst other means, implementing affordable, competitive and fair reward practices to promote the achievement of strategic objectives.

The Committee is responsible for ensuring that the Group recruits and retains talented management and that appropriate remuneration policies and succession plans are in place to support the strategy of the Group. The Committee reviews the level of executive remuneration to ensure it fairly reflects an individual's contribution to the Group's overall performance. It also approves the overall nature and appropriateness of benefits available to staff, including long-term incentives, annual bonuses and health and retirement benefits.

The Committee may consult external experts on remuneration structures to assist it to fulfil its obligations, as well as commission external remuneration surveys.

Remuneration policy and Implementation Report

Introduction

The Sygnia remuneration policy ("the Policy") targets the attraction, retention and appropriate rewarding of employees at all levels of the organisation and has been designed in line with the recommendations of King IV.

Responsibility and approval

The Policy is designed, reviewed and monitored by the Committee and is approved by the Board of Directors.

The Committee reviews the Policy at least annually but more frequently if required, and it reports on its appropriateness to the Board. The Committee is responsible for ensuring that the Policy is implemented by management and for the publication of the required implementation report in the Group's annual integrated report.

Non-binding vote on remuneration

Currently, the Policy and implementation report are subject to separate non-binding advisory votes by shareholders every year at the annual general meeting, or whenever a material change is approved by the board. In the event that the Policy, implementation report or both are voted against by 25% or more of the votes exercised, the Board shall at a minimum implement the following measures in good faith and with best reasonable efforts:

- An engagement process under the direction of the Committee's chair to ascertain the reasons for the dissenting votes.
- An appropriate response to legitimate and reasonable objections and concerns raised, which may include amending the Policy or clarifying or adjusting remuneration governance and/or processes.

The announcement of the voting results must include an invitation to dissenting shareholders to engage with Sygnia and stipulate the manner and timing of such engagement. The following should be disclosed in the background statement of the remuneration report that follows the voting:

- With whom Sygnia engaged, and the manner and form of engagement to ascertain the reasons for dissenting votes.
- The nature of steps taken to address legitimate and reasonable objections and concerns.

At the 2024 AGM, 97.21% of the votes cast were in favour of the remuneration policy and 97.21% were in favour of the implementation report.

Once the amendment to the Companies Act becomes effective, shareholders will have the opportunity to approve the remuneration policy and the remuneration report through binding ordinary resolutions, as opposed to advisory votes. The remuneration policy will only need to be approved every three years or upon material changes to the policy, while the remuneration report will continue to be submitted every year.

Considerations

In developing this Policy, the following factors were considered:

- The strategy and business objectives of the Group.
- The need to create sustainable value for all stakeholders.
- The need to attract and retain employees with the requisite skills.
- Alignment of business objectives with the interests of all stakeholders.
- Prevailing market conditions and market-related remuneration levels.
- Fair and equitable treatment of all employees.
- Ensuring that key employees share in the success of the Group to promote the culture of entrepreneurship and ownership that has driven the Group’s success to date.
- Compliance with all relevant applicable laws or regulatory provisions.
- The Group’s transformation objectives.

Employee remuneration

The Group applies the following remuneration framework to all employees:

Fixed remuneration

Fixed remuneration consists of salaries and thirteenth cheques. Salaries are paid on a total cost-to-company basis, incorporating basic salaries and the benefits and allowances mentioned below. Salary levels are determined with reference to similar positions in the market and are further adjusted for additional responsibilities, performance and length of service.

Reference points include independent remuneration surveys, salary of similar positions advertised, insight from recruitment agents and the salary levels of new employees. Salaries are reviewed and increased as appropriate on 1 October each year.

Benefits and allowances consist of:

- Retirement annuity: All staff can contribute to the Sygnia Retirement Annuity Fund, with four levels of contribution rates.
- Medical aid: The Group facilitates staff contributions to a group-determined medical aid scheme. The membership of the scheme is not compulsory, but consulting services are provided to all staff to encourage participation.
- Insured risk benefits: Staff contribute to life, disability, severe illness, and funeral cover.

Short-term incentives

Short-term incentives over the period consist of cash bonuses declared in September and paid in the ensuing December, provided the employee remains in the employment of the Group. Cash bonuses are based on the performance of the Group and are determined for individual employees by taking the following into account:

- The employee’s performance against agreed key performance indicators (“KPI”) set at the beginning of the year, or at the time of employment for those joining during the year.
- Additional tasks completed or responsibilities assumed.
- Roles and responsibilities

Long-term incentives

Share options: The Group operates two share option schemes in Sygnia Limited: the Sygnia Share Option Scheme B ("Scheme B") and the Sygnia Share Option Scheme C ("Scheme C"). Options to purchase shares in Sygnia Limited that are granted under Scheme B are issued at a nil strike price. The Options may be exercised as to 20%, 30% and 50% in years three, four and five respectively. Scheme B was recently amended on 19 November 2024 and New Options granted on or after that date may be exercised as to 25% on each anniversary of the date on which the New Options are granted. Options to purchase shares in Sygnia Limited that are granted under Scheme C are issued at a strike price with reference to the 30- day volume weighted average trading price.

These Options may be exercised as to 20%, 30% and 50% in years three, four and five years respectively. The maximum cumulative number of ordinary shares that may be issued by Scheme B is 15 million and Scheme C is 10 million.

Recruitment allocation

In cases where individuals joining the Group forfeit deferred remuneration or must settle a financial obligation with their previous employer, a recruitment allocation can be made to the individual. The allocation will in most cases be on the same basis as agreed with the previous employer, but this can be adjusted. All recruitment allocations are approved by the Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO"). Recruitment allocations for senior roles, including the CEO and CFO, are approved by the Committee.

Directors' remuneration

Non-executive directors: An annual fixed fee is paid to non-executive directors, taking into account their experience, appointment as chairperson and membership of the Board and its sub-committees. The fees are benchmarked to market surveys each year. The fees are not linked to the performance of the Group or the share price.

Executive directors: Executive directors are remunerated as employees only and not as directors of the Group. The employee remuneration framework explained above for fixed remuneration and short- and long-term incentives applies to executive directors as well. KPIs are agreed on with the Committee and the Board at the beginning of each year. Performance against these KPIs is assessed by the Committee, which determines the salary increase, cash bonus and any share option allocations.

Malus

Malus applies to employee incentives. The malus provision aims to ensure that there is effective alignment between employee remuneration outcomes and prudent risk-taking, and to ensure that excessive or inappropriate risk-taking is not rewarded by the Group.

Transgressions (trigger events) are typically those that result in a serious breach of contract or regulation. Such transgressions include:

- Misstatement of financial results
- Breach of regulation that could result in reputational risk or regulatory fine
- Breach of Sygnia's policies and code of conduct
- Execution of transactions in excess of Board-approved risk appetite or not authorised in terms of the group's delegation of authority
- Misleading the Sygnia Limited Board, senior management or regulatory authorities
- Inappropriate standards of conduct.

The transgressions described above may result in employee dismissal.

The Committee confirms that the policy has been implemented with no deviations. Remuneration of directors and staff is disclosed in the notes to the consolidated financial statements. Information related to staff demographics is disclosed on page 39. The Committee confirms that no remuneration consultants were used and that future areas of focus have been determined.

Social and Ethics Committee

At the heart of Sygnia's corporate social investment (CSI) initiatives is a robust governance structure spearheaded by the Social and Ethics Committee (SEC). Chaired by an independent non-executive director and including an executive director, the SEC meets formally twice a year to oversee the company's social and ethical performance. The Board constitutes this committee to assist with the discharge of the Group's statutory duties under section 72 of the Companies Act, 2008 and Regulation 43 of the Companies Regulations, 2011.

The SEC's mandate extends beyond compliance, encompassing a wide range of responsibilities. It exercises oversight and reports on organisational ethics, corporate social responsibility, transformation, sustainability and stakeholder relationships. A key aspect of its role is to monitor and review all transformation strategies designed and implemented by management. The committee is tasked with reviewing the annual transformation scorecard and providing valuable feedback to the Board on transformation initiatives. In all its functions, the SEC adheres strictly to the prevailing regulatory framework, including transformation scorecards, while aligning with the Group's strategic objectives.

Strategic focus and initiatives

In 2024, Sygnia reaffirmed its unwavering commitment to addressing one of South Africa's most pressing challenges: education. Sygnia's key CSI focus remains on education, investing in initiatives from early childhood development through to tertiary education programs. Bakar Jakoet, Chairman of Sygnia's Social and Ethics Committee, describes it eloquently: "This comprehensive approach reflects Sygnia's understanding that education is not a one-size-fits-all solution but a continuum of support that must adapt to the needs of learners at every stage of their development."

Professor Haroon Bhorat, distinguished economist and member of the CSI Committee, emphasises this strategic choice: "The committee's focus on education has been quite carefully considered and deliberate. Specifically, we focus on education given that it is almost universally accepted that it is probably the single most important asset required to alleviate poverty and create employment."

Sygnia's CSI strategy in 2024 was characterised by five key focus areas: developing numeracy, science knowledge and English literacy; ensuring children's access to basic human rights; developing a future workforce and entrepreneurship base; building social and environmental awareness; and promoting active communities through movement and sport. These focus areas were brought to life through partnerships with over a dozen organisations, each addressing a unique facet of the educational challenge.

A significant development was Sygnia's concerted effort to align these initiatives more closely with the interests and values of its employees and the company's core mission. Recognising that meaningful CSI requires more than just financial support, Sygnia has worked to narrow the gap between its CSI initiatives and the day-to-day functioning of the company. Employees are now actively encouraged to propose and champion CSI projects that align with Sygnia's educational focus. This approach not only enhances the impact of Sygnia's CSI initiatives but fosters a sense of purpose and community within the company itself.

New partnerships and expanded impact

In 2024, Sygnia expanded its impact through three new partnerships, each bringing a unique approach to education and community development.

The 9 Miles Project, a community-based non-profit, provides safe spaces and structured afterschool programs for at-risk youth in marginalised coastal communities. Their initiatives include surf therapy, mentorship, literacy support and environmental awareness programs, making a significant impact in Cape Town, Elands Bay and St Francis Bay.

Taking Care of Business (TCB) empowers unemployed South Africans and aspiring entrepreneurs through innovative programs. Their Resell, Repair and Remake initiatives focus on clothes trading, appliance repair and micro-manufacturing respectively, while their Grow ECD program supports early childhood development. TCB's approach both creates employment opportunities and promotes environmental sustainability through its circular economy model.

The Basic Concepts Foundation (BCF) focuses on enhancing teaching and learning in Foundation Phase classrooms. Using a holistic developmental approach, BCF promotes cognitive education and works on developing a common core conceptual language to promote formal learning in young children.

These new partnerships complement Sygnia's existing portfolio of CSI initiatives, which includes organisations like The Homestead, Andrew Murray House, Impact Trust, Mitchell's Plain Bursary Trust, LEAP Science and Maths Schools, Christel House, Won Life and VUSA Academy. Together, these initiatives create a comprehensive approach to education and community development, addressing not only academic needs but also life skills, entrepreneurship and health and wellness initiatives.

Looking to the future

As Sygnia looks to the future, the true measure of its educational investment will be in the long-term outcomes it produces – not just for the beneficiaries of its programs, but for its own corporate culture. While the full impact of these initiatives cannot be immediately measured, Sygnia's comprehensive and thoughtful approach to CSI in 2024 demonstrates a commitment to creating lasting change both within and beyond the company's walls.

Won Life (Fisantekraal, Western Cape)

Elkana Childcare (Malmesbury, Western Cape)

Ensuring that children have access to basic human rights

Children need their basic human needs fulfilled to thrive. Sygnia's CSI efforts focus on children in desperate need of building a sustainable future through the development of social and environmental awareness.

Homestead

The Homestead focuses on the healing, care and upliftment of street children. The organisation runs a number of different projects focusing on neglected, abused and vulnerable children who are living and begging on the streets. These projects aim to provide for the physical needs (food, shelter, safety, clothing), psycho-social needs (trauma counselling, behaviour modification, positive self-image and identity, etc.), developmental needs (access to education, support to improve school performance, life-sustaining skills) and sporting and recreational activities.

Andrew Murray House

Andrew Murray House is a registered child and youth care centre (children's home) that provides residential care to 155 children (1–18 years old) outside the children's family environment in accordance with a residential care programme suited and developed for the children in the centre. The children's home is responsible for the care, support, protection and development of the children in its custody through various therapeutic and developmental programmes. This is done through mentoring and coaching of socially acceptable behaviour based on a religious, educational, physical, social and psychological process, executed by a multi-disciplinary team of experts. The children are equipped to skilfully manage the difficult tasks of life and to fulfil their duty as responsible and law-abiding citizens.

Building a sustainable future through the development of social and environmental awareness

Children should be given the tools to be the stewards of their environment so that they can have a positive impact on their community. Awareness of societal and environment issues helps them to shape their future world.

Impact Trust (Five Trails)

The Impact Trust runs programs that aim to identify the key value of resilience in learners. One of their programmes is Routes to Resilience, which works with high school students and young work-seekers to build leadership skills focused on sustainability and a sense of purpose – individually and in the community. The programmes are orientated to a systemic view of global issues, recognising social injustice, extractive growth and ecological breakdown as part of the interconnected challenges to a sustainable future.

Developing a fully equipped future workforce and entrepreneurship base

There is a strong need to bridge economic disparity in South Africa. Sygnia believes that the development of educated and skilled individuals will lead to economic change and protect the future labour force.

Mitchell's Plain Bursary Trust

The Mitchell's Plain Bursary and Role Model Trust gives funding to students studying at one of 17 identified schools in Mitchell's Plain or those who live in the area. These students have difficulty accessing tertiary education due to financial constraints. The trust assists students with registration and/or tuition fees for studies at higher education institutions and further education and training colleges.

O Grace Land

O Grace Land provides a temporary safe haven for vulnerable young women who have grown up in homes and institutions and are preparing to enter adult life. The organisation offers both life skills and transitional support while the young women complete their education and prepare for the working world.

Ray Mhlaba Skills Training Centre

The centre offers a variety of SETA-accredited and entrepreneurial training programmes to students who grew up in care homes. Students are provided with the practical skills to pursue employment or entrepreneurial opportunities.

Regional Educare Council

Specialising in early childhood development ("ECD") programmes, the organisation's passion lies in the holistic improvement of the quality of education for children, and they strive to motivate and provide training programmes for ECD practitioners to allow growth in the field.

Building active communities through movement and sport

A well-rounded child is a physically active and healthy child. This is achieved through extra-mural activities and sport participation. Sports also teaches discipline, teamwork and leadership, all life-skills that a child can carry throughout their life.

VUSA

The VUSA Academy creates social upliftment for children from under-privileged communities through structured academic, sporting and recreational programmes. VUSA (the isiXhosa word for awaken) began in 2002 as a part-time rugby programme for children in the Langa community. As the programme developed, greater needs were identified. The root cause of the challenges that some of our youth face, such as poor mental and physical health, addiction, homelessness, crime and family breakdown are often attributed to deficiencies in early childhood. VUSA works predominantly with children from five schools in the Langa community. None of these schools have the staff or resources to implement effective sporting or extra-mural programmes for their learners.

Breaking the cycle of poverty through education and holistic care

Children living in poverty are likely to lack access to proper education. They are also likely to experience malnutrition, illness due to poor sanitation and inadequate healthcare. Alleviating these issues transforms the lives of impoverished children, allowing them to become contributing members of society.

Christel House

Christel House transforms the lives of impoverished children through robust education and a strong character development program supported by regular healthcare, nutritious meals, guidance counselling, career planning, family assistance and college and career support.

Development of numeracy, science knowledge and English literacy

South African children have one of the poorest performances in mathematics, science and literacy, and this is more evident in disadvantaged schools. A focus on these basic tenets of education will allow these children to access a better, more knowledgeable future.

LEAP Science and Maths Schools

For more than ten years LEAP has developed unique, self-liberating high school education programmes with marginalised children through the only network of independent, no-fee schools in South Africa. The programme identifies student potential in high- need communities and offers free education, with the prerequisite that all students study mathematics, physical science and English. The LEAP Movement works with a range of partners to effect broader systemic change in education in South Africa.

Won Life

Won Life is a registered non-profit organisation dedicated to improving the quality of education for the learners in the community of Fisantekraal, just outside of Durbanville. This is achieved through four education-based programmes, namely:

- Early Learning Centre (Grade R)
- Literacy Centre
- High School Education Centre
- Teacher Mentorship Programme.

Won Life believes that with a good education, children have the opportunity to break the cycle of poverty and are empowered to better carve out a preferred future for themselves and their families. Continued positive impact and influence on the lives of children will see the development of responsible and active citizens.

Business sustainability

Sygnia recognises that the sustainability of the Group lies in its ability to retain existing clients and to expand its client base. To achieve these objectives, it is essential that the Group delivers consistent and superior investment performance, provides appropriate products, delivers excellent service, and treats all clients fairly. Attracting and retaining talented individuals to the Group is key to all the above.

Our people

Human and intellectual capital is a key component of the Group's ability to deliver sustainable value to stakeholders.

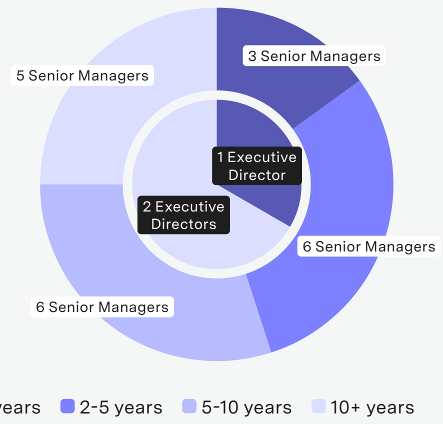
Sygnia's competitive advantage derives from the expertise and experience of its management team, which has provided stable direction to the business strategy and client relationships.

Key staff are significant shareholders in the business, while the share option schemes assist in retaining the broader team and help attract additional senior staff going forward.

Sygnia's middle management team has also been stable, with only a few career-based departures over the years. The share option schemes are material components of staff retention at the middle management tier. Share option schemes play a crucial role in retaining middle management staff. In contrast, the junior staff tier, primarily administrative, experiences higher turnover due to intense competition for such roles in the financial services sector in Cape Town. Sygnia staff are generally regarded as being of the employee benefits and retail areas of the Group . The scalability of the business infrastructure, combined with a strong emphasis on training, facilitates the efficient integration of new hires. Sygnia is committed to ensuring that all staff embody the company's passion and values. Sygnia maintains a relatively flat management structure, although the growth of the business has dictated more rigour in the way divisions are managed and evaluated.

To support the business, the Human Resources department is enhancing its capabilities by appointing additional staff to increase capacity, exploring systems for improved efficiency and streamlining processes to deliver better results for the organisation.

Top management tenure

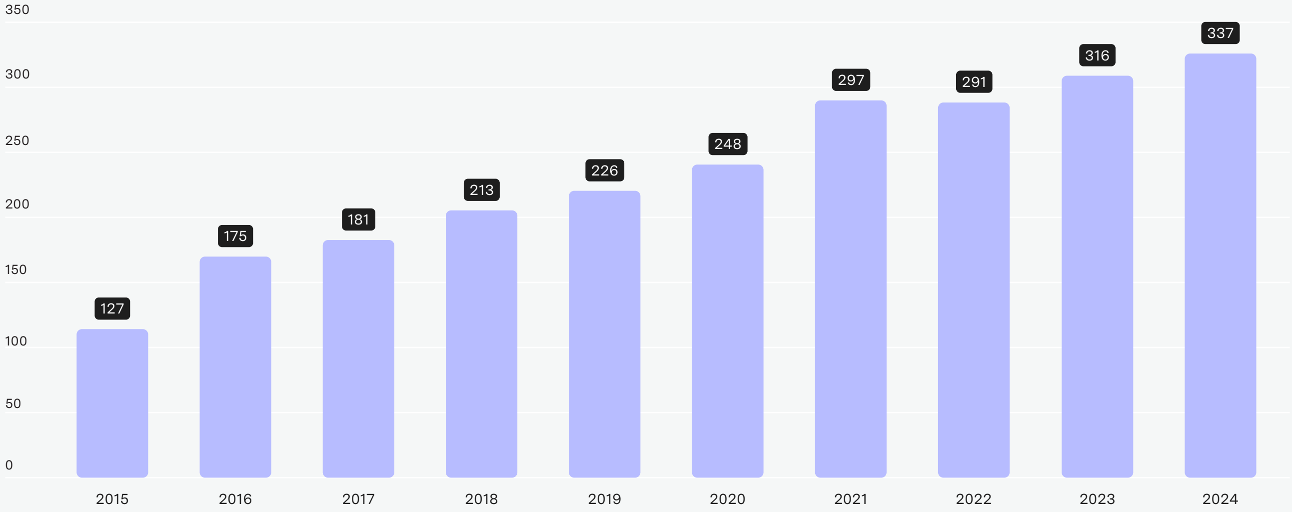


Sygnia employs a staff complement of 337 as at 30 September 2024 (2023: 316). The staff number has been steady and continues to bolster capacity and capability.

Recruitment, development and retention

Sygnia is committed to recruiting and retaining appropriately skilled staff and to deepening the expertise of its core management team. Staff retention, motivation and innovation are dependent on aligning individual objectives with the Group's culture, risk management practices, governance framework and ethical values. This alignment also includes the ability to comprehend and execute the Group's strategy and to improve products, processes and services. To support these goals, the business provides both short-term and long-term incentives and establishes policies and processes that facilitate these objectives.

Growth in staff complement



The Group prioritises the employment of black candidates for all positions, with 72% of staff being black (2023: 72%).

Sygnia regards rigorous internal training as key to its success and as such is less reliant on finding people with suitable experience. Emphasis is instead placed on finding individuals with the potential to excel and to be fast-tracked within the Group to ensure career satisfaction and retention.

We are sponsoring seven external black, disabled learnerships with on-the-job training within divisions, to be complemented by a corporate induction program designed to immerse participants in the values and performance-oriented culture of the business. Ongoing training is also provided to all staff, covering topics that include regulations, products and technology.

Staff are also encouraged and financially supported to pursue further training in areas relevant to their roles and future career aspirations within the business

Social and relationship capital

Sygnia's success is premised on the strength of its relationships with all key stakeholders, including the communities it interacts with and on behalf of which it manages assets. It places a strong focus on client loyalty, government relationships and community acceptance. To build trust and develop relationships over time, the Group engages in a number of initiatives to ensure that it retains its social licence to operate with integrity in the financial services industry.

Treating customers fairly

Treating Customers Fairly ("TCF") is an outcomes-based regulatory and supervisory framework designed to ensure that regulated financial services companies meet specific, clearly articulated fairness outcomes for their clients. Companies are expected to demonstrate that they deliver the six TCF outcomes through the entire product value chain and the entire product life cycle, from product design and promotion through advice and servicing to complaints and claims handling.

In adopting the TCF principles, Sygnia recognises that fair treatment of its clients is about adding value to the services it offers, by aiming to:

- Protect the interests of its clients at each stage of the product life cycle, from promotion right through to after sales services;
- Meet the unique needs of each client, by offering a transparent, efficient and professional service, and constantly reviewing its service to identify areas for improvement.

Sygnia undertakes to meet the needs of its clients in an honest and fair manner, as client satisfaction is paramount to the sustainability of the business. The Group strives to ensure that the TCF principles are reflected in its culture, strategies, policies, products and client service. The board has adopted a TCF Policy to confirm Sygnia's commitment to the TCF outcomes, setting out the Group's approach to implementation. TCF is a standing agenda item at each Board meeting. The responsibility for implementation lies with the Board, management and every staff member.

Outcome 1: Consumers can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture.

As a financial services organisation, Sygnia has a strong client focus. Responsibility is placed not only on the Sygnia Group's Board of Directors and senior management to deliver fair outcomes for clients in a manner that does not hamper efficiency but also falls to all staff employed within the Sygnia Group. Sygnia prides itself on full transparency of all costs and charges. That transparency was the core proposition to the institutional market and was the differentiating factor when Sygnia launched its multi-manager and customised multi-manager products and services in 2006. In 2013, Sygnia launched the most cost-effective savings and investment products in South Africa to the retail market.

The Group's focus on offering index-tracking funds to both groups of investors ensures fair treatment from both a cost and a performance expectations perspective.

Sygnia also pioneered the use of institutional investment funds to underpin retirement annuities, living annuities and preservation funds offered to members exiting occupational retirement funds through withdrawal or retirement. This ensures that clients enjoy continuity of investment strategies at a reasonable cost. This includes SURF, where members who leave employment through withdrawal or retirement can remain SURF members and continue to enjoy the benefits of unchanged investment strategies and low fees. Sygnia places a strong focus on educating the general consumer about all aspects of saving and investing. This is achieved through articles, webinars, radio interviews, participation in conferences and specific client functions organised by Sygnia.

Outcome 2: Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.

All Sygnia's products have been designed to meet specific needs and the product structure is simple and accessible.

Sygnia's retail products offer different risk profiles to different target markets. A passive product range is offered alongside a blend of passive and active strategies to address the needs of different consumers and to offer a choice of different charging structures.

Sygnia's retail funds mirror those offered to institutional investors so that members of retirement funds can invest in the same strategies after they leave their occupational retirement fund (or in their discretionary capacity).

The retail portal offers clients access to financial planning tools that help to guide their savings and investments decisions.

The Sygnia RoboAdvisor, a digital financial planning tool, offers customers the option of designing investment strategies that take personal circumstances into account, and implements the strategies at a very low cost through passive products.

Outcome 3: Consumers are provided with clear information and kept appropriately informed before, during and after the point of sale.

All of Sygnia's financial promotions and marketing literature are reviewed to ensure they are clear, compliant and not misleading in any manner. All product information is available on Sygnia's website and through the retail and institutional portals, Alchemy and Platinum Light. Access to these portals allows consumers to view their transactions and investment information at any time. Development of these portals is ongoing to ensure that the needs of consumers are anticipated and addressed. Dedicated retail and institutional client service teams are available to answer direct questions. Clients receive monthly and quarterly statements, investment reports, economic commentary and other investment-related communications from Sygnia.

Outcome 4: When consumers receive advice, the advice is suitable and takes account of their circumstances.

Sygnia offers advice through its digital financial planning tool, Sygnia RoboAdvisor. The financial planning model that underpins the advice has been developed over a number of years by experts in the fields of financial mathematics and investments and takes detailed information about each potential client into account prior to customising an investment strategy for that client. Ongoing advice is provided via the Sygnia Alchemy retail portal.

All product information provided by Sygnia includes investment objectives, risk profiles and benchmarks to ensure consumers can make informed choices.

Outcome 5: Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.

Sygnia's investment products have clear investment objectives, and specified performance benchmarks, to ensure that consumers are aware of the relevant risk and return profiles prior to investing.

Monthly fund fact sheets include comparative performance and risk statistics, cost disclosures and a summary of prevailing market conditions to ensure that performance expectations are actively managed. Sygnia's monthly economic summary, Sygnals, provides a more comprehensive description of the global and domestic macroenvironment, which helps to guide performance expectations.

Retail and institutional portals provide clients with access to daily valuations, investment strategy breakdowns and performance information. Sophisticated transacting functionality allows clients to execute their investment decisions instantaneously.

Dedicated retail and institutional client service teams are well trained to handle queries and guide clients through the administration process. A dedicated call centre is capable of dealing with numerous queries at the same time.

Outcome 6: Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

Sygnia does not charge switching fees or impose any penalties should a client wish to switch providers. Online transacting functionality makes issuing instructions easy and quick. All claims are processed within well-explained timelines with no unnecessary delays. The complaints policy is available on the company's website, with contact details readily available to clients. All complaints are recorded by Sygnia's Compliance department and are reported and analysed in the Risk and Compliance Committee meetings, management information reporting and Board meetings.

Environmental, social and governance factors

Sygnia endorses the principles of sustainable development and supports the incorporation of environmental, social and governance ("ESG") factors in investment decision making. As a multi-manager, Sygnia monitors the ESG policies of third- party asset managers employed to manage Sygnia's clients' assets. ESG factors are evaluated in terms of the extent to which they are taken into account in the investment processes followed by the appointed asset managers. Managers are encouraged to become signatories to the Code for Responsible Investing in South Africa ("CRISA"), and this is taken into account in Sygnia's manager selection process.

Integrating ESG factors into the investment process at Sygnia takes the form of a multi-pronged approach that is adapted to meet the specific nature of the business and financial products managed. There is no one-size-fits-all when it comes to ESG integration, and a tailored and ever-evolving approach is therefore required.

The approach to ESG integration can be broken down between multi-manager, passive and fixed income investments. Products with ESG mandates may fall into any of these categories, and overarching this is ongoing shareholder activism, as well as agitation for social change from Sygnia as a business.

"Sygnia undertakes to meet the needs of its clients in an honest and fair manner, as client satisfaction is paramount to the sustainability of the business."

Stewardship is the future

Sustainability, commonly defined as the ability to meet the needs of the present without compromising the ability of future generations to meet their needs, is an important consideration for long-term investors to ensure that decisions today do not adversely affect the ability to meet long-term goals. Sygnia Asset Management and its clients typically have long-term investment horizons, so sustainability is integral to ensuring its portfolios constructively contribute to growth in the future – and ultimately generate superior investment performance over time. We thus ensure that appropriate measures are taken to incorporate sustainability factors into our portfolio construction process, alongside financial considerations.

Shareholder activism and the integration of sustainability factors, which include ESG factors, have been an important part of the Sygnia investment process for many years. As a business, Sygnia has influenced a number of corporate events and governance shortcomings in South Africa. This includes exposing the exploitation of the poor at Net1, dismissing KPMG after evidence of their role in State Capture, and challenging the asset management industry on a number of governance failings that resulted in significant losses for shareholders.

Over the past few years, substantial efforts have been made to formalise and standardise the integration of sustainability into the investment industry.

When it comes to responsible investing, the following industry frameworks and codes currently guide Sygnia's approach:

- Regulation 28 of the Pension Funds Act insofar as it requires ESG considerations to be taken into account when devising investment strategies for retirement funds;
- The principles embodied in CRISA;
- The United Nations' Principles of Responsible Investment.

We also look to available research and industry best practice to ensure the approaches taken remain relevant. The responsible investment paradigm implemented by Sygnia is thus continually evolving and improving.

Transformation

Sygnia recognises that the sustainability of the business lies in its ability to attract and retain clients. Meeting the targets set by the Amended Financial Sector Code is an important component of client retention in the institutional market and is also important in the context of contributing to the broader transformation of South Africa as an integrated, balanced and growing society and economy.

Sygnia takes a holistic approach to transformation, implementing strategies across the Group, and takes a long-term view on compliance with the Financial Sector Code (FSC). The ownership aspect was partially addressed through the formation of the vendor-financed Ulundi Staff Trust for black staff and management in 2013 and its successful value creation for eligible beneficiaries on its unwinding during the 2021 financial year.

Sygnia has also taken further steps to address its B-BBEE standing. These include:

- Changing the composition of its Board of Directors
- Expanding B-BBEE staff training initiatives
- Participating in the YES initiative.

Preferential procurement has been an important aspect of the transformation strategy, with an active approach taken to ensure that procurement explicitly targets B-BBEE as a criterion for service provider selection. Sygnia has actively switched providers to those compliant with its objectives. Support for small, entrepreneurial businesses has also been a feature of the strategy. The empowerment credentials of all suppliers and service providers are reviewed by independent parties. Sygnia continues to improve its compliance with the FSC.

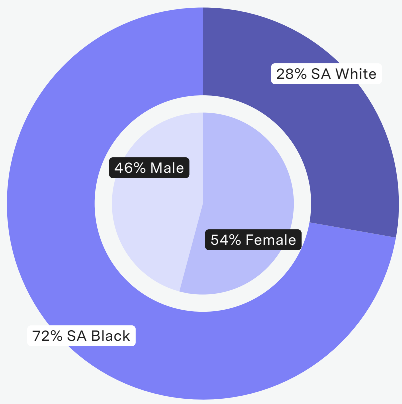
Diversity and equal opportunity

Transformation and gender equality are part of the fabric of the Group, with a strong focus on attracting and promoting talented individuals from diverse backgrounds. Gender equality is strongly promoted, with significant focus on the promotion of women to key management positions. The following statistics reflect that commitment:

- The CEO is a woman.
- 29% of the Board of Directors are women.
- 54% of staff are women.
- Many senior management positions are held by women, including Head: Institutional Business; Head: Retail Business; Head Institutional Administration; Head: Retail Administration; Head: Employee Benefit Operations; Head: Special Projects; Head: Legal & Compliance; Head: Marketing; and Head: Human Resources.
- 72% of staff are black South African.

In terms of broader staff diversity, including seven disabled staff members, the Group's demographics at year-end are illustrated below

Sygnia Group's demographics



Notice of the annual general meeting

Notice is hereby given that the annual general meeting ("the Meeting") of Sygnia Limited ("Sygnia" or "the Company") will be held, subject to any cancellation, postponement or adjournment, in the auditorium of the offices of the Company on the 7th floor of The Foundry, Cardiff Street, Green Point, Cape Town, 8001 on Tuesday, 28 January 2025 at 10:00 a.m. (SAST).

Record dates, voting and proxies

The record date to receive the notice of the Meeting, determined in accordance with section 59(1)(a) of the Companies Act, No.71 of 2008, as amended ("the Act"), is Friday, 22 November 2024, being the date on which a person must be registered as a shareholder of the Company for purposes of being entitled to receive a notice of the Meeting. The record date for the Meeting, determined in accordance with section 59(1)(b) of the Act, is Friday, 17 January 2025, being the date on which a person must be registered as a shareholder of the Company for purposes of being entitled to participate in and vote at the Meeting. The last day to trade to be able to participate in and vote at the Meeting is Tuesday, 14 January 2025.

References to all page numbers are in relation to the 2024 Integrated Report as indicated.

Votes at the Meeting will be taken by way of a poll and not on a show of hands. Any shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend, speak, act and, on a poll, vote in his or her stead. The proxy so appointed need not be a shareholder of the Company. A form of proxy is attached to this notice.

Kindly note that, in accordance with section 63(1) of the Act, participants (including proxies) are required to provide satisfactory identification before being entitled to attend or participate in a shareholders' meeting. In addition, the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or proxy, has been reasonably verified. Suitable forms of identification include a valid identity document, a driver's licence or a passport.

Each ordinary resolution to be considered at the Meeting requires the support of more than 50% of the voting rights exercised on the resolution in order to be adopted, unless otherwise stipulated.

Each special resolution to be considered at the Meeting requires the support of at least 75% of the voting rights exercised on that resolution in order to be adopted.

The attention of the shareholders is drawn to the fact that, if it is to be effective, the completed form of proxy must reach the Company's transfer secretaries in Johannesburg before the time appointed for the Meeting. For administrative purposes, however, proxies should be submitted to the transfer secretaries before 10:00 a.m. on Friday, 24 January 2025.

In terms of the Listings Requirements of the JSE Limited ("JSE Listings Requirements"), equity securities held by a share trust or scheme established by the Company will not have their votes at the Meeting taken into account for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

Shareholders who have not dematerialised their shares, or who have dematerialised their shares but with "own name" registration (entitled shareholders), may appoint one or more proxies to attend, speak and vote or abstain from voting in such shareholders' stead. A form of proxy is attached for the use of those entitled shareholders who wish to be so represented.

Shareholders who have already dematerialised their shares (other than those with "own name" registration) are required to inform their duly appointed central securities depository participant ("CSDP") or broker, as the case may be, of their intention to attend the Meeting and to request that their duly appointed CSDP or broker, as the case may be, issue them with the necessary letters of representation to attend, or provide their duly appointed CSDP or broker, as the case may be, with their voting instruction should they not wish to attend the Meeting in person but wish to be represented thereat.

Should any shareholder (or a representative or proxy for a shareholder) wish to participate in the Meeting by way of electronic participation, that shareholder should make an application in writing (including details as to how the shareholder or its representative (including its proxy) can be contacted) to so participate to the Company Secretary, PO Box 51591, Waterfront, 8002, or via email to lvanwyk@sygnia.co.za, to be received by the Company Secretary at least ten (10) business days prior to the Meeting (i.e. Tuesday, 14 January 2025) in order for the company secretary to arrange for the shareholder (or its representative or proxy) to provide reasonable, satisfactory identification to the Company Secretary for the purposes of section 63(1) of the Act and for the Company Secretary to provide the shareholder (or its representative or proxy) with details as to how to access the Meeting by means of electronic participation. Shareholders participating electronically will not be able to vote electronically and must follow the standard voting arrangements described above.

The purpose of the meeting is to transact the business set out below.

A. Presentation of audited consolidated annual financial statements

The audited consolidated annual financial statements of the Company for the year ended 30 September 2024, together with the reports by the directors, the external auditors and the Audit and Risk Committee have been approved by the Board of Directors of the Company on 4 December 2024 and are available on the Company's website, www.sygnia.co.za.

B. Presentation of Social and Ethics Committee report

In accordance with regulation 43(5)(c) of the Companies Regulations, 2011, the Social and Ethics Committee of the Board will report, through one of its members, to the shareholders at the Meeting on the matters within its mandate.

C. To consider and, if deemed fit, approve, with or without modification, the following ordinary and special resolutions:

Ordinary Resolution 1: To appoint the auditor of the Company

To appoint Forvis Mazars, as recommended by the Audit and Risk Committee, to be the Company's registered auditor for the year ending 30 September 2025 and to note Ms M Pieterse as the designated audit partner.

Ordinary Resolution 2: To re-elect the non-executive directors

To re-elect the following individuals as non-executive directors, who retire by rotation in accordance with the provisions of the Company's memorandum of incorporation (MOI) but are eligible and available for re-election:

2.1 Mr George Cavaleros
2.2 Prof Haroon Bhorat

A profile in respect of each director is contained on pages 23 to 24 of the 2024 Integrated Report. The re-election of the directors of the Board will be conducted by way of a separate vote in respect of each individual.

Ordinary Resolution 3: To elect a director who was appointed during the year

To elect as an executive director the following individual, who was appointed during the year:

3.1 Mr Rashid Ismail

A profile of Mr Ismail is contained on page 23 of the 2024 Integrated Report.

Ordinary Resolution 4: To elect the Audit and Risk Committee members

To elect the Audit and Risk Committee members as required in terms of the Act and the JSE Listings Requirements. The following individuals are recommended for election to the Audit and Risk Committee:

4.1 Mr George Cavaleros (chairman of the Audit and Risk Committee), subject to the passing of ordinary resolution number 2.1
4.2 Mr Jurgen Boyd
4.3 Mr Aboubakar Jakoet.

A profile in respect of each member recommended for election to the Audit and Risk Committee is contained on page 24 of the 2024 Integrated Report. The election of the members of the Audit and Risk Committee will be conducted by way of a separate vote in respect of each individual.

Ordinary Resolution 5: To authorise the issue of ordinary shares for cash

To resolve that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue ordinary shares in the capital of the Company for cash, including, within the scope of such authority, the ability to issue options and securities (including any convertible preference shares in the authorised share capital of the Company) that are convertible into ordinary shares, subject to the limitation set out in the MOI, the provisions of the Act and the JSE Listings Requirements from time to time on the following basis.

- The ordinary shares that are the subject of the allotment and issue for cash must be of a class already in issue or, where this is not the case, must be limited to such ordinary shares or rights that are convertible into a class of ordinary shares already in issue.
- There will be no restrictions in regard to the persons to whom the ordinary shares may be allotted and issued, provided that such shares are to be allotted and issued to public shareholders (as defined by the JSE Listings Requirements) and not to related parties (except as may be permitted in terms of paragraph 5.52(f) of the JSE Listings Requirements).
- The total aggregate number of ordinary shares that may

be issued for cash in terms of this authority may not exceed 22 827 898 ordinary shares, constituting 15% of the aggregate number of ordinary shares in issue as at the date of notice of the Meeting. The number of ordinary shares that may be issued shall be based on the number of ordinary shares in issue at the date of this notice of Meeting, less any ordinary shares issued in terms of this authority by the Company during the current financial year.

- In the event of sub-division or consolidation of ordinary shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio.
- The maximum discount at which the ordinary shares may be issued is 10% (ten percent) of the weighted average traded price of those ordinary shares over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party(ies) subscribing for the ordinary shares. The JSE should be consulted for a ruling if the Company's securities have not traded in such 30 (thirty) business day period.
- This authority shall not endure beyond the earlier of the general meeting of the Company or beyond 15 (fifteen) months from the date of this ordinary resolution, whichever is shorter. Upon any issue of ordinary shares that, together with prior issues of ordinary shares within the period that this authority is valid, constitute 5% (five percent) or more of the total number of ordinary shares in issue prior to that issue, the Company shall publish an announcement in terms of section 11.22 of the JSE Listings Requirements, giving full details thereof.
- In terms of the JSE Listings Requirements, for Ordinary Resolution 5 to be approved by shareholders, it must be supported by at least 75% of shareholders.

Explanatory note: The Board of Directors, as at the date of this notice, has no definite intention of issuing further shares. However, the Board believes that shareholders should pass this resolution to enable the Board to issue additional shares should it be in the best interests of the Company to do so.

Ordinary Resolution 6: Control of authorised but unissued shares

To resolve that all the unissued shares in the authorised share capital of the Company be placed under the control of the directors of the Company, who are authorised to allot and issue the same to such persons and on such terms and conditions as they may determine in their sole and absolute discretion, subject to the provisions of the Act and the JSE Listings Requirements.

Ordinary Resolution 7: Non-binding advisory vote on the Sygnia remuneration policy

To endorse, through a non-binding advisory vote, the Company's remuneration policy (excluding the remuneration of non-executive directors) as contained on pages 29 to 31 of the 2024 Integrated Report.

The vote allows shareholders to express their views on the remuneration policy adopted. The vote is of an advisory nature only and will not be binding on the Company. In the event that 25% or more of the shareholders vote against the Company's remuneration policy, the Company will follow an engagement process with shareholders.

Ordinary Resolution 8: Non-binding advisory vote on the Sygnia remuneration implementation report

To endorse, through a non-binding advisory vote, the Company's remuneration policy and implementation report as contained on pages 29 to 31 of the 2024 Integrated Report.

The vote allows shareholders to express their views on the Company's remuneration implementation report. The vote is of an advisory nature only and will not be binding on the Company. In the event that 25% or more of the shareholders vote against the Company's remuneration implementation report, the Company will follow an engagement process with shareholders.

Ordinary Resolution 9: To authorise directors and the Company Secretary to implement special and ordinary resolutions

To resolve that each and every director of the Company and the Company Secretary be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this Meeting.

Special Resolution 1: To approve remuneration of non- executive directors

To resolve that fees payable by the Company to directors for their services as directors (in terms of section 66(9) of the Act be) and are hereby approved for a period of one year from the passing of this special resolution or until its renewal, whichever is the earlier, as follows (exclusive of VAT):

1.1 in respect of Professor Haroon Bhorat, a proposed annual fee of R1 100 000;
1.2 in respect of Mr George Cavaleros, a proposed annual fee of R950 000;
1.3 in respect of Mr Jurgen Boyd, a proposed annual fee of R850 000;
1.4 in respect of Mr Aboubakar Jakoet, a proposed annual fee of R850 000;
1.5 in respect of any other director, an annual fee not exceeding R850 000.

Special Resolution 2: To authorise the repurchase of shares

To resolve that, in accordance with the MOI and as a general authority contemplated in the JSE Listings Requirements, Sygnia, and/or any of its subsidiaries, are authorised to acquire the issued ordinary shares of Sygnia, upon such terms and conditions and in such amounts as the directors of Sygnia may from time to time decide, but subject to the following provisions:

- This general authority shall be valid until the Company's next annual general meeting or for 15 months from the date of this resolution, whichever period is shorter.
- The ordinary shares be purchased through the order book operated by the JSE trading system and be done without any prior understanding or arrangement between the Company and/or the relevant subsidiary and the counterparty from whom the shares are purchased.
- An announcement complying with paragraph 11.27 of the JSE Listings Requirements be published by the Company
  i. when the Company and/or its subsidiaries have cumulatively repurchased 3% of the ordinary shares in issue as at the time the general authority was given (the initial number); and
  ii. for each 3% in aggregate of the initial number of ordinary shares acquired by the Company and/or its subsidiaries.
- The general repurchase by the Company of its own ordinary shares shall not in the aggregate in any one financial year exceed 20% of the Company's issued share capital of that class, provided that the acquisition of ordinary shares as treasury stock by a subsidiary of the Company shall not exceed 10% in the aggregate of the number of issued shares in the Company.
- Repurchases are not to be made at a price more than 10% above the weighted average of the market value for the ordinary shares for the five business days immediately preceding the date upon which the repurchase is effected.
- At any point in time, the Company may only appoint one agent to effect any repurchase on the Company's behalf or on behalf of any of its subsidiaries.
- A resolution is passed by the Board of Directors authorising the repurchase, that the Company passed the solvency and liquidity test and that since this test being done there have been no material changes to the financial position of the Group.
- The Company and its subsidiaries do not repurchase ordinary shares during a prohibited period (as defined in the JSE Listings Requirements), unless they have in place a repurchase programme and that has been submitted to the JSE in writing containing all the details required in terms of paragraph 5.72(h) of the JSE Listings Requirements prior to the commencement of the Company's prohibited period. The Company will instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.
- Such repurchase shall be subject to compliance with the Act, the MOI and the JSE Listings Requirements.

Explanatory note and statement required in terms of paragraph 11.26 of the JSE Listings Requirements: To grant the Board of Directors the general authority to contract the Company and/or any of its subsidiaries to acquire shares in the Company, should the Board of Directors consider it appropriate in the circumstances.

The effect of Special Resolution 2 is that the directors will be granted the general authority, subject to the provisions set out in the resolution, to acquire shares in the Company. The intention of the Board of Directors is to use the authority to repurchase the Company's shares should it be of the view that it is in the best interests of the Company to do so.

Statement in terms of paragraph 11.26 of the JSE Listings Requirements: The Board of Directors shall not make any payment in whatever form to acquire any shares issued by the Company contemplated in Special Resolution 2 if, after the directors have considered the effects of the maximum repurchase or payment, there are reasonable grounds for believing that:

- The Company and the Group are, or will, at any time during the period of 12 months after the date of this notice, be unable, in the ordinary course of business, to repay their debts as they become due.
- The Company's and the Group's consolidated assets, recognised and measured according to the accounting policies used in the latest consolidated financial statements and IFRS Accounting Standards, will not be more than their consolidated liabilities for the period of 12 months after the date of this notice.
- The ordinary share capital and reserves of the Company and the Group will not be adequate for ordinary business purposes for a period of 12 months after the date of this notice.
- The Company and the Group will not have sufficient working capital to meet its needs

Any repurchases shall comply with the limitations set out in Special Resolution 2, the requirements of the JSE Listings Requirements and the Act.

In compliance with paragraph 11.26(b) of the JSE Listings Requirements, the information listed below has been included in the 2024 Integrated Report in which this notice is included, at the places indicated:

- Major shareholders (page 98 of the 2024 Integrated Report)
- Stated capital (page 55 of the 2024 Integrated Report)

Material change: Other than the facts and developments reported on in the 2024 Integrated Report, there have been no material changes in the affairs and financial or trading position of the Group since the financial period ended 30 September 2024 and the signature date of this notice.

Directors' responsibility statement: The directors whose names are set out on pages 23 and 24 of the 2024 Integrated Report collectively and individually accept full responsibility for the accuracy of the information contained in Special Resolution

2 and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any statement false or misleading, and that they have made all reasonable queries in this regard, and that the notice of the Meeting contains all information required by law and by the JSE Listings Requirements.

Special Resolution 3: To provide financial assistance to subsidiaries, related and inter-related companies, directors and/or prescribed officers

To resolve that the Company is authorised to provide any direct or indirect financial assistance as contemplated in section 45 of the Act to any director or prescribed officer of the Company or of a related or inter-related company or corporation, or to any related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, in terms of and pursuant to the provisions of section 45 of the Act

Explanatory note: To grant the Board of Directors the authority to provide direct or indirect financial assistance to any company or corporation that is related or inter-related to the Company and/or to any directors or prescribed officers of the Company or directors or prescribed officers of the Company's subsidiaries, related or inter-related companies. This means that the Company is, for example, authorised to grant loans to its subsidiaries, directors or prescribed officers and to guarantee the debt of subsidiaries, directors or prescribed officers or persons related thereto.

Special Resolution 4: To provide financial assistance for the subscription or purchase of securities

To resolve that the Company is authorised to provide financial assistance as contemplated in section 44 of the Act to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, in terms of and pursuant to the provisions of section 44 of the Act.

Explanatory note: To grant the Board of Directors of the Company the authority to provide direct or indirect financial assistance to any person for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the Company or a related or inter- related company, or for the purchase of any securities of the Company or a related or inter-related company. This means that the Company is, inter alia, authorised to grant loans to any persons to enable them to acquire shares in the Company or a subsidiary. The Company has no immediate plans to use this authority but is obtaining it in the interests of prudence and good corporate governance should the unforeseen need arise to use such authority.

Special Resolution 5: To replace the existing Memorandum of Incorporation in its entirety with a new Memorandum of Incorporation

To resolve that in terms of section 16(1)(c) of the Act, the existing memorandum of incorporation ("MOI") of the Company be and is hereby amended by replacing the existing MOI in its entirety with the new MOI which has been initialled by the Chairperson of this Meeting on the cover page thereof for identification purposes, with effect from the date of filing of the required notice of amendment with the Companies and Intellectual Property Commission.

Explanatory note: The reasons for and effect of Special Resolution 5 is to amend the existing MOI of the Company such as to -

(i) align the relevant provisions of the MOI with the amendments to the Act pursuant to the Companies Amendment Act, No. 16 of 2024 (which has been assented to by the President but which has not yet come into operation) relating to –

a. the definition of "securities";
b. share repurchases;
c. the social and ethics committee;
d. the remuneration policy and remuneration report;
e. access to company records; and
f. the effective date of an amendment to the MOI,

in anticipation of the amendments coming into operation imminently; and

(ii) ensure that there are no prohibitions or conflicting provisions in the MOI to the adjusted application of the issue of shares for cash and share repurchase provisions of the general segment on the Main Board of the exchange operated by JSE Limited ("JSE"), introduced by the amendments to the listings requirements of the JSE dealing with market segmentation, in the instance that the Company decides to apply for general segment classification or is already classified as such, and

(iii) effect consequential and other non-material and semantic amendments to the MOI.

Copies of the new MOI will be available for inspection by any person who has a beneficial interest in any share of the Company at the registered office of the Company at 7th floor, The Foundry, Cardiff Street, Green Point, 8001 and at the offices of Computershare, the company secretaries of the Company, at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, during normal office hours from the date of issue of this Notice of Annual General Meeting up to and including the date of the Annual General Meeting or any adjourned meeting.

By order of the Board
Leanne van Wyk
Company Secretary
4 December 2024

Registered office
7th Floor, The Foundry
Cardiff Street
Green Point 8001
South Africa

Form of proxy

Sygnia Limited

Incorporated in the Republic of South Africa | Registration number: 2007/025416/06
Share code: SYG | ISIN: ZAE000208815 | “Sygnia” or “the Company”

For use at the annual general meeting of the Company to be held at 10:00 a.m. (SAST) on Tuesday, 28 January 2025, and at any cancellation, postponement or adjournment thereof.

To be completed by certificated shareholders and dematerialised shareholders with “own name” registration only.

I/we (full name):

of (address):

Telephone number: Cell number:

Email address:

being a shareholder of Sygnia Limited and holding ordinary shares of the company

hereby appoint (1)

or, failing him/her, hereby appoint (2)

or, failing him/her, the chairperson of the annual general meeting as my/our proxy to act for me/us and on my/our behalf at the annual general meeting, which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the ordinary and special resolutions and/or abstain from voting in respect of the Sygnia ordinary shares registered in my/our name(s), in accordance with the instructions below.

Signature/s:

Signed at:

On: D D M M Y Y Y Y

Mark whichever is applicable with an X

	Ordinary resolutions	For	Against	Abstain
1	**To appoint the auditor of the Company**			
2	**To re-elect the non-executive directors**			
2.1	Mr G Cavaleros			
2.2	Prof H Bhorat			
3	**To elect a director who was appointed during the year**			
3.1	Mr R Ismail			
4	**To elect the Audit and Risk Committee members**			
4.1	Mr G Cavaleros			
4.2	Mr J Boyd			
4.3	Mr A Jakoet			
5	**To authorise the issue of ordinary shares for cash**			
6	**Control of authorised but unissued shares**			
7	**Non-binding advisory vote on the Sygnia remuneration policy**			
8	**Non-binding advisory vote on the Sygnia remuneration implementation report**			
9	**To authorise directors and the Company Secretary to implement special and ordinary resolutions**			

	Special resolutions	For	Against	Abstain
1	**To approve remuneration of non-executive directors**			
2	**To authorise the repurchase of shares**			
3	**To provide financial assistance to subsidiaries, related and inter- related companies, directors and/or prescribed officers**			
4	**To provide financial assistance for the subscription or purchase of securities**			
5	**To replace the existing Memorandum of Incorporation in its entirety with a new Memorandum of Incorporation**			

Shareholders holding certificated shares or dematerialised shares registered in their own name

1. Only shareholders who hold certificated shares and shareholders who have dematerialised their shares with "own name" registration may use this form of proxy.
2. Each shareholder is entitled to appoint one or more proxies (none of whom needs be a shareholder of the Company) to attend, speak and, on a poll, vote in place of that shareholder at the annual general meeting by inserting the name of the proxy or the names of two alternate proxies of the shareholder's choice in the space provided, with or without deleting "the chairperson of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the Meeting will be entitled to act as the proxy to the exclusion of those whose names follow.
3. A shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the relevant space according to how that shareholder wishes their votes to be cast. However, if a shareholder wishes to cast a vote in respect of a lesser number of ordinary shares than they own in the Company, they should insert the number of ordinary shares held in respect of which they wish to vote in the relevant spaces. Failure to comply with the above will be deemed to authorise the chairperson of the annual general meeting, if they are the authorised proxy, to vote in favour of the resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting, as they deem fit, in respect of all the shareholder's votes exercisable thereat.
4. A shareholder or its proxy is not obliged to vote in respect of all the shares held or represented by it, but the total number of votes for or against the resolutions in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or its proxy is entitled.
5. Forms of proxy must be lodged and/or posted to the Company's transfer secretaries (Computershare Investor Services (Pty) Ltd) at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132) or emailed to proxy@computershare.co.za, to be received by the transfer secretaries by no later than 10:00 a.m. (SAST) on Friday, 24 January 2025, or be handed to the chairperson of the annual general meeting at any time prior to the vote.
6. The completion and return of this form of proxy in accordance with point 5 above will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
7. A minor must be assisted by the minor's parent or guardian, unless the relevant documents establishing the minor's capacity are produced or have been registered by the Company.
8. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
9. This form of proxy must be signed by all joint shareholders. If more than one of those shareholders are present at the annual general meeting either in person or by proxy, the person whose name stands first in the register shall alone be entitled to vote.
10. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer office or waived by the chairperson of the annual general meeting.
11. The chairperson of the annual general meeting may reject or accept any form of proxy that is completed and/or received other than in accordance with these instructions, provided that they are satisfied as to the manner in which a shareholder wishes to vote.

Shareholders holding dematerialised shares

1. Shareholders who have dematerialised their shares through a CSDP or broker (except those shareholders who have elected to dematerialise their shares with "own name" registration) and all beneficial shareholders holding their shares (dematerialised or certificated) through a nominee should provide such CSDP, broker or nominee with their voting instructions in sufficient time to allow them to advise the transfer secretaries of the Company of their voting instructions before the closing time as detailed in point 5 above.
2. All such shareholders wishing to attend the Meeting in person may do so only by requesting their CSDP, broker or nominee to issue the shareholder with a letter of representation in terms of the custody agreement. Such letter of representation must also be lodged with the transfer secretaries before the closing time, as detailed in point 5 above.

Summary of the rights of a shareholder to be represented by proxy

Shareholders' rights regarding proxies in terms of section 58 of the Act are as follows:
At any time, the shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to:

- participate in, speak and vote at a shareholders' meeting on behalf of the shareholder; or
- give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60 of the Act.

A proxy appointment:

- must be in writing, dated and signed by the shareholder; and
- remains valid for:
  - › one year after the date on which it was signed; or
  - › any longer or shorter period expressly set out in the appointment,
- unless it is revoked in a manner contemplated in subsection (4)(c) or expires earlier as contemplated in subsection (8)(d) of section 58 of the Act.

Except to the extent that the MOI of a company provides otherwise:

- a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to the different securities held by the shareholder;
- a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
- a copy of the instrument appointing a proxy must be delivered to the Company, or to any other person on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.

Irrespective of the form of instrument used to appoint a proxy:

- the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder;
- the appointment is revocable unless the proxy appointment expressly states otherwise; and
- if the appointment is revocable, a shareholder may revoke the proxy appointment by
  - › cancelling it in writing, or making a later inconsistent appointment of a proxy; and
  - › delivering a copy of the revocation instrument to the proxy and to the company.

The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder.

Glossary of terms

AMETF	Actively managed exchange traded fund
ASISA	Association for Savings and Investment South Africa
AUA	Assets under administration
AUM	Assets under management
AUMA	Assets under management and administration
B-BBEE	Broad-based Black Economic Empowerment
CFA	Chartered financial analyst
CRISA	Code for Responsible Investing in South Africa
CSDP	Central securities depository participant
CSI	Corporate social investment
ESG	Environmental, social and governance
FSCA	Financial Sector Conduct Authority
FSC	Financial Sector Code
IFRS Accounting Standards	IFRS® Accounting Standards
IIRC	International Integrated Reporting Council
IIRF	International Integrated Reporting Framework
IRCSA	Integrated Reporting Council of South Africa
ISAE	International Standard on Assurance Engagements
IT	Information technology
JSE	Johannesburg Stock Exchange
King IV	King Code of Governance for South Africa 2016
KPI	Key performance indicator
LISP	Linked investment service provider
Listing Date/Listing	14 October 2015
MOI	Memorandum of incorporation
Prudential Authority	South African Reserve Bank
SAICA	South African Institute of Chartered Accountants
SAM	Solvency assessment and management
SENS	Stock Exchange News Service
TCF	Treating Customers Fairly

Sygnia

Audited consolidated annual financial statements

For the year ended
30 September 2024

These consolidated financial statements were prepared under the supervision of the Financial Director, RA Ismail CA (SA) and were audited in compliance with the applicable requirements of the Companies Act of South Africa.

For All

Contents

Corporate information

Annual general meeting: 28 January 2025
Share code (ordinary shares): SYG
ISIN: ZAE000208815

Board of Directors

Name	Date of appointment	Date of resignation
MF Wierzycka (CEO) #	17/09/2007	
J Corelli #	14/12/2023	
RA Ismail (CFO) #	01/09/2024	
WA Wierzycki #	10/06/2021	14/12/2023
NJ Giles (Former CFO) #	17/05/2023	31/08/2024
G Cavaleros (Lead Independent) **	28/06/2019	
HI Bhorat (Chairman) *	11/06/2015	
MH Jonas **	01/09/2018	17/10/2023
JA Boyd **	29/07/2021	
A Jakoet **	07/08/2023	

Executive director
* Non-executive director
** Independent non-executive director

Company Secretary

Name	Date of appointment	Date of resignation
L van Wyk	05/07/2024	
G MacLachlan	01/11/2016	05/07/2024

Registered office:
7th Floor, The Foundry
Cardiff Street
Green Point
8001

Postal address:
PO Box 51591
Waterfront
8002

Company registration number:
2007/025416/06

Sponsor:
The Standard Bank of
South Africa Limited
30 Baker Street, Rosebank,
Johannesburg, 2196

External auditor:
Forvis Mazars
Rialto Road, Grand Moorings
Precinct, Century City, 7441

Transfer secretaries:
Computershare Investor Services
Proprietary Limited
Rosebank Towers, 15 Biermann
Avenue, Rosebank,
Johannesburg, 2196

Published: 4 December 2024

Sygnia

Directors’ responsibility statement

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements of Sygnia Limited and its subsidiaries ("the Group"). The consolidated financial statements comprise the Directors' report, Audit and Risk Committee report, Report by the company secretary and the financial statements. The consolidated financial statements comprise the consolidated statement of financial position at 30 September 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements which include a summary of material accounting policies and other explanatory notes. The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board ("IASB"), Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. Sygnia Limited is operating in conformity with its Memorandum of Incorporation.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of annual consolidated financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The directors have made an assessment of the ability of the Group to continue as a going concern and have no reason to believe that the businesses will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the consolidated financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the consolidated annual financial statements

The consolidated annual financial statements were approved by the Board of Directors and signed on its behalf by:

Magda Wierzycka
Chief Executive Officer

Rashid Ismail
Financial Director

4 December 2024

Chief Executive Officer and Financial Director confirmation

The Directors, whose names are stated below, hereby confirm that –

a. the consolidated financial statements set out on pages 62 to 98, fairly present in all material respects the financial position, financial performance and cash flows of the Group in terms of IFRS Accounting Standards;
b. to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated financial statements false or misleading;
c. the internal financial controls have been put in place to ensure that material information relating to the Group has been provided to effectively prepare the consolidated financial statements of the Group;
d. the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
e. where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have remediated the deficiencies; and
f. we are not aware of any fraud involving directors.

Magda Wierzycka
Chief Executive Officer

Rashid Ismail
Financial Director

4 December 2024

Report by the Company Secretary for the year ended 30 September 2024

In terms of S88(2)(e) of the Companies Act 2008, as amended and for the year ended 30 September 2024, I, Leanne van Wyk, in my capacity as Company Secretary of Sygnia Limited, hereby certify that Sygnia Limited has lodged all returns required by the Act with the Companies and Intellectual Property Commission and that all such returns are true, correct and up to date.

Leanne van Wyk
Company Secretary

4 December 2024

Directors' report

The directors have pleasure in presenting their report on the activities of the Group for the year ended 30 September 2024.

Highlights

- Assets under management and administration of R350.1 billion as at 30 September 2024 (2023: R318.1 billion), up 10.1%.
- Revenue of R946.0 million (2023: R843.9 million), up 12.1%.
- Profit after tax of R347.2 million (2023: R300.4 million), up 15.6%.
- Headline earnings per share of 229.1 cents (2023: 198.9 cents), up 15.2%, and diluted headline earnings per share of 225.4 cents (2023: 194.5 cents), up 15.9%.
- Total dividend per share of 217 cents (2023: 210 cents).

Nature of business

Sygnia Limited and its subsidiaries ("the Group") is a specialist financial services group headquartered in South Africa and listed on the Johannesburg Stock Exchange ("JSE") and A2X Market ("A2X"). The Group focuses on the provision of investment management and administration solutions to institutional and retail clients located predominantly in South Africa.

Financial results

Assets under management and administration increased by 10.1% to R350.1 billion as at 30 September 2024 (2023: R318.1 billion).
In terms of financial performance, total revenues for the year rose 12.1% to R946.0 million (2023: R843.9 million), while total expenses, at R508.7 million (2023: R462.8 million), increased by 9.9%. The increase in expenses was primarily driven by higher staff costs associated with increased business activity and an increase in marketing expenditure. Profit from operations grew by 14.8% to R437.3 million (2023: R381.1 million). The increase in interest income to R54.6 million (2023: R42.1 million) can be attributed to higher average investment and cash balances as well as higher interest rates.

Profit after tax increased by 15.6% to R347.2 million (2023: R300.4 million), a very pleasing result.

Moving ahead, the Group remains committed to maintaining high performance and exceptional service for our clients. The retail sector stands out as our key growth area, where we anticipate significant expansion through our offerings in passive and thematic investment products.

Corporate services

Sygnia's core services remain unchanged.

We offer:
- Asset management services in the form of passive and multi-managed investments.
- A broad spectrum of investment funds, such as unitised life funds, unit trusts, ETFs, and management of segregated portfolios.
- A full range of savings products, including retirement
- annuities, tax-free savings accounts, investment policies, living annuities, and preservation funds.
- Institutional investment administration services.
- Employee benefits services, including the Sygnia Umbrella Retirement Fund.
- Execution-only stockbroking, securities lending and foreign exchange transacting services.

The focus of the business has remained one of organic growth, rather than acquisitions. Given the consolidation in the asset management industry, Sygnia would consider acquisitions if an appropriate opportunity presented itself.

Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Stated capital

Sygnia Limited had 152 185 989 (2023: 150 947 489) shares in issue at the end of the year.

Events subsequent to the reporting date

The directors are not aware of any matters or circumstances, arising since the end of the financial period, not otherwise dealt with in the consolidated financial statements that significantly affect the financial position of the Group or the results of its operations. The dividend declared after year-end has been disclosed in the notes to the consolidated financial statements.

Final cash dividend

Sygnia is committed to rewarding its shareholders with regular distributions of free cash flow generated. Accounting for projected cash requirements, a gross final dividend for the financial year ended 30 September 2024 of 127 cents per share has been declared out of income reserves, resulting in a net dividend of 101.6 cents per share for shareholders after Dividends Tax ("DT"). Together with the interim gross dividend of 90 cents per share, this amounts to a total gross dividend of 217 cents per share (2023: 210 cents per share).

Special resolutions

At the annual general meeting of the Company held on 8 February 2024, the following special resolutions were passed:

Special Resolution 1: To approve remuneration of non-executive directors

To resolve that fees payable by the Company to directors for their services as directors (in terms of section 66(9) of the Act) be and are hereby approved for a period of one year from the passing of this special resolution or until its renewal, whichever is the earlier.

Special Resolution 2: To authorise the repurchase of shares

To resolve that, in accordance with Sygnia's memorandum of incorporation, it is hereby approved as a general authority contemplated in the JSE Listings Requirements, the acquisition by Sygnia, or any of its subsidiaries from time to time, of the issued ordinary shares of Sygnia, upon such terms and conditions and in such amounts as the directors of Sygnia may from time to time decide..

Special Resolution 3: To provide financial assistance to subsidiaries and related or inter-related companies

To resolve that the Company is authorised to provide any direct or indirect financial assistance as contemplated in section 45 of the Act to any related or inter-related company or juristic person, in terms of and pursuant to the provisions of section 45 of the Act.

Special Resolution 4: To provide financial assistance for the subscription or purchase of securities

To resolve that the Company is authorised to provide financial assistance as contemplated in section 44 of the Act to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, in terms of and pursuant to the provisions of section 44 of the Act.

4 December 2024

Audit and Risk Committee report

for the year ended 30 September 2024

The Sygnia Group Audit and Risk Committee ("ARC" or "the Committee") is a committee of the Board of Directors ("the Board"). In addition to its statutory and other duties, the ARC acts in an advisory capacity to the Board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, risk management and internal controls, the review of financial information and the preparation, by management, of IFRS Accounting Standards compliant consolidated annual financial statements. This includes satisfying the Board that adequate internal financial controls are in place.

Terms of reference, responsibilities and legal requirements

The ARC operates in terms of a formal Board-approved charter, which is reviewed and adapted by the Committee annually (or more regularly where required) to cater for evolving oversight, regulatory and other requirements. The ARC is satisfied that it has conducted its affairs and discharged its duties and responsibilities in accordance with its terms of reference, the JSE Listings Requirements, the Companies Act and the King IV Report on Corporate Governance. As part of the annual evaluation of the Board and other Board committees, the performance of the ARC was also assessed and found to be satisfactory.

Composition and meeting process

The ARC's members at the Group's financial year-end were Mr G Cavaleros, Mr J Boyd and Mr A Jakoet. The Committee's members are independent non-executive directors who met with senior management four times during the year, including the Chief Financial Officer, the Head of Risk, certain other executive management and the independent assurance providers. The internal and external auditors have unfettered access to the ARC and its Chairman and attend the Committee meetings.

External audit quality, independence and fees

The ARC has considered and satisfied itself regarding the audit quality (including the audit approach and plan) and independence of Forvis Mazars and Ms M Pieterse in their respective capacities as the appointed external audit firm and lead audit partner. In doing so, the ARC considered the external auditor's sustainability, assessment and adherence in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements. In addition to considering the documents presented by Forvis Mazars, as required by the JSE Listings Requirements, the ARC also reviewed the audit quality based on the Committee's own assessment and found it to be satisfactory .

Furthermore, the ARC ensured that the scope of non-audit services rendered by Forvis Mazars did not pose a threat to auditor independence.

The ARC resolved to recommend to shareholders at the Group's annual general meeting that Forvis Mazars be reappointed as the Group's auditors and that Ms M Pieterse be reappointed as the designated partner for the year ending 30 September 2025.

Internal audit and internal controls

Mr R Ismail, the Group's Chief Financial Officer, has assumed responsibilities as head of the internal audit control function from Ms N Giles, with PwC, led by Mr W de Bruin, continuing to perform the internal audit activities in terms of an outsourced service arrangement. Internal audit has unrestricted access to those charged with governance.

The ARC approved and monitored the risk-based internal audit plan, considered the results of the reviews performed by internal audit, and obtained assurance from management that processes have been implemented to ensure that the necessary remedial action has been taken to address the internal audit's findings. In respect of in-scope areas, internal audit has not identified any significant weakness in the design, implementation or operating effectiveness of the Group's internal financial controls and its information systems and cybersecurity controls.

The Committee satisfied itself that the internal audit function is independent and has the necessary resources, standing and authority to discharge its duties. The ARC confirmed the reappointment of PwC as internal auditors and is in the process of determining the 2025 internal audit plan for the Group.

In addition, Forvis Mazars conducted an International Standard on Assurance Engagements 3402 (ISAE 3402) Type 2 review of key internal controls at Sygnia Life Limited, Sygnia Asset Management Proprietary Limited and Sygnia Collective Investments (RF) Proprietary Limited. In this regard, Forvis Mazars concluded that for the period 1 October 2023 to 30 September 2024:

- the description of the systems, as outlined in the ISAE 3402 reports, fairly presents Sygnia's investment management and administration operations as designed and implemented;
- the controls related to the control objectives stated in the ISAE 3402 report were suitably designed throughout; and
- the controls tested were those necessary to provide reasonable assurance that the control objectives stated in the ISAE 3402 report were achieved and operated effectively.

Fraud or misconduct

The ARC has not been made aware of any instances of internal fraud or misconduct, nor of any notable compliance breaches during the current period.

Effectiveness of the Chief Financial Officer and the finance function

Mr R Ismail was appointed Chief Financial Officer of Sygnia with effect from 1 September 2024 following Ms N Giles' role change in the Company (on 31 August 2024) to focus on strategic initiatives. Mr Ismail is a chartered accountant and has worked for the Company for the past 11 years.

In terms of JSE Listings Requirement 3.84(g), the Committee considered and satisfied itself with regards to the effectiveness of the relevant financial directors, as well as the experience and adequacy of resources within the Group's finance function.

Risk management

The ARC reviewed and approved the 2024 Group-wide risk management practices and ensured that the executive team had implemented:

- processes to identify and assess the Group's key risk exposures;
- a risk management infrastructure capable of mitigating such risks within an approved risk appetite; and
- practices allowing for prompt communication of key risk-related matters to the ARC and other key internal stakeholders.

The annual risk workshops were recently concluded across key business units within the Group to identify, assess and address those most critical risks that could impact the achievement of the Group's objectives. The outcomes of the risk workshops, together with remediation plans, will be presented to the ARC at its next meeting.

Combined assurance

Sygnia has developed and implemented a combined assurance model in respect of its key risks, which were identified during a top-down and bottom-up approach. The combined assurance model continues to be reviewed regularly and is refined as appropriate to enhance its effectiveness and to cater for changing risk exposures and "lines of defence" responsibilities. For each key risk, an appropriate action plan is developed and monitored. Combined assurance is evaluated against the Group's Board-approved risk appetite. The Committee's view is that the current combined assurance arrangements are sufficient to achieve their objectives.

Consolidated annual financial statements

The Committee reviewed the accounting policies, significant accounting matters and the going concern assessment, prepared by management, applicable to the Group's 2024 consolidated annual financial statements and ensured that the consolidated annual financial statements and the related results announcements were, in all material respects, in compliance with the provisions of the Companies Act, IFRS Accounting Standards and the JSE Listings Requirements.

The ARC also considered other matters communicated by the JSE over the past few months in respect of reporting and disclosure, including those emanating from the JSE's proactive monitoring process in respect of accounting policies and financial reporting. The Committee has concluded that appropriate financial reporting procedures exist and are operational within the Group to facilitate the preparation and dissemination of financial information that is free of material misstatement, whether due to fraud or error.

The Committee is satisfied that the consolidated annual financial statements fairly present the financial position of the Group at 30 September 2024 and the results of its operations and cash flows for the year then ended. The consolidated annual financial statements and results announcement were recommended to the Board for approval.

Consideration of key audit matters

The key audit matters (KAMs) identified and reported on by Forvis Mazars on page 59 are also matters that featured on the ARC's agenda. The Committee has assessed the key audit matters included in the external auditors' report and has concluded after considering submissions from management and Forvis Mazars that these matters have been appropriately addressed.

Integrated report

In compliance with the requirements of the King IV Report on Governance for South Africa (2016) and the JSE Listings Requirements, an Integrated Report has been compiled for the 2024 financial year in addition to these consolidated annual financial statements. The Committee has reviewed the contents of the Integrated Report and recommends its approval by the Board.

In conclusion, the ARC thanks management and the finance team members for their contribution and diligence during the 2024 financial period.

George Cavaleros
Chairman of the Audit and Risk Committee
4 December 2024

Independent auditor's report

To the shareholders of Sygnia Limited
Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Sygnia Limited and its subsidiaries (the Group) set out on pages 62 to 97, which comprise the consolidated statement of financial position as at 30 September 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. All key audit matters relate to the consolidated financial statements.

Valuation of limited liability partnership investments (note 6.1)

Matter

The Group's accounting policy in note 1 states that investments linked to investment contract liabilities are initially recognised at fair value and subsequently measured at fair value through profit or loss in accordance with IFRS 9 Financial Instruments.

The Group's investments linked to investment contract liabilities of R163 billion (2023: R141 billion) include unlisted investments in limited liability partnerships of R5.9 billion (2023: R6.1 billion).

The limited liability partnership investments are classified as Level 3 investments and valued using the adjusted net asset value method. The adjusted net asset value of the limited liability partnerships are determined with reference to the fair value of the respective partnership's own investments in listed and unlisted shares.

Given the significance of the estimates and judgements used by management in the valuation of the Group's investments in limited liability partnerships, we have assessed that the valuation of these investments warrants significant audit focus. The use of inappropriate inputs and assumptions by management could result in an investment valuation reflected in the financial statements that is materially misstated.

Audit response

In establishing the overall approach to the group audit, we determined the extent of our reliance on the work performed by the component auditors of the limited liability partnerships. In addition to the work performed by the component auditors of the limited liability partnerships, we performed substantive tests of details to confirm the reasonableness of the valuation of the limited liability partnership investment carrying value at year end. Our audit procedures included, amongst others, the following:

- We assessed the appropriateness of the valuation methodologies and techniques applied in the valuation of the limited liability partnership investments in terms of the requirements of IFRS 13 Fair Value Measurement.
- We re-performed the calculation of the percentage holding in the limited liability partnerships with reference to opening balances and contributions and withdrawals into and out of the limited liability partnerships.
- We agreed the value of the level 3 investments to the underlying net asset values of the limited liability partnerships and assessed the reasonableness of the methodologies and assumptions used by the limited liability partnerships in determining the fair value of the underlying assets and liabilities used in the calculation of the adjusted net asset value.
- We assessed the presentation and disclosure of the limited liability partnership investments in the consolidated financial statements for compliance in terms of the IFRS Accounting Standards.

Impairment of goodwill and management contract intangible asset (note 3)

Matter

The Group's accounting policy in note 1 of the consolidated financial statements states that goodwill and the management contracts intangible asset is measured at cost less any accumulated impairment loss.

The Group has goodwill and management contract balances which are included in the intangible assets balance.

The recoverable amounts of the goodwill and management contracts have been determined by management using the value in use calculations in accordance with the requirements of IAS36 Impairment of Assets. The valuation techniques applied by management involve significant estimation and judgement.

These estimates and assumptions used in determining the discounted cash flow include among others:

- Risk-free rate;
- Discount rates;
- Tax rates; and
- Growth & terminal growth rates.

Given the significance of the estimates and judgements involved, coupled with the high number of individual estimates performed, could result in a material misstatement and therefore warranted specific audit focus.

Audit response

We performed the following audit procedures, with the assistance of an auditor's expert, on the impairment tests at the lowest level of cash generating units to which the goodwill and management contracts have been allocated:

- We recalculated the valuation obtained from management to assess the mathematical accuracy thereof;
- We assessed the valuation methodology and key assumptions used in determining the valuation of the recoverable amount in terms of IAS36 which included a comparison to the actual historic results, management budgets and external market information as well as an assessment of the reasonability of the risk-free, discount, tax and growth rates used;
- We performed a sensitivity analysis on the significant assumptions and compared it to the overall recoverable amounts;
- Assessed the competence, capabilities, objectivity and integrity of the auditor's expert; and
- We assessed the presentation and disclosure of the goodwill and management contracts intangible asset in the consolidated financial statements for compliance in terms of the IFRS Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sygnia Limited's Integrated Report 2024" and in the document titled "Audited Consolidated Annual Financial Statements for the year ended 30 September 2024" which includes the Directors' Report, the Audit and Risk Committee Report, the Report by the Company Secretary as required by the Companies Act of South Africa and the Analysis of Shareholding. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Forvis Mazars has been the auditor of Sygnia Limited for six years.

Forvis Mazars

Forvis Mazars

Partner: Mia Pieterse
Registered Auditor
4 December 2024
Cape Town

Forvis Mazars
Rialto Road
Grand Moorings Precinct
7441
Century City
South Africa

Consolidated statement of financial position

as at 30 September 2024

	Notes	2024 R'000s	2023 R'000s
Assets			
Intangible assets	3	406,419	408,400
Property and equipment		16,625	14,788
Loans receivable	8	30,798	37,585
Right-of-use assets	4	85,306	32,946
Deferred tax assets	5	29,109	42,624
Investments linked to investment contract liabilities	6.1	162,845,866	140,724,578
Other receivables		9,055	9,855
Trade receivables	9	98,322	106,351
Investments	7	510,252	370,931
Amounts owing by clearing houses	10.1	-	419
Amounts owing by clients	10.2	113,326	308,800
Cash and cash equivalents	11	270,908	1,084,174
Total assets		**164,415,986**	**143,141,451**
Equity			
Stated capital	12	678,170	667,660
Retained earnings		410,637	386,195
Reserves		(238,547)	(232,788)
Total equity		**850,260**	**821,067**
Attributable to the owners of the parent		849,931	820,674
Attributable to non-controlling interest		329	393
Liabilities			
Loan payable – non-current	14	25,222	35,305
Preference share liability – non-current	16	-	100,000
Lease liabilities – non-current	15	79,538	28,402
Deferred tax liabilities	5	68,898	69,019
Third-party liabilities arising on consolidation of collective investment schemes	13	2,623,742	2,222,968
Investment contract liabilities	6.2	160,240,256	138,534,181
Tax payable		26,365	20,603
Lease liabilities – current	15	13,199	7,203
Preference share liability – current	16	100,000	-
Trade and other payables	17	275,179	993,476
Amounts owing to clearing houses	10.1	30,553	90,872
Amounts owing to clients	10.2	82,774	218,355
Total liabilities		**163,565,726**	**142,320,384**
Total equity and liabilities		**164,415,986**	**143,141,451**

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 September 2024

	Notes	2024 R'000s	2023 R'000s
Revenue	20	946,039	843,890
Operating expenses	20	(508,725)	(462,812)
Profit from operations	**20**	**437,314**	**381,078**
Investment contract income	18	25,126,024	20,497,849
Transfer to investment contract liabilities	19	(25,126,024)	(20,497,849)
Interest income		54,642	42,124
Other investment income	21	8,095	9,861
Finance costs		(17,940)	(13,178)
Profit before tax		**482,111**	**419,885**
Income tax	22	**(134,910)**	**(119,445)**
Profit after tax		**347,201**	**300,440**
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss:			
Foreign currency translation reserve		(148)	3,001
Total comprehensive income for the year		**347,053**	**303,441**
Profit attributable to:			
Owners of the parent		346,665	299,808
Non-controlling interest		536	632
		347,201	**300,440**
Total comprehensive income attributable to:			
Owners of the parent		346,517	302,809
Non-controlling interest		536	632
		347,053	**303,441**
Earnings per share (cents)			
Basic	23	229.1	198.9
Diluted	23	225.4	194.5

Consolidated statement of changes in equity

for the year ended 30 September 2024

		Attributable to equity holders of the group					
	Notes	Stated capital R'000s	Other reserves R'000s	Share-based payment reserve R'000s	Retained earnings R'000s	Non-controlling interest R'000s	Total equity R'000s
Balance at 1 October 2022		**662,712**	**(253,174)**	**18,742**	**412,956**	**321**	**841,557**
Total comprehensive income for the year		-	3,001	-	299,808	632	303,441
Dividends paid *		-	-	-	(326,569)	(560)	(327,129)
Share-based payment expense	20	-	-	1,852	-	-	1,852
Issue of shares	12	1,492	-	-	-	-	1,492
Ordinary shares repurchased	12	(146)	-	-	-		(146)
Transfer between share based payment reserve and stated capital	12	3,602	-	(3,602)	-	-	-
Balance at 30 September 2023		**667,660**	**(250 173)**	**16,992**	**386,195**	**393**	**821,067**
Total comprehensive income for the year		-	(148)	-	346,665	536	347,053
Dividends paid **		-	-	-	(322,223)	(600)	(322,823)
Share-based payment expense	20	-	-	4,576	-	-	4,576
Issue of shares	12	387	-	-	-	-	387
Transfer between share based payment reserve and stated capital	12	10,123	-	(10,123)	-	-	-
Balance at 30 September 2024		**678,170**	**(250,321)**	**11,445**	**410,637**	**329**	**850,260**

* Dividends per share - 217 cents
Declared 5 December 2022 - 130 cents
Declared 5 June 2023 - 87 cents

** Dividends per share - 213 cents
Declared 4 December 2023 - 123 cents
Declared 5 June 2024 - 90 cents

Other reserves relate to equity acquired in subsidiaries from minority shareholders in prior periods, as well as business combinations under common control in which the consideration exceeded the carrying value of the net assets acquired and a foreign currency translation reserve.

Consolidated statement of cash flows

for the year ended 30 September 2024

	Notes	2024 R'000s	2023 R'000s
Cash flows from operating activities			
Cash flows from operations	25	(250,320)	1,156,992
Dividends received		159	4
Interest received		55,637	41,611
Interest paid		(18,023)	(13,166)
Tax paid		(130,183)	(139,028)
Net cash flows from operating activities		**(342,730)**	**1,046,413**
Cash flows from investing activities			
Additions to property and equipment		(5,532)	(2,796)
Loans advanced	8	(415)	(1,961)
Loans repaid	8	7,202	6,997
Purchase of investments		(306,034)	(150,277)
Proceeds on sale of investments		176,374	181,147
Net cash flows from investing activities		**(128,405)**	**33,110**
Cash flow from financing activities			
Dividends paid		(322,823)	(327,129)
Issue of ordinary shares	12	387	1,492
Ordinary shares repurchased	12	-	(146)
Loan repaid	14	(10,000)	(10,000)
Lease liabilities paid – principal portion	15	(9,799)	(16,489)
Net cash flows from financing activities		**(342,235)**	**(352,272)**
Net change in cash and cash equivalents		**(813,370)**	**727,251**
Cash and cash equivalents at beginning of the year	11	1,084,174	357,524
Exchange losses on cash and cash equivalents		104	(601)
Cash and cash equivalents at end of year	**11**	**270,908**	**1,084,174**

Note to the statement of cash flows:

Cash held in overnight settlement accounts on behalf of policyholders of Sygnia Life Limited and clients of Sygnia Collective Investments (RF) Proprietary Limited, Sygnia Securities Proprietary Limited and Sygnia Itrix (RF) Proprietary Limited is included on the face of the statement of financial position under "Cash and cash equivalents" with a corresponding payable to clients included in trade and other payables (unsettled trades). This results in the movement in these cash amounts being disclosed in the statement of cash flows. Changes in these amounts are shown under the "Cash flow from operations", under the "Cash flows from operating activities" section on the statement of cash flows. These cash amounts fluctuate on a daily basis and can result in significant fluctuations if comparing "Changes in working capital" between reporting periods.

Notes to the consolidated financial statements

for the year ended 30 September 2024

1. Accounting policies

The consolidated financial statements comprise Sygnia Limited and its subsidiaries ("the Group"). The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, except for the mandatory adoption of IAS 1 - Presentation of Financial Statements, which requires disclosure of material accounting policies, and IAS 12 - Income Taxes, which narrows the scope for recognition of taxable/deductible temporary differences and clarifies that deferred tax must be recognised on initial recognition of certain transactions. The Group has adopted and applied these standards, which did not have a material impact, in the current year.

Basis of preparation

The consolidated financial statements have been prepared on a going-concern basis, in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board, financial reporting pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

The consolidated financial statements are presented in rands and are prepared on the historical cost basis unless stated otherwise in the accounting policies below. All financial information presented has been rounded to the nearest thousand rand unless otherwise indicated.

Forthcoming requirements

At the date of authorisation of these consolidated financial statements, the following standards and interpretations that impact the Group were in issue, but not yet effective:

IAS 1 – Presentation of Financial Statements: Effective for annual periods beginning on or after 1 January 2024

The amendments clarify the classification of liabilities as current or non-current and the classification of long-term debt affected by covenants.

IFRS 18 – Presentation and Disclosure in Financial Statements: Effective for annual periods beginning on or after 1 January 2027

IFRS 18 replaces IAS 1 (Presentation of financial statements) and includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in financial statements.

During the current year, management has considered the impact of all standards, amendments and interpretations in issue but not yet effective, and is in the process of assessing the impact as at the date of this report.

Basis of consolidation

The acquisition method of accounting is used to account for the acquisition of subsidiaries and businesses by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss. The Group acts as a fund manager to collective investment schemes. In determining whether the Group controls such a scheme, it assesses the aggregate economic interests of the Group, taking into account investment management fees and the investor's rights to remove the fund manager. The non-controlling interest in the collective investment scheme consolidated by the Group are classified as third-party liabilities arising on consolidation of collective investment schemes, a financial liability, in the consolidated statement of financial position. These interests are classified at fair value through profit or loss and measured at fair value, which is equal to the published closing price of the number of units of the collective investment scheme not owned by the Group.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition, over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary, at the date of acquisition. Goodwill is reported in the statement of financial position as an intangible asset. Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses, which are reflected in profit or loss. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash generating units that are expected to benefit from the synergies of the combination for the purpose of impairment testing. The impairment is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Management contracts

Management contracts represent the contracts between Sygnia Itrix (RF) (Pty) Ltd (management company) and the five exchange traded funds (ETFs) that were acquired with the acquisition of DBX Tracker from Deutsche Bank. These management contracts represent a relationship between the ETF and the management company and, as a result, there is a right for the management company to earn a revenue stream from the ETFs, which in turn will generate revenue from ETF unit holders. The management contract intangible asset has an indefinite life, as the ETFs from which the revenue stream is to be derived as a result of the management contracts will exist for the foreseeable future, and no terminal point has been identified at year end. Management contracts are tested annually for impairment and are carried at cost less accumulated impairment losses. Impairments are reflected in profit or loss.

Customer relationships

a) Acquired contract with clients
Acquired contracts with clients are shown at cost less accumulated amortisation and impairment. The carrying amount of each cash-generating unit is reviewed for impairment when an impairment indicator is identified.

b) Investment plan
The investment plan represents client relationships associated with the investment plan acquired with Sygnia Itrix. These clients are directly associated with the ownership of Sygnia Itrix and therefore require valuation in terms of the purchase price allocation valuation, as a defined revenue stream was associated with those relationships.

Licence

The licence intangible asset relates to the costs to establish an entity with the same licenses as Sygnia Itrix, allowing it to offer ETFs to investors.

Customer relationships and licenses are amortised on a straight-line method to write off the cost of each asset over its estimated useful life. The useful life, amortisation method and residual values are reassessed annually. These assets are amortised over the following useful lives:

Customer relationships – acquired contracts	9 years
Customer relationships – investment plan	10 years
License	10 years

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use. The gain or loss arising from derecognition is recognised in profit or loss.

Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Leases

Under IFRS 16, leases are recognised as a lease liability and corresponding right-of-use asset at the date on which the leased asset is available for use by the Company.

Lease liability

The lease liability is initially measured at the present value of future lease payments. The lease payments are discounted using the incremental borrowing rate. The Group estimated the incremental borrowing rate using recent third-party financing rates received adjusted for certain entity-specific estimates such as the lease term. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Extensions to the lease term will result in a lease modification. Lease extensions are accounted for at the effective date of the lease modification. The Group remeasures the existing lease liability at the effective date of the lease modification based on the modified lease payments using the incremental borrowing rate on that date. A corresponding adjustment is made to the right-of-use asset.

Right-of-use assets

Right-of-use assets are initially measured at cost, comprised of the following:

- the initial amount of the corresponding lease liability.
- any lease payments made at or before the commencement date.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Financial instruments

Financial instruments are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the particular instrument. Financial assets are derecognised when, and only when, the Group transfers substantially all risks and rewards of ownership. Financial liabilities are derecognised when, and only when, the obligations under the contract are discharged, cancelled or expire. When a financial liability is replaced on substantially different terms or where the terms are substantially modified, the financial liability is derecognised and a new liability is recognised. The terms are substantially different where the discounted present value of the cash flows (using the original effective interest rate) change by at least 10%.

Financial assets

a) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss comprise investments linked to investment contract liabilities and investments. These assets are initially recognised at fair value and are subsequently measured at fair value through profit or loss. Transaction costs are expensed to profit or loss. Financial assets at fair value through profit or loss are valued as follows:

- Listed equities – closing prices on an exchange.
- Listed interest income securities – closing prices on an exchange.
- Unlisted interest income securities – valuation model that uses observable market inputs (yield of benchmark bonds).
- Collective investment schemes – published price provided by the management company.
- Hedge funds – price provided by the fund manager.
- Investments in insurance policies – price provided by the insurer.
- Unlisted private equity investment – last traded price provided by brokers. If no trades within six months, directors' valuation.
- Limited liability partnership investments – price provided by the administrator.

Regular purchases and sales are recognised on trade date.

b) Financial assets at amortised cost
Financial assets at amortised cost comprise loans receivable, trade receivables, amounts owing by clearing houses, amounts owing by clients and cash and cash equivalents. These assets are initially recognised at fair value (or the amount determined by applying IFRS 15) plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses. Financial assets at amortised cost are held to collect contractual cash flows, which consist solely of payments of principal and interest. Financial assets that are held to sell and those that are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss, because they are neither held to collect contractual cash flows nor held to collect contractual cash flows and sell.

Financial liabilities

a) Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss comprise investment contract liabilities and third-party liabilities arising on consolidation of unit trust funds. This classification eliminates a measurement inconsistency that would otherwise arise with the measurement basis of investments linked to investment contract liabilities. These liabilities are initially recognised at fair value and are subsequently measured at fair value through profit or loss. These contracts are accounted for in terms of IFRS 9. Amounts received under investment contracts are recorded as contributions and are credited directly to investment contract liabilities. Amounts paid under investment contracts are recorded as withdrawals from investment contract liabilities. Investment contract liabilities are recognised when the Group becomes party to their contractual provisions. Disclosure in the statement of profit or loss and other comprehensive income has been made to reflect all income, including realised and unrealised profit, relating to policyholders into one line item called “investment contract income”, and all the expenses relating to policyholders into one line item called “transfer to investment contract liabilities”. Disclosure in the statement of financial position has been made to reflect related policyholder assets in one line item called “investments linked to investment contracts liabilities”.

b) Financial liabilities at amortised cost
Financial liabilities at amortised cost comprise loan payable, preference share liability, trade and other payables, amounts owing to clearing houses and amounts owing to clients. Financial liabilities are initially recognised at fair value less any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method.

Scrip lending

The Group engages in scrip lending activities, whereby securities are lent to counterparties and are subject to a written legal agreement under the terms of a global master securities lending agreement. In exchange for the securities lent, the Group receives collateral in the form of cash or securities in excess of the market value of securities lent. The Group monitors the fair value of securities lent and the value of scrip collateral, and additional collateral is obtained if necessary. The value of the cash collateral received is recorded as policyholder investments linked to investment contract liabilities, with the equivalent payable to the counterparty recorded as investment contract liabilities. The value of the collateral equities relating to scrip on loan and collateral payable relating to scrip on loan is recorded as policyholder investments linked to investment contract liabilities. Securities lent to counterparties are shown as investment contract portfolio debtors and are stated at the fair value of the underlying securities.

Managed funds and trust activities

Certain companies within the Group operate collective investment schemes that hold and invest funds on behalf of clients. Assets and liabilities representing such activities are not reflected in the statement of financial position as these relate directly to clients, except in instances where the criteria for the consolidation of those funds is met, in which case the assets and liabilities associated with those funds are included on the statement of financial position. Income from these activities is brought into account in the period to which the service relates.

Impairment

The carrying amounts of the Group's financial assets are presented net of impairment after applying the expected credit loss (ECL) assessment. The ECL is updated at the end of the reporting period to reflect changes in credit risk since initial recognition. For financial assets at amortised cost, a forward-looking expected credit loss is applied. The Group holds only trade receivables, with no financing components that have maturities of less than one year at amortised cost and, as such, has chosen to apply the simplified approach for ECL under IFRS 9 to all its trade receivables. The Group recognises a loss allowance based on lifetime ECLs at each reporting date. The Group applies IFRS 9's general approach to its loans receivable in terms of which the Group regards a significant increase in credit risk, as when payments are more than 30 days past due, and a default, as when payments are more than 90 days past due. Loans and receivables are written off when there is no realistic prospect of recovery.

Revenue

Revenue comprises fees for services rendered and includes investment management fees, investment administration fees, general partner fees, treasury income, brokerage income and securities lending income.

Investment management fees, investment administration fees, general partner fees and securities lending income continue to be recognised over time on a daily basis as services are rendered. Variable consideration comprises investment management fees that are performance-based. Revenue is recognised only to the extent that it is highly probable that no significant revenue reversal will occur, and such amounts are only included based on the expected value or most likely outcome method. More specifically, revenue is recognised when all contractual provisions as agreed with clients have been met and the performance obligation has been satisfied. Due to inherent volatility and uncertainties in financial markets, this usually occurs when the variable consideration crystallises or on redemption of the client's investment.

Brokerage and treasury income continues to be recognised at a point in time on the day that the purchase or sale of financial instruments is concluded, regardless of when settlement takes place.

Where the Group recognises revenue over time, this is in general due to the Group performing and the customer receiving and consuming the benefits over the life of the contract as services are rendered. The Group applies a revenue recognition method that faithfully depicts the Group's performance of its obligations.

Interest and other investment income

Interest income includes interest from financial assets at amortised cost, recognised on the accrual basis using the effective interest rate method, and interest from financial assets at fair value through profit or loss using the contractual interest rate. Other investment income comprises dividend income, gains or losses on revaluation or disposal of financial assets and foreign exchange gains and losses. Dividend income is recognised in profit or loss on the date the entity 's rights to receive payment is established. Income received from collective investment schemes is recognised in profit or loss on the date when the income is distributed. The relevant distinction is made between the nature of the income distributed, as is appropriate.

Finance costs

Finance costs comprise interest expenses on interest-bearing borrowings, as well as the finance costs related to lease liabilities.

Share-based payments

The Group operates three share option schemes involving share options in Sygnia Limited. The share option schemes, which are on an equity-settled basis, allow the Group's employees to acquire shares of Sygnia Limited. The fair value of options granted is recognised as an expense with a corresponding increase in equity (share-based payment reserve) on a straight-line basis over the vesting period, based on management's estimate of the shares that will vest and adjusted for the effect of non-market-based vesting conditions. These share-based payments are not subsequently revalued. When share options are exercised, the share-based payment reserve is released to stated capital. When share options are forfeited, the expense recognised relating to the forfeited options is reversed, with a corresponding decrease in equity (share-based payment reserve) in the period that the options are forfeited.

Foreign currencies and foreign operations

Transactions in foreign currencies are recorded at the rate of exchange ruling at the transaction date. Financial assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Gains and losses arising on translation are credited to or charged against profit or loss. The Group has a subsidiary in the UK for which the functional currency is pound sterling. On consolidation, the results and financial position of the UK subsidiary is translated into the presentation currency of the Group, as follows:

- Assets and liabilities are translated at the closing rate at year end.
- Income and expense items are translated at exchange rates ruling at the date of the transaction.
- All resulting exchange differences are recognised in other comprehensive income (foreign currency translation reserve), which is subsequently recognised in the statement of profit or loss and other comprehensive income on disposal of the foreign operation.
- Cash flow items are translated at the exchange rates ruling at the date of the transactions.

Earnings per share

The Group presents basic and diluted earnings per share and headline earnings per share data for its ordinary shares. Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity shareholders of the parent by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary equity shareholders of the parent and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive instruments.

Headline and diluted headline earnings per share are calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants.

Segment information

The Group has identified Sygnia's executive committee as the chief operating decision maker ("CODM"). The responsibility of the executive committee is to assess performance and to make resource allocation decisions across the Group. The Group has operations in the United Kingdom through a subsidiary, registered in England & Wales, that earns fees and incurs costs as the general partner to a private equity partnership registered in England & Wales and for support services rendered. The revenue and costs related to these operations is not considered to be significant, and therefore no further disclosure has been made in relation to this segment. The South African operations continued to provide investment management and administration services to institutional and retail clients predominantly located in South Africa. No disaggregated information is provided to the CODM on the South African operations, and the CODM assesses operating performance and makes resource decisions about the South African operations as a whole. The Group has therefore concluded that the South African operations constitute one operating segment.

2. Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reporting amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis by the directors and management. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Significant estimates made by management in the application of IFRS Accounting Standards relate to the impairment of intangible assets, the observable market data used to measure the share option expense, the valuation of level 3 financial assets and the determination of the incremental borrowing rate applicable to leases. There were no material changes to judgements from the prior year.

3. Intangible assets

2024	Goodwill R'000s	Management contracts R'000s	Customer relationships R'000s	Licence R'000s	Closing balance R'000s
At cost					
Opening balance	149,698	253,885	17,176	1,170	421,929
Closing balance	**149,698**	**253,885**	**17,176**	**1,170**	**421,929**
Accumulated amortisation and impairment					
Opening balance	(31)	-	(12,796)	(702)	(13,529)
Amortisation	-	-	(1,863)	(118)	(1,981)
Closing balance	**(31)**	**-**	**(14,659)**	**(820)**	**(15,510)**
Carrying amount	**149,667**	**253,885**	**2,517**	**350**	**406,419**
2023					
At cost					
Opening balance	149,698	253,885	17,176	1,170	421,929
Closing balance	**149,698**	**253,885**	**17,176**	**1,170**	**421,929**
Accumulated amortisation and impairment					
Opening balance	(31)	-	(10,933)	(585)	(11,549)
Amortisation	-	-	(1,863)	(117)	(1,980)
Closing balance	**(31)**	**-**	**(12,796)**	**(702)**	**(13,529)**
Carrying amount	**149,667**	**253,885**	**4 380**	**468**	**408 400**

Goodwill consists mainly of amounts relating to two separate cash-generating units ("CGUs"), namely SURF and Sygnia Itrix. Consequently, two separate goodwill impairment assessments relate to each of the cash-generating units. The carrying amount relating to SURF is R18.5 million (2023: R18.5 million) and to Sygnia Itrix is R130.8 million (2023: R130.8 million).

Critical accounting estimates and judgements

Management assesses the recoverable amount of each cash-generating unit and management contract by using value-in-use calculations. Value-in-use is assessed on a discounted cash-flow-based calculation. These calculations use cash-flow projections based on financial budgets for a five-year planning period. Where appropriate, cash flows were extrapolated into perpetuity by using a terminal growth rate model. A key input used in the models to determine the value-in-use of the cash-generating units is the pre-tax discount rate applied to management's forecasted cash flows, which reflects the current market assessments of time value of money and the risk specific to the cash-generating unit. The growth rate and terminal growth rate are based on historical information

Impairment evaluation of goodwill

The assumptions below were used in estimating the value in use of the SURF and Sygnia Itrix cash-generating units:

	SURF		Sygnia Itrix	
	2024 %	**2023** %	**2024** %	**2023** %
Risk-free rate (10-year government bond)	9.34	10.89	9.34	10.89
Growth rate	6.00	5.00	2.50	3.50
Terminal growth rate	3.42	2.74	3.10	3.70
Discount rate	28.88	31.70	28.88	31.01

A reasonably possible change in these assumptions would not cause the carrying amount to exceed its recoverable amount.

Impairment evaluation of management contracts

The assumptions below were used in estimating the value in use of management contracts within the Sygnia Itrix cash-generating unit:

	2024 %	**2023** %
Risk-free rate (10-year government bond)	9.34	10.89
Terminal growth rate	1.60	2.60
Discount rate	28.88	31.01

A reasonably possible change in these assumptions would not cause the carrying amount to exceed its recoverable amount.

4. Right-of-use assets

Corporate offices	2024 R'000	2023 R'000
At cost		
Opening balance	100,870	61,021
Addition	1,604	-
Modifications *	65,226	38,609
Foreign exchange adjustment	879	1,240
Closing balance	**168,579**	**100,870**
Accumulated depreciation		
Opening balance	(67,924)	(48,593)
Depreciation	(14,661)	(17,841)
Foreign exchange adjustment	(688)	(1,490)
Closing balance	**(83,273)**	**(67,924)**
Carrying amount	**85,306**	**32,946**

* The Group leases various corporate office spaces in Cape Town and Johannesburg from related parties. During the current year, lease extensions were agreed, resulting in lease modifications with effect from 1 March 2024. The lease extensions are for five years.

Refer to note 15 for the lease liabilities relating to right-of-use assets.

5. Deferred tax

Net deferred tax liability relates to the following:

	2024 R'000s	2023 R'000s
Accruals	15,431	16,076
Income received in advance	333	29
Prepayments	(2,220)	(2,321)
Net fair value adjustment on investments	(3,300)	(3,553)
Right-of-use assets	16,380	5,604
Lease liabilities	(17,320)	(5,781)
Unrealised loss on investment contract assets relating to policyholders	18,132	32,570
Property and equipment	1,673	-
Intangible assets	(68,898)	(69,019)
Net deferred tax liability	**(39,789)**	**(26,395)**
Deferred tax asset	29,109	42,624
Deferred tax liability	(68,898)	(69,019)
Net deferred tax liability	**(39,789)**	**(26,395)**
Reconciliation of deferred tax liability		
Opening balance	(26,395)	(52,355)
Temporary differences	1,035	1,125
Foreign exchange adjustment	9	124
Unrealised (gain)/loss on investment contract assets relating to policyholders	(14,438)	24,711
	(39,789)	**(26,395)**

6. Investment contract investments and liabilities

6.1 Investments linked to investment contract liabilities

	2024 R'000s	2023 R'000s
Equities	25,539,658	20,641,380
Interest income securities	5,706,656	5,368,148
Domestic collective investment schemes *	17,460,112	15,293,520
International collective investment schemes *	70,300,523	67,777,405
Hedge funds	68,248	49,948
Derivatives	(34,205)	24,960
Limited liability partnership investments	5,931,397	6,111,108
Unlisted private equity investment	55,156	98,182
Domestic investments in insurance policies	6,900,805	5,967,437
International investments in insurance policies	109,966	60,634
Cash and cash equivalents	1,165,730	1,376,742
Investment contract portfolio debtors	14,796,787	9,094,410
Unsettled cash transactions	125,106	784,804
Investment contract portfolio accrued interest	185,776	112,934
Collateral equities relating to scrip on loan	605,236	2,603,589
Collateral cash relating to scrip on loan	14,534,151	7,962,966
Collateral payable relating to scrip on loan	(605,236)	(2,603,589)
	162,845,866	**140,724,578**

The collateral above of R15.1 billion (2023: R10.6 billion) as well as collateral that has been pledged of R0.7 million (2023: Rnil) is in respect of scrip on loan of R14.8 billion (2023: R9.1 billion). Cash collateral payable at year end amounts to R14.5 billion (2023: R8.0 billion).

* The collective investment schemes are unconsolidated structured entities.

Derivative contracts

Exchange traded futures and options contracts are entered into for both long and short positions. The positions are covered by an initial margin deposit. Fair value movements are settled on a daily basis by means of variation margin payments. The total derivatives exposure at year end was a long position of R1.4 billion (2023: R707.2million) and a short position of R2.5 billion (2023: R2.5 billion).

6.2 Investment contract liabilities

	2024 R'000s	**2023 R'000s**
Opening balance	138,534,181	121,796,830
Contributions	11,496,156	14,464,719
Net investment income		
Interest income	2,848,977	2,159,940
Dividends from listed investments	1,655,293	1,558,694
Fund balance adjusted for gross fund inflows	**154,534,607**	**139,980,183**
Withdrawals	(19,144,601)	(17,391,850)
Management fees	(272,761)	(274,951)
Portfolio expenses	(268,502)	(176,214)
Interest expense	(1,362,362)	(796,160)
Transaction costs	(134,466)	(206,882)
Income tax	(8,535)	(16,670)
Deferred tax	(14,438)	24,711
Fair value adjustment to third-party liabilities	(279,560)	(239,328)
Net fair value gains on investments linked to investment contract liabilities	20,621,754	16,779,215
Withdrawals payable	(3,610)	-
Other payables movement	1,545	3,142
Cash collateral movement relating to scrip on loan	6,571,185	848,985
	160,240,256	**138,534,181**

7. Investments

	2024 R'000s	**2023 R'000s**
Collective investment schemes *	430,276	267,736
External collective investment schemes	31,155	-
Sygnia Life Core Income Fund	48,821	103,195
	510,252	**370,931**

The collective investment schemes are managed by Sygnia Collective Investments (RF) Proprietary Limited (a subsidiary of the Group) and are unconsolidated structured entities.

Interest earned on investments amounts to R27.4 million (2023: R18.9 million).

8. Loans receivable

	2024 R'000s	2023 R'000s
ASISA Supplier Development Trust	11,956	11,541
Beret Properties Proprietary Limited	-	5,058
Widok Properties Proprietary Limited	-	2,137
Staff loans	18,842	18,849
	30,798	**37,585**

The loans to the ASISA Supplier Development Trust ("ASISA") are unsecured, interest free and repayable between September 2025 and September 2031. R0.42 million was advanced to ASISA in the current year (2023: R1.96 million).

There were two loans to Beret Properties Proprietary Limited, both unsecured. The first loan was repayable in monthly instalments over 10 years, with final repayment due in November 2025, and bore interest at the prime interest rate. The second loan was repayable in monthly instalments over 20 years, with final payment due in November 2035, and bore interest at the prime interest rate less 0.5%. R5.34 million was paid in instalments on both loans in the current year (2023: R1.23 million), consisting of capital of R5.06 million (2023: R0.66 million) and interest of R0.28 million (2023: R0.57 million). Both loans were settled during the current year.

The loan to Widok Properties Proprietary Limited was unsecured, bore interest at the prime interest rate less 0.5% and was repayable in monthly instalments over 20 years, with final payment due in November 2035. R2.26 million was paid in instalments in the current year (2023: R0.31 million), consisting of capital of R2.14 million (2023: R0.09 million) and interest of R0.12 million (2023: R0.23 million). The loan was settled during the current year.

Staff loans were granted to senior staff members in June 2019 to purchase shares in Sygnia Limited. These loans are repayable in June 2029 but become immediately repayable if the staff member leaves before the repayment date. Interest is charged at the SARS official rate of interest. The loans are secured by the Sygnia Limited shares that were purchased with the loan.

Management has assessed the recoverability of the loans to ASISA Supplier Development Trust based on budgeted forecasts and expected repayments. ASISA have sufficient assets to settle the loans in future. The assets of the ASISA Supplier Development Trust exceed the liabilities, and the disposal of assets would be sufficient to settle all the liabilities. Management has also assessed the recoverability of the staff loans and has assessed the loans to be performing. The value of the shares at year end is approximately 205% (2023: 180%) of the loan balance.

9. Trade receivables

	2024 R'000s	2023 R'000s
Fees receivable	87,555	94,133
Interest receivable	1,440	2,435
Rental deposits	5,210	5,064
Sundry debtors	4,117	4,719
	98,322	**106,351**

Refer to note 27 for credit risk disclosure.

10. Amounts owing by/(to) clearing houses and clients

10.1 Amounts owing by/(to) clearing houses

	2024 R'000s	2023 R'000s
Amounts receivable	-	419
Amounts owing by clearing houses	**-**	**419**
Amount payable	(30,553)	(90,872)
Amounts owing to clearing houses	**(30,553)**	**(90,872)**

10.2 Amounts owing by/(to) clients

The amounts owing by/(to) clients represent unsettled exchange traded transactions at year end relating to equities and futures purchased/sold on behalf of clients. In terms of the clearing house rules of the JSE, these amounts are settled within three days of the transaction's occurrence.

In terms of Section 21 of the Financial Markets Act of 2012, cash held for client accounts and in the client's name is held with JSE Trustees Proprietary Limited ("JSE Trustees"). At year end, client money held with JSE Trustees amounted to R124.42 million (2023: R124.97 million). This amount is not reflected in the statement of financial position, as it relates to client monies over which the Group has no control.

11. Cash and cash equivalents

	2024 R'000s	2023 R'000s
Current accounts (BB-rated)	221,908	951,701
Call accounts (BB-rated)	49,000	132,473
	270,908	**1,084,174**

Impairments on cash and cash equivalents are measured on a 12-month expected credit loss basis and reflect the short-term maturities of the exposures. The Group considers that its cash and cash equivalents have good credit quality based on the external credit ratings of the counterparties. No impairment is considered necessary.

Interest earned on cash and cash equivalents amounts to R24.9 million (2023: R19.7 million).

Refer to note 27 for currency risk exposure.

12. Stated capital

Authorised

500 000 000 ordinary shares with no par value (2023: 500 000 000).

Issued	2024 Number of shares	2023 Number of shares	2024 R'000s	2023 R'000s
Opening balance	150,947,489	150,439,353	667,660	662,712
Ordinary shares repurchased *	-	-	-	(146)
Issue of shares relating to share options exercised	1,238,500	517,000	387	1,492
Transfer between share-based payment reserve and stated capital for share options exercised	-	-	10,123	3,602
Closing balance	**152,185,989**	**150,947,489**	**678,170**	**667,660**

* In the prior year, the ordinary shares were repurchased at an average price of R16.47 and cancelled.

The unissued shares at year end are under the control of the directors until the next annual general meeting. The directors of the Company are authorised to repurchase shares under general approval, subject to certain limitations and the JSE Listing Requirements.

13. Third-party liabilities arising on consolidation of collective investment schemes

	2024 R'000s	2023 R'000s
Opening balance	2,222,968	4,407,929
Net contributions and withdrawals	(86,716)	221,841
Fair value adjustment to third-party liabilities	279,561	239,328
Consolidation/(deconsolidation) of collective investment schemes *	207,929	(2,646,130)
Closing balance	**2,623,742**	**2,222,968**

* Refer to note 27 for detail.

14. Loan payable

	2024 R'000s	2023 R'000s
Opening balance	35,305	45,293
Repayment	(10,000)	(10,000)
Interest accrued	3,409	4,004
Interest repaid	(3,492)	(3,992)
Closing balance	**25,222**	**35,305**

The loan amount represents the amount utilised from a R100 million facility with Standard Bank. This facility is in place from March 2019 to January 2027. Drawdowns can be made at any time during the facility period with five working days notice. Interest is accrued at JIBAR plus 1.9% (until 14 January 2022: 1.5%) and is payable quarterly. Capital can be repaid at any time with final repayment on 14 January 2027. The loan is secured by guarantees from various companies in the Group. These companies are subject to financial covenants including interest, leverage and obligor cover ratios and AUM levels, which are monitored. The Group did not come close to breaching any of these covenants during the year.

The Group is in discussion with third parties regarding the renegotiation of the loan payable. With regards to the Jibar transition plan, the loan payable caters for a replacement to an appropriate new benchmark allowing all parties to be in the same position post the transition.

15. Lease liabilities

	2024 R'000s	2023 R'000s
Opening balance	35,605	13,824
Addition	1,604	-
Lease modifications *	65,226	38,609
Finance costs	6,195	1,140
Lease payments **	(15,994)	(17,629)
Exchange differences	101	(339)
Closing balance	**92,737**	**35,605**
Current portion	13,199	7,203
Non-current portion	79,538	28,402
	92,737	**35,605**

* The Group has various lease agreements in place, for corporate office space in Cape Town and Johannesburg, that were extended during the current year resulting in lease modifications. The lease terms were 1 year. During the current year lease extensions were agreed resulting in lease modifications with effect from 1 March 2024. The lease extensions are for 5 years.

** The lease payments include interest of R6.2 million (2023: R1.14 million), which has been presented on the statement of cash flows within operating activities (as finance costs). The capital repayments of R9.8 million (2023: R16.49 million) have been disclosed within financing activities.

Refer to note 4 for right-of-use assets relating to lease liabilities.

16. Preference share liability

	2024 R'000s	2023 R'000s
Opening balance	100,000	100,000
Closing balance	**100,000**	**100,000**

The dividends payable were calculated at 72% of the 3-month JIBAR, plus 2.32%. The Standard Bank preference shares can be redeemed by the Group at anytime with a final compulsory redemption on 15 January 2025. Preference share dividends are payable quarterly. R8.1 million (2023: R7.7 million) preference dividends were paid in the current year. The preference shares are secured by guarantees from various companies in the Group. These companies are subject to financial covenants including interest, leverage and obligor cover ratios and AUM levels, which are monitored. The Group did not come close to breaching any of these covenants during the year.

The Group is in discussion with third parties regarding the renegotiation of the preference shares. With regards to the JIBAR transition plan, the preference shares cater for a replacement to an appropriate new benchmark allowing all parties to be in the same position post the transition.

17. Trade and other payables

	2024 R'000s	2023 R'000s
Accruals	67,683	57,946
Trade creditors	70,672	89,863
Unsettled trades	134,522	842,635
Income received in advance	2,302	3,032
	275,179	**993,476**

18. Investment contract income

	2024 R'000s	2023 R'000s
Net fair value gains on investments linked to investment contract liabilities	20,621,754	16,779,215
Net investment income		
Interest income	2,848,977	2,159,940
Dividends from listed investments	1,655,293	1,558,694
	25,126,024	**20,497,849**

19. Transfer to investment contract liabilities

	2024 R'000s	2023 R'000s
Management fees	272,761	274,951
Portfolio expenses	268,502	176,214
Interest expenses	1,362,362	796,160
Transaction costs	134,466	206,882
Tax	8,535	16,670
Deferred tax	14,438	(24,711)
Fair value adjustment to third-party liabilities	279,560	239,328
Increase in investment contract liabilities	22,785,400	18,812,355
	25,126,024	**20,497,849**

20. Profit from operations

Profit from operations is arrived at after taking the following into account:

	2024 R'000s	2023 R'000s
Revenue		
Investment management fees	536,724	488,900
Investment administration fees	182,217	139,699
General partner fees *	10,396	9,865
Treasury income	144,813	143,543
Securities lending income	48,323	31,712
Brokerage income	23,566	30,171
	946,039	**843,890**

* General partner fees are earned in the United Kingdom by Sygnia Asset Management UK Limited.

Operating expenses include:	2024 R'000s	2023 R'000s
Asset management fees	15,274	15,733
Audit fees - external audit fees	3,752	3,551
Audit fees - other assurance fees		
Internal audit fees	1,447	1,203
ISAE 3402	838	1,280
Other	188	108
Audit fees - non-assurance fees	782	346
Staff costs (excluding share options costs)	273,479	248,864
Share-based payment expenses	4,576	1,852
Trading, custody and administration costs	31,170	33,780

21. Other investment income

	2024 R'000s	2023 R'000s
Dividend income	159	4
Fair value adjustment on investments	9,872	7,958
Foreign exchange (losses)/gains	(1,936)	1,899
	8,095	**9,861**

22. Income tax

South African normal tax	2024 R'000s	2023 R'000s
Current tax - current year	135,487	120,570
Current tax - prior year over provision	458	-
Deferred tax - current year	(1,035)	(1,125)
	134,910	**119,445**

Reconciliation of tax rate	%	%
Standard rate (South Africa)	27.0	27.0
Non-deductible expenses	0.7	0.9
Non-deductible expenses (finance charges)	0.5	0.6
Non-taxable income	(0.1)	(0.1)
Foreign tax rate differential	(0.1)	-
Effective rate	**28.0**	**28.4**

The tax rate reconciliation does not include profit or loss relating to policyholders.

23. Earnings and headline earnings per share

	2024 R'000s	2023 R'000s
Profit attributable to ordinary shareholders	346,665	299,809
Headline earnings	**346,665**	**299,809**

	2024 Number of shares	2023 Number of shares
Weighted average number of ordinary shares in issue (basic)	151,312,755	150,700,476
Potential number of shares issued in respect of diluted instruments	2,481,760	3,452,301
Weighted average number of ordinary shares in issue (diluted)	**153,794,515**	**154,152,777**

	2024 Cents	2023 Cents
Earnings per share (basic)	229.1	198.9
Earnings per share (diluted)	225.4	194.5
Headline earnings per share (basic)	229.1	198.9
Headline earnings per share (diluted)	225.4	194.5

Alternative performance measures	2024 Cents	2023 Cents
Net asset value per share	558.7	543.9
Tangible net asset value per share	291.6	273.4

The tangible net asset value per share is the net asset value, excluding intangible assets, divided by the number of ordinary shares in issue at the end of the period.

24. Share-based payments

The Group operates three share option schemes involving share options in Sygnia Limited, being The Sygnia Share Option Scheme ("Scheme A"), The Sygnia Share Option Scheme B ("Scheme B") and The Sygnia Share Option Scheme C ("Scheme C"). Scheme A is issued at a strike price with reference to the 30 day volume weighted average trading price at grant date; Scheme B is issued at a strike price of Rnil. Scheme C was approved in the current year and is issued at a strike price with reference to the 30 day volume weighted average trading price at grant date. There were no issues under Scheme C in the current year. The share options are an option to purchase shares in Sygnia Limited with 20%, 30% and 50% vesting over a period of three, four and five years, respectively. The maximum number of ordinary shares that may be issued in Scheme A, Scheme B and Scheme C is 5 million, 10 million and 10 million, respectively. Options issued are valued using a Black Scholes option pricing model. Subsequent to year end, changes were made to the rules of Scheme B and approved at a special general meeting. Refer to the SENS announcement dated 19 November 2024 for more details.

	2024		2023	
	Number of share options	Weighted average strike price R	Number of share options	Weighted average strike price R
Scheme A				
Opening balance	35,000	11.1	371,007	R9.4
Forfeited during the year	-	-	(201,007)	R8.0
Exercised during the year	(35,000)	11.1	(135,000)	R11.1
Closing balance	**-**	**11.1**	**35,000**	**R11.1**
Exercisable at year end	-	-	(301,007)	R11.1

	2024	2023
Weighted average share price of options exercised during the year	R18.9	R17.9
Range of strike price for share options at end of year	R-	R11.1
Weighted average remaining life of options (years)	-	0.1

	2024		2023	
	Number of share options	Weighted average strike price R	Number of share options	Weighted average strike price R
Scheme B				
Opening balance	2,841,000	-	3,746,000	-
Allocated during the year	-	-	580,000	-
Forfeited during the year	(110,000)	-	(1,103,000)	-
Exercised during the year	(1,203,500)	-	(382,000)	-
Closing balance	**1,527,500**	**-**	**2,841,000**	**-**
Exercisable at year end	112,500		305,000	-

	2024	2023
Weighted average share price of options exercised during the year	R19.6	R17.4
Fair value of options allocated during the year	R-	R6.1 million
Weighted average remaining life of options (years)	1.5	1.8

No options were allocated during the current year. The following weighted average inputs were used for options allocated:

	2024	2023
Historic volatility (%) *	-	36.4
Dividend yield (%)	-	11.5
Risk-free interest rate (%)	-	8.7
Expected life (years)	-	5.0
Share price (ZAR)	-	17.3

* Expected volatility was based on the two year historic volatility.

25. Cash flows from operations

	2024 R'000s	2023 R'000s
Profit before tax	482,111	419,885
Adjusted for:		
Amortisation	1,981	1,980
Foreign currency adjustments	(148)	3,001
Depreciation	18,364	24,457
Dividend income	(159)	(4)
Interest income	(54,642)	(42,124)
Finance costs	17,940	13,178
Share-based payment expense	4,576	1,852
Fair value adjustment on investments	(9,872)	(7,958)
Policyholder investment contract movements		
Deferred tax included in investment contract income	14,438	(24,711)
Investment contract income	(25,126,024)	(20,497,849)
Net purchase of investments linked to investment contract liabilities	(22,121,288)	(14,527,678)
Net movement of policyholder investment contracts	21,706,075	16,737,351
Third-party liabilities arising on consolidation of collective investment schemes	192,845	461,169
Transfer to investment contract liabilities	25,126,024	20,497,849
Third-party liabilities arising on acquisition of collective investment schemes	207,929	(2,646,130)
Cash flow before changes in working capital	**460,150**	**414,268**
Working capital changes		
Trade receivables	7,034	(3,695)
Other receivables	800	(2,865)
Amounts owing to clients and clearing houses	(7)	19
Trade and other payables	(718,297)	749,265
Cash flows from operations	**(250,320)**	**1,156,992**

26. Related party transactions

Identity of related parties

The Group has a related party relationship with its directors and entities outside of the Group that have common directors and shareholders to Sygnia Limited, namely Beret Properties Proprietary Limited ("Beret"), Widok Properties Proprietary Limited ("Widok"), Braavos Capital GP Limited ("Braavos GP") and Braavos Investment Advisers LP ("BIA"). MF Wierzycka and SJB Peile are directly and indirectly shareholders of Beret, Widok and Sygnia Limited. MF Wierzycka and A Crawford-Brunt are directly and indirectly shareholders of Sygnia Limited, equal shareholders of Braavos GP and equal partners in BIA. The Group entered into service transactions, in the ordinary course of business, with related parties.

Transactions with key management personnel

Executive and non-executive directors are considered to be the only key management personnel. The executive directors of Sygnia Limited are employed on the same terms and conditions as other employees and do not have separate service contracts in their capacity as directors. The non-executive directors are paid a monthly retainer fee. Only short-term compensation was paid to directors during the year, as follows:

Cash-based remuneration

2024	Directors' fees R'000s	Consulting fees R'000s	Salary R'000s	Bonus R'000s	Total R'000s
Executive directors					
MF Wierzycka *	-	-	1,819	-	1,819
J Corelli (appointed 14 December 2023)	-	-	2,475	2,200	4,675
RA Ismail (appointed 1 September 2024)	-	-	213	1,100	1,313
WA Wierzycki (resigned 14 December 2023)	-	-	729	-	729
NJ Giles (resigned 31 August 2024)	-	-	3,208	-	3,208
Non-executive directors					
HI Bhorat	1,028	1,910	-	-	2,938
G Cavaleros	832	-	-	-	832
MH Jonas (resigned 17 October 2023)	-	-	-	-	-
J Boyd	718	-	-	-	718
A Jakoet	800	-	-	-	800
	3,378	**1,910**	**8,444**	**3,300**	**17,032**

2023	Directors' fees R'000s	Consulting fees R'000s	Salary R'000s	Bonus R'000s	Total R'000s
Executive directors					
MF Wierzycka	-	-	-	-	-
DR Hufton (resigned 30 April 2023)	-	-	3,825	800	4,625
MA Sirkot (resigned 31 March 2023)	-	-	1,888	-	1,888
WA Wierzycki	-	-	3,050	2,100	5,150
NJ Giles (appointed 17 May 2023) **	-	-	1,302	2,239	3,541
Non-executive directors					
HI Bhorat	979	815	-	-	1,794
G Cavaleros	789	-	-	-	789
MH Jonas	1,189	-	-	-	1,189
J Boyd	684	-	-	-	684
C Appana	350	-	-	-	350
A Jakoet (appointed 7 August 2023)	120	-	-	-	120
	4,111	**815**	**10,065**	**5,139**	**20,130**

* Salary earned as from July 2024.

** The 2023 bonus included a sign-on bonus of R1.24 million paid in May 2023.

Equity remuneration

Number of share options

2024	Date granted	Scheme A or B	Exercise price	Opening balance	Allocated during the year	Exercised during the year	Closing balance
Executive directors							
WA Wierzycki (resigned 14 December 2023)	01-Oct-20	B	-	200,000	-	(40,000)	160,000
J Corelli (appointed 14 December 2023)	01-Oct-20	B	-	100,000	-	(50,000)	50,000
J Corelli (appointed 14 December 2023)	01-Oct-21	B	-	70,000	-	-	70,000
RA Ismail (appointed 1 September 2024)	01-Aug-19	B	-	35,000	-	(35,000)	-
RA Ismail (appointed 1 September 2024)	01-Apr-23	B	-	100,000	-	-	100,000
				505,000	**-**	**(125,000)**	**380,000**

2023	Date granted	Scheme A or B	Exercise price	Opening balance	Allocated during the year	Forfeited during the year	Closing balance
Executive directors							
DR Hufton	01-Aug-19	B	-	160,000	-	(160,000)	-
DR Hufton	01-Oct-20	B	-	200,000	-	(200,000)	-
DR Hufton	01-Oct-21	B	-	200,000	-	(200,000)	-
MA Sirkot	16-Jan-19	A	7.96	201,006	-	(201,006)	-
MA Sirkot	01-Oct-20	B	-	100,000	-	(100,000)	-
MA Sirkot	01-Oct-21	B	-	50,000	-	(50,000)	-
WA Wierzycki	01-Oct-20	B	-	200,000	-	-	200,000
				1,111,006	**-**	**(911,006)**	**200,000**

	Number of shares held		
	Direct beneficial interest	Indirect beneficial interest	Percentage held
Directors' interest in Sygnia Limited			
At 30 September 2024			
MF Wierzycka #	82,680	90,152,444	59.3%
J Corelli (appointed 14 December 2023)	347,313	-	0.2%
NJ Giles (resigned 31 August 2024)	8,488	-	0.0%
WA Wierzycki (resigned 14 December 2023) ##	691,588	-	0.5%
At 30 September 2023			
MF Wierzycka #	82,680	90,152,444	59.8%
DR Hufton (resigned 30 April 2023) ###	2,421,325	-	1.6%
MA Sirkot (resigned 31 March 2023)	50,252	-	0.0%
WA Wierzycki ##	710,330	380,284	0.7%

Indirect beneficial interest relates to 44 532 444 (2023: 44 532 444) shares held by SJB Peile and 45 620 000 (2023: 45 620 000) shares held by Sapayoa Investments (Pty) Ltd.
Mr WA Wierzycki used a loan from a subsidiary to purchase 375,000 shares in June 2019. His loan balance at the end of R4.0 million (2023: R3.8 million) is included in staff loans in note 8.
Mr DR Hufton used a loan from a subsidiary to purchase 1 322 761 shares in June 2019. The loan was repaid in the 2023 year.
There have been no changes in directors' interest subsequent to year end up to the date of signing the consolidated financial statements.

Transactions with related parties

Interest and capital repayments on loans receivable are disclosed in note 8. Other transactions with related parties are as follows:

	2024 R'000s	2023 R'000s
Lease payments relating to right of use asset - Beret and Widok	14,951	15,746
Administration fees received from BIA	15,589	14,771
Dividends paid to directors (including indirect shareholding)		
MF Wierzycka	192,201	195,810
J Corelli	439	-
NJ Giles	18	-
DR Hufton	-	3,148
MA Sirkot	-	715
WA Wierzycki	-	2,367

A subsidiary in the Group, Sygnia Life Limited, purchased investments to the value of $0 (2023: $143,326) from MF Wierzycka.

As explained in the SENS announcement dated 5 March 2024, a subsidiary in the Group, Sygnia Asset Management Proprietary Limited, entered into agreements in terms of which it renewed certain lease agreements with related parties. The impact of the transaction resulted in a lease modification. Refer to notes 8 and 15.

Balances with related parties

Loans receivable from Beret, Widok and staff are disclosed in note 8. Other balances with related parties are as follows:

	2024 R'000s	2023 R'000s
Administration fees receivable from BIA	3,067	1,578

Refer to note 28 for general partner fees paid by a subsidiary to Braavos Capital I Limited Partnership, Braavos Capital II Limited Partnership and Braavos Capital III Limited Partnership.

27. Financial risk management

The Group is exposed to a variety of financial risks relating to shareholder assets. The most important components of financial risk are capital risk, credit risk, liquidity risk and market risk (arising from changes in equity and bond prices, interest and foreign exchange rates). Market risk arises from open positions in interest rate, currency and equity instruments.

The Audit and Risk Committee ("ARC") assists the Board in discharging its responsibilities that relate to the safeguarding of assets, the operation of adequate and effective systems and control processes and the oversight of the external and internal audit appointments and functions. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures as directed by the ARC, the results of which are reported to the ARC. The ARC oversees the risk management structures and processes that have been designed to identify, evaluate and manage risks and effectively communicate to the various reporting structures. The responsibility for risk management rests with every individual in the company, including Board members.

The ARC meets on a quarterly basis.

The risk management explained below relates to the shareholders' assets only. Policyholder assets and third-party assets arising on consolidation of collective investment schemes are linked to policyholder liabilities and third-party liabilities on consolidation of collective investment schemes and, as such, all market and credit risks related to these assets are offset by their respective liabilities. The liquidity risk associated with the Group being contractually obligated to repay policyholders, and third-party liabilities arising on consolidation of collective investment schemes on demand, is managed through the investment composition of assets included in the policyholder portfolios and by contract with the policyholders. Such contracts mitigate the liquidity risk faced by the Group and contractually passes this on to policyholders in the ordinary course of business and in the event that substantial withdrawals require large-scale disinvestment of the assets in these portfolios.

Capital risk

Capital risk refers to the risk that the Group cannot meet its minimum statutory capital requirements. The Group has various subsidiaries that are regulated by the Financial Services Conduct Authority, the South African Reserve Bank, the Financial Conduct Authority (UK) and the Johannesburg Stock Exchange. These companies are subject to prescribed minimum capital requirements, which are monitored on a monthly basis and have been met throughout the year. The capital of each of these regulated entities is held in investments and cash, disclosed in notes 7 and 11, and are held to maintain capital requirements. The capital risk management philosophy is to maximise the return on shareholders' capital within an appropriate risk framework.

There has been no material change in the company's management of capital during the year.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligation or incur a change in its creditworthiness, resulting in a financial loss to the Group. The maximum exposure to credit risk is represented by the carrying value of financial assets at amortised cost. Cash resources and longer-term investments are limited to high-credit-quality financial institutions. The Group has policies in place to limit the credit exposure to any one financial institution. The Group reviews the payment history as well as the financial position of all counterparties with loan balances. Most of the fees receivable are collected directly from clients' investments or from the unit trust funds that the Group manages. Fees due from retirement fund clients that pay on invoice are monitored on a monthly basis. In the event that a retirement fund makes a full withdrawal, the Group has processes in place to ensure that all outstanding fees are recovered before the withdrawal is paid. Payment terms are generally 30 days from invoice date. The Group has a history of very few bad debts. Management consider the probability of default to be close to zero, as all counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on the simplified approach, as any such impairment would be insignificant to the Group. The Group has no concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due. The Group manages its liquidity requirements by monitoring forecasted cash flows. Furthermore, the Group has an undrawn credit facility with Standard Bank that can be utilised if required. Trade and other payables are unsecured.

The following table details the maturity analysis of the Group's financial liabilities. The tables were drawn up based on the undiscounted cash flows (capital and interest) of financial liabilities, based on the earliest date on which the Group can be required to pay.

2024	On demand R'000s	Due within 12 months* R'000s	Due between 1 - 3 years R'000s	Due between 3 - 5 years R'000s	Due after 5 years R'000s	Total R'000s
Loans payable	-	2,533	28,269	-	-	30,802
Preference share liability	-	102,411	-	-	-	102,411
Third-party liabilities arising on consolidation of collective investment schemes	2,623,742	-	-	-	-	2,623,742
Investment contract liabilities	160,240,256	-	-	-	-	160,240,256
Investments linked to investment contract liabilities	(162,845,866)	-	-	-	-	(162,845,866)
Trade and other payables	-	275,179	-	-	-	275,179
Amounts owing to clearing houses	-	30,553	-	-		30,553
Amounts owing to clients	-	82,774	-	-	-	82,774
Lease liabilities	-	21,400	44,543	34,033	17,332	117,308
	18,132	**514,850**	**72,812**	**34,033**	**17,332**	**657,159**

* R0.50 billion of the balance due within 12 months is due within the first 6 months.

2023	On demand R'000s	Due within 12 months R'000s	Due between 1 - 3 years R'000s	Due between 3 - 5 years R'000s	Due after 5 years R'000s	Total R'000s
Loans payable	-	3,600	7,181	36,043	-	46,824
Preference share liability	-	8,463	102,474	-	-	110,937
Third-party liabilities arising on consolidation of collective investment schemes	2,222,968	-	-	-	-	2,222,968
Investment contract liabilities	138,534,181	-	-	-	-	138,534,181
Investments linked to investment contract liabilities	(140,724,578)	-	-	-	-	(140,724,578)
Trade and other payables	-	993,476	-	-	-	993,476
Amounts owing to clearing houses	-	90,872	-	-	-	90,872
Amounts owing to clients	-	218,355	-	-	-	218,355
Lease liabilities	-	9,378	10,143	7,642	20,144	47,307
	32,571	**1,324,144**	**119,798**	**43,685**	**20,144**	**1,540,342**

Market risk

Market risk is the potential impact on earnings of unfavourable changes in foreign exchange rates, interest rates and market prices. The Group is exposed to market risk on foreign trade receivables and payables, capital held in interest income securities and money market unit trusts. The following sections set out the sensitivity of Group capital to these elements of market risk.

Assets under management/administration risk

A large portion of the Group's income is derived from fees levied on the market value of the investments that it manages and administers. As the fees are dependent on the daily market value of the investments, any market movements affect the Group accordingly. This risk is mitigated through the diversification of investment portfolios such that revenue is not overly exposed to any single sector of the investment market. Investment management capacity is monitored to ensure that the performance of a specific investment is not unduly compromised through excessive scale.

A 10% decrease is used when reporting assets under management (AUM)/assets under administration (AUA) risk internally to key management personnel and represents management's assessment of the reasonably possible change in AUM/AUA within a financial period. A 10% downturn in the value of the assets that the Group manages and administers on behalf of clients would reduce the Group's revenue by R72.2 million (2023: R65.6 million) and profits before tax by approximately R65.1 million (2023: R59.5 million). This assumes that all other variables remain constant and the year-end AUM/AUA has been constant throughout the year.

Sensitivity analysis for variable rate instruments

Interest rate risk

The Group is exposed to interest rate risk through its investments, loans receivable, cash and cash equivalents, loans payable and preference share liability. An increase of 100 (2023: 300) basis points in interest rates at year end would have increased profit before tax by R5.5 million (2023: R17.0 million). A decrease of 100 (2023: 300) basis points in interest rates at year end would have had the equal but opposite effect. This assumes that all other variables remain constant and the year-end balance has been constant throughout the year.

Currency risk

The Group utilises foreign suppliers for the provision of certain products and services. The Group receives fees from some of the unit trust funds managed by subsidiaries in foreign currencies. These payables and receivables result in an exposure to fluctuations in the exchange rate. The Group minimises its foreign currency exposure by matching the amounts receivable with the amounts payable where possible. The Group's net receivable and cash exposure to foreign currency at year end is shown below:

	2024 R'000s	2023 R'000s
USD	17,508	14,026
EUR	4,223	3,745
GBP	1,836	1,692
JPY	1,142	1,122
	24,709	**20,585**

A 10% depreciation in the ZAR exchange rate would have increased profit before tax by R2.4 million (2023: R2.0 million). A 10% appreciation in the ZAR exchange rate would have had the equal but opposite effect.

Price risk

The Group is exposed to price risk in respect of its own investments. A 5% increase in the price of the investments, with other variables held constant, would have increased profit before tax by R25.5 million (2023: R18.5 million). A 5% decrease in the price of the investments would have had the equal but opposite effect.

Statement of financial position (corporate vs third party) – alternative performance measure

A subsidiary of the Group, Sygnia Life Limited, is a linked insurance company and issues linked policies to policyholders (where the value of policy benefit is directly linked to the fair value of the supporting assets), and as such does not expose the shareholder assets to the market risk of fair value adjustments on the financial asset, as this risk is contractually assumed by the policyholder. Sygnia Securities Proprietary Limited (subsidiary) provides stockbroking services to clients, which results in significant working capital fluctuations due to the timing of the close of the JSE in terms of client settlements (amounts owing to/by clearing houses/clients). In order to evaluate the consolidated financial position, the Group segregates the statement of financial position and the statement of profit or loss and other comprehensive income between corporate (own balances) and third-party (client-related balances). Third-party balances represent investments linked to investment contract liabilities, third-party liabilities arising on consolidation of collective investment schemes, investment contract liabilities, related deferred tax liabilities and unsettled trades. The Sygnia Transnational Equities Fund met the criteria for control during the period and has therefore been consolidated. This resulted in an increase to investments linked to investment contract liabilities and third-party liabilities arising on consolidation of unit trust funds in the consolidated statement of financial position amounting to R0.2 billion. The Group has significant influence over the Sygnia Skeleton Balanced 40 Fund, Sygnia Top 40 Index Fund, Sygnia Skeleton Balanced 60 Fund, Sygnia 4th Industrial Revolution Global Equity Fund, Sygnia FANG.AI Equity Fund, Sygnia Enhanced Income Fund, Sygnia Money Market Fund and Sygnia Equity Fund, with a total investment balance of R4.1 billion.

Statement of financial position

	As at 30 September 2024			As at 30 September 2023		
	Consolidated R'000s	Corporate balances R'000s	Third-party balances R'000s	Consolidated balances R'000s	Corporate balances R'000s	Third-party R'000s
Assets						
Intangible assets	406,419	406,419	-	408,400	408,400	-
Property and equipment	16,625	16,625	-	14,788	14,788	-
Loans receivable	30,798	30,798	-	37,585	37,585	-
Right-of-use assets	85,306	85,306	-	32,946	32,946	-
Deferred tax assets	29,109	10,977	18,132	42,624	10,054	32,570
Investments linked to investment contract liabilities	162,845,866	-	162,845,866	140,724,578	-	140,724,578
Other receivables	9,055	9,055	-	9,855	9,855	-
Trade receivables	98,322	98,322	-	106,351	106,351	-
Investments	510,252	510,252	-	370,931	370,931	-
Amounts owing by clearing houses	-	-	-	419	-	419
Amounts owing by clients	113,326	-	113,326	308,800	-	308,800
Cash and cash equivalents	270,908	136,386	134,522	1,084,174	241,539	842,635
Total assets	**164,415,986**	**1,304,140**	**163,111,846**	**143,141,451**	**1,232,449**	**141,909,002**
Equity						
Stated capital and reserves	850,260	850,260	-	821,067	821,067	-
Total equity	**850,260**	**850,260**	**-**	**821,067**	**821,067**	**-**
Liabilities						
Loans payable – non-current	25,222	25,222	-	35,305	35,305	-
Preference share liability – non-current	-	-	-	100,000	100,000	-
Lease liabilities – non-current	79,538	79,538	-	28,402	28,402	-
Deferred tax liabilities	68,898	68,898	-	69,019	69,019	-
Third-party liabilities arising on consolidation of collective investment schemes	2,623,742	-	2,623,742	2,222,968	-	2,222,968
Investment contract liabilities	160,240,256	-	160,240,256	138,534,181	-	138,534,181
Tax payable	26,365	26,365	-	20,603	20,603	-
Lease liabilities – current	13,199	13,199	-	7,203	7,203	-
Preference share liability – current	100,000	100,000	-	-	-	-
Trade and other payables	275,179	140,657	134,522	993,476	150,841	842,635
Amounts owing to clearing houses	30,553	-	30,553	90,872	-	90,872
Amounts owing to clients	82,774	1	82,773	218,355	8	218,347
Total liabilities	**163,565,726**	**453,880**	**163,111,846**	**142,320,384**	**411,381**	**141,909,003**
Total equity and liabilities	**164,415,986**	**1,304,140**	**163,111,846**	**143,141,451**	**1,232,448**	**141,909,003**

Statement of profit or loss and other comprehensive income

	Year ended 30 September 2024			Year ended 30 September 2023		
	Consolidated R'000s	Corporate balances R'000s	Third-party balances R'000s	Consolidated R'000s	Corporate balances R'000s	Third-party R'000s
Revenue	946,039	946,039	-	843,890	843,890	-
Operating expenses	(508,725)	(508,725)	-	(462,812)	(462,812)	-
Profit from operations	**437,314**	**437,314**	**-**	**381,078**	**381,078**	**-**
Investment contract income	25,126,024	-	25,126,024	20,497,849	-	20,497,849
Transfer to investment contract liabilities	(25,126,024)	-	(25,126,024)	(20,497,849)	-	(20,497,849)
Interest income	54,642	54,642	-	42,124	42,124	-
Other investment income	8,095	8,095	-	9,861	9,861	-
Finance costs	(17,940)	(17,940)	-	(13,178)	(13,178)	-
Profit before tax	**482,111**	**482,111**	**-**	**419,885**	**419,885**	**-**
Income tax	(134,910)	(134,910)	-	(119,445)	(119,445)	-
Profit after tax	**347,201**	**347,201**	**-**	**300,440**	**300,440**	**-**
Foreign currency translation reserve	(148)	(148)	-	3,001	3,001	-
Total comprehensive income for the year	**347,053**	**347,053**	**-**	**303,441**	**303,441**	**-**

28. Fair value

The fair values of all financial instruments approximate the carrying values reflected in the statement of financial position. The carrying value and gains and losses of financial instruments are as follows:

	2024 R'000s	2023 R'000s
Financial assets at fair value through profit or loss		
Consolidated statement of financial position		
Investments linked to investment contract liabilities	162,845,866	140,724,578
Investments	510,252	370,931
	163,356,118	**141,095,509**
Consolidated statement of profit or loss and other comprehensive income		
Investment contract income	25,126,024	20,497,849
Other investment income	8,095	9,861
	25,134,119	**20,507,710**
Financial assets at amortised cost		
Consolidated statement of financial position		
Loans receivable	30,798	37,585
Trade receivables	98,322	106,351
Amounts owing by clearing houses	-	419
Amounts owing by clients	113,326	308,800
Cash and cash equivalents	270,908	1,084,174
	513,354	**1,537,329**
Consolidated statement of profit or loss and other comprehensive income		
Interest income	54,642	42,124
	54,642	**42,124**
Financial liabilities at fair value through profit or loss		
Consolidated statement of financial position		
Investment contract liabilities	160,240,256	138,534,181
Third-party liabilities arising on consolidation of collective investment schemes	2,623,742	2,222,968
	162,863,998	**140,757,149**
Consolidated statement of profit or loss and other comprehensive income		
Transfer to investment contract liabilities	(25,126,024)	(20,497,849)
	(25,126,024)	**(20,497,849)**

	2024 R'000s	2023 R'000s
Financial liabilities at amortised cost		
Consolidated statement of financial position		
Loan payable	25,222	35,305
Preference share liability	100,000	100,000
Lease liabilities	92,737	35,605
Trade and other payables	275,179	993,476
Amounts owing to clearing houses	30,553	90,872
Amounts owing to clients	82,774	218,355
	606,465	**1,473,613**
Consolidated statement of profit or loss and other comprehensive income		
Finance costs	(17,940)	(13,178)
	(17,940)	**(13,178)**

The following table shows the categories of financial instruments at fair value based on the degree to which fair value is observable.

Level 1: Fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 investments relate to equities and interest income securities.

Level 2: Fair value is derived from inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 2 investments relate to unlisted private equity investments, interest income securities, collective investment schemes, hedge funds, investments in insurance policies, investment contract portfolio debtors, investment contract portfolio accrued interest and cash and cash equivalents.

Level 3: Fair value is derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The level 3 investment relates to limited liability partnership investments.

2024	Level 1 R'000s	Level 2 R'000s	Level 3 R'000s	Total R'000s
Investments linked to investment contract liabilities	30,464,211	126,450,258	5,931,397	162,845,866
Investments	-	510,252	-	510,252
Third-party liabilities arising on consolidation of collective investment schemes	(2,149,879)	(473,863)	-	(2,623,742)
Investment contract liabilities	(28,314,332)	(125,994,527)	(5,931,397)	(160,240,256)
2023				
Investments linked to investment contract liabilities	25,165,755	109,447,715	6,111,108	140,724,578
Investments	-	370,931	-	370,931
Third-party liabilities arising on consolidation of collective investment schemes	(1,875,348)	(347,620)	-	(2,222,968)
Investment contract liabilities	(23,290,407)	(109,132,666)	(6,111,108)	(138,534,181)

Level 3 financial instruments	2024 R'000s	2023 R'000s
Opening balance	6,111,108	5,381,260
Additions – discretionary mandates	172,509	161,561
Additions – non-discretionary mandates *	257,858	347,707
Fair value adjustment included in investment contract income	(610,078)	220,580
Closing balance	**5,931,397**	**6,111,108**

The level 3 investment relates to investments in partnerships registered in Guernsey (Braavos Capital I LP (BC I LP), Braavos Capital II LP (BC II LP) and Braavos Capital III LP (BC III LP)) and a limited liability partnership registered in the UK (Sygnia Ventures LP). Sygnia Ventures LP's most significant asset is its investment in BC II LP. The Braavos Capital partnerships are administered and valued by an independent administrator. On a quarterly basis, the independent administrator provides adjusted net asset values (assets less liabilities) to each partner. Assets include listed and unlisted investments. Liabilities include carried interest accruals amounting to GBP 5.3 million (2023: GBP 5.3 million). Carried interest is only payable if certain performance conditions are met when a fund is wound up. A summary of the valuation policy applied to listed and unlisted investments is as follows:

- Listed investments: The fair values of financial instruments traded in active markets (such as recognised stock exchanges) are based on quoted market prices.
- Unlisted investments: The fair value of unlisted securities will be established using valuation techniques and methodologies consistent with the International Private Equity and Venture Capital Valuation Guidelines ("IPEVCV guidelines") endorsed by the European Private Equity and Venture Capital Associations. These include the use of recent arm's-length transactions, discounted cash flow analysis and earnings multiples. For investments in seed, start up and early-stage companies, cost may be the best indication of fair value unless there is objective evidence that the investment has since been impaired. If recent investments have been made by third parties, the price of this investment can provide a basis for valuation. If there is no readily ascertainable value following the price of recent investments, or if there is objective evidence that a deterioration in fair value has occurred since a relevant transaction, the fund will consider alternative methodologies in the IPEVCV guidelines, such as discounted cash flows or price-earnings multiples.

A subsidiary in the Group, Sygnia Life Limited, has made a commitment to invest GBP 115.8 million (2023: GBP 115.7 million) in BC I LP, GBP 98.6 million (2023: GBP 98.6 million) in BC II LP and GBP 42.5 million (2023: GBP 42.5 million) in BC III LP. These commitments consist of commitments made in respect of discretionary mandates managed by Sygnia Life Limited, as well as commitments secured by BIA directly from third-party clients to whom Sygnia Life Limited provides administration services only. These commitments will be financed from existing and future Sygnia Life Limited cash flows.

Subsequent to year end, Sygnia Life Limited, increased it's commitment to invest in BC I LP from GBP 115.8 million to GBP 118.5 million.

The general partner of BC I LP, BC II LP and BC III LP is Braavos Capital GP Limited ("Braavos GP"), a company registered in Guernsey. The shares in Braavos GP are equally owned by MF Wierzycka and A Crawford-Brunt. Drawdowns paid by Sygnia Life Limited to BC I LP, BC II LP and BC III LP relating to general partner fees are as follows:

	2024 R'000s	2023 R'000s
Discretionary mandates	43,572	42,883
Non-discretionary mandates *	49,286	41,450
Closing balance	**92,858**	**84,333**

* Mandates directly secured by Braavos Investment Advisers LP.

29. Principal subsidiaries and consolidated structures

Name of company	Principal place of business	Percentage of equity held 2024	Percentage of equity held 2023	Functional currency	Nature of business
Sygnia Asset Management Proprietary Limited	South Africa	100	100	ZAR	Asset Management
Sygnia Collective Investments (RF) Proprietary Limited	South Africa	100	100	ZAR	CIS Management Company
Sygnia Life Limited	South Africa	100	100	ZAR	Long Term Insurance
Sygnia Financial Services Proprietary Limited	South Africa	100	100	ZAR	Linked investment service provider
Sygnia Securities Proprietary Limited	South Africa	100	100	ZAR	Securities trading
Sygnia Benefit Administrators Proprietary Limited	South Africa	100	100	ZAR	Employee benefit administrator
Sygnia Itrix (RF) Proprietary Limited	South Africa	100	100	ZAR	ETF Management Company
Sygnia Asset Management UK Limited	England & Wales	100	100	GBP	General partner
WealthFoundry Proprietary Limited	South Africa	51	51	ZAR	Linked investment service provider

Note: Subsidiaries that are in the process of being liquidated, insignificant or dormant have not been included. All subsidiaries have a year-end of 30 September, except Sygnia Itrix (RF) Proprietary Limited, which has a year-end of 31 December. This year-end aligns with the year-end of the collective investment schemes managed by Sygnia Itrix (RF) Proprietary Limited.

The Group consolidates the following collective investment schemes based on control:

- Sygnia International Flexible Fund of Funds
- Sygnia Skeleton International Equity Fund of Funds
- Sygnia Health Innovation Global Equity Fund
- Sygnia DIVI Fund
- Sygnia Skeleton Balanced Absolute Fund
- Sygnia Transnational Equities Fund.

The Group consolidates the following partnership based on control:

- Sygnia Ventures LP.

The third party liabilities associated with the collective investment schemes arise as a result of the continued consolidation of the collective investment schemes.

30. Events subsequent to the reporting date

On the 4th of December 2024, the directors proposed and approved a dividend of 127 cents per share.

The directors are not aware of any other matters or circumstances arising since the end of the financial period not otherwise dealt with in the consolidated annual financial statements that significantly affect the financial position of the Group or the results of its operations.

31. Contingent liability

A subsidiary in the Group, Sygnia Asset Management UK Limited, is the general partner to a UK partnership. As the general partner, the company is liable for the partnership's debts, liabilities and obligations insofar as it exceeds the partnership's assets. Based on current performance, the probability of payment is insignificant.

Analysis of shareholding

as at 30 September 2024

Distribution of shareholders

	Number of shareholders	Number of shares
1–1 000 shares	4,099	540,529
1 001–10 000 shares	1,213	4,714,899
10 001–100 000 shares	385	10,737,474
100 001–1 000 000 shares	46	12,614,684
1 000 001 shares and over	14	123,578,403

Shareholders with beneficial interest of more than 5% in shares

	Number of shares
Sapayoa Investments (Pty) Ltd	45,620,000
SJB Peile	44,532,444
Clifford Street Holdings Ltd	10,500,000

Public/non-public shareholders

	Percentage	Number of shareholders	Number of shares
Non-public shareholders			
Directors (including indirect shareholding)	60.0%	5	91,274,025
Shares held by employees	1.6%	27	2,365,430
Public shareholders	**38.5%**	**5,725**	**58,546,534**

Sygnia Limited
Annual financial statements

for the year ended 30 September 2024

AUDITED

(Registration number: 2007/025416/06)

These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008 of South Africa and have been prepared under the supervision of the Financial Director, RA Ismail CA (SA).

Directors’ responsibility for financial reporting

for the year ended 30 September 2024

The directors are responsible for the preparation and fair presentation of the annual financial statements of Sygnia Limited ("the Company"). The annual financial statements comprise the directors' report, report by the Company Secretary, the Audit and Risk Committee's report and the financial statements. The financial statements comprise the statement of financial position at 30 September 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes. The financial statements were prepared in accordance with IFRS® Accounting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board ("IASB"), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

The directors are also responsible for such internal control as they determine necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of annual financial statements
The annual financial statements were approved by the Board of Directors and signed on its behalf by:

Magda Wierzycka
Chief Executive Officer

Rashid Ismail
Financial Director

4 December 2024

Report by the Company Secretary

for the year ended 30 September 2024

In terms of S88(2)(e) of the Companies Act 2008, as amended and for the year ended 30 September 2024, I, Leanne van Wyk, in my capacity as Company Secretary of Sygnia Limited, hereby certify that Sygnia Limited has lodged all returns required by the Act with the Companies and Intellectual Property Commission and that all such returns are true, correct and up to date.

Leanne van Wyk
4 December 2024

Directors' report

for the year ended 30 September 2024

The directors have pleasure in presenting their report on the activities of Sygnia Limited ("the Company") for the year ended 30 September 2024.

Legal form and domicile
The Company's country of incorporation and domicile is South Africa and its registered office is 7th Floor, The Foundry, Cardiff Street, Green Point, Cape Town, 8001, South Africa.

Main business and operations
The Company is a holding company whose subsidiaries are involved in the provision of investment management and related services. The results, stated capital and dividends paid for the current and previous years are set out in the financial statements.

Events subsequent to the reporting date
The dividend proposed and approved by the directors is set out in the financial statements.
The directors are not aware of any matters or circumstances, arising since the end of the financial period, not otherwise dealt with in the annual financial statements that significantly affect the financial position of the Company or the results of its operations.

Consolidation
Consolidated annual financial statements incorporating the Company's interest in its subsidiaries have been prepared. These consolidated annual financial statements incorporate the full directors' report. A copy of the consolidated annual financial statements is available from the Company's registered offices, 7th Floor, The Foundry, Cardiff Street, Green Point, Cape Town, 8001 or in the Integrated Report on the company website.

Directors
The directors in office during the year were as follows:

Name	Date of appointment	Date of resignation
MF Wierzycka (CEO) #	17/09/2007	
A Corelli #	14/12/2023	
RA Ismail (Financial Director) #	01/09/2024	
WA Wierzycki #	10/06/2021	14/12/2023
NJ Giles (Former Financial Director) #	17/05/2023	31/08/2024
G Cavaleros (Lead Independent) **	28/06/2019	
MH Jonas **	01/09/2018	17/10/2023
HI Bhorat (Chairman) *	11/06/2015	
JA Boyd **	29/07/2021	
A Jakoet **	07/08/2023	

Executive director
* Non-executive director
** Independent non-executive director

Company Secretary

Name	Date of appointment	Date of resignation
L van Wyk	05/07/2024	
G MacLachlan	01/11/2016	05/07/2024

Audit and Risk Committee report

for the year ended 30 September 2024

The Sygnia Group Audit and Risk Committee ("ARC" or "the Committee") is a committee of the Board of Directors ("the Board"). In addition to its statutory and other duties, the ARC acts in an advisory capacity to the Board in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, risk management and internal controls, the review of financial information and the preparation, by management, of IFRS Accounting Standards compliant annual financial statements. This also includes satisfying the Board that adequate internal financial controls are in place.

Terms of reference, responsibilities and legal requirements

The ARC operates in terms of a formal Board-approved charter, which is reviewed and adapted by the Committee annually (or more regularly where required) to cater for evolving oversight, regulatory and other requirements. The ARC is satisfied that it has conducted its affairs and discharged its duties and responsibilities in accordance with its terms of reference, the JSE Listings Requirements, the Companies Act and the King IV™ Report on Corporate Governance. As part of the annual evaluation of the Board and other Board committees, the performance of the ARC was also assessed and found to be satisfactory.

Composition and meeting process

The ARC's members at the Company's financial year-end were Mr G Cavaleros, Mr J Boyd and Mr A Jakoet. The Committee's members are independent non-executive directors who met four times during the year with senior management, including the Chief Financial Officer, the Head of Risk, certain other executive management and the independent assurance providers. The internal and external auditors have unfettered access to the ARC and its Chairman and attend the Committee meetings.

External audit quality, independence and fees

The ARC has considered and satisfied itself regarding the audit quality (including the audit approach and plan) and independence of Forvis Mazars and Ms M Pieterse in their respective capacities as the appointed external audit firm and lead audit partner. In doing so, the ARC considered the external auditor's suitability assessment and adherence in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements.

In addition to considering the documents presented by Forvis Mazars, as required by the JSE Listings Requirements, the ARC also reviewed the audit quality based on the Committee's own assessment and found it to be satisfactory.

Furthermore, the ARC ensured that the scope of non-audit services rendered by Forvis Mazars did not pose a threat to auditor independence.

The ARC resolved to recommend to shareholders at the Group's annual general meeting that Forvis Mazars be reappointed as the Group's auditors and that Ms M Pieterse be reappointed as the designated partner for the year ending 30 September 2025.

Internal audit and internal controls

Mr R Ismail, the Group's Chief Financial Officer, has assumed responsibilities as head of the internal audit control function from Ms N Giles, with PwC, led by Mr W de Bruin, continuing to perform the internal audit activities in terms of an outsourced service arrangement. Internal audit has unrestricted access to those charged with governance.

The ARC approved and monitored the risk-based internal audit plan, considered the results of the reviews performed by internal audit and obtained assurance from management that processes have been implemented to ensure that the necessary remedial action has been taken to address internal audit's findings. In respect of in-scope areas, internal audit has not identified any significant weakness in the design, implementation or operating effectiveness of the Group's internal financial controls or its information systems cybersecurity controls.

The Committee has satisfied itself that the internal audit function is independent and has the necessary resources, standing and authority to discharge its duties. The ARC confirmed the reappointment of PwC as internal auditors and is in the process of determining the 2025 internal audit plan for the Group.

In addition, Forvis Mazars conducted an International Standard on Assurance Engagements 3402 (ISAE 3402) Type 2 review of key internal controls at Sygnia Life Limited, Sygnia Asset Management Proprietary Limited and Sygnia Collective Investments (RF) Proprietary Limited. In this regard, Forvis Mazars concluded that for the period 1 October 2023 to 30 September 2024:

- the description of the systems, as outlined in the ISAE 3402 reports, fairly presents Sygnia's investment management and administration operations as designed and implemented;
- the controls related to the control objectives stated in the ISAE 3402 report were suitably designed throughout; and
- the controls tested were those necessary to provide reasonable assurance that the control objectives stated in the ISAE 3402 report were achieved and operated effectively.

Fraud or misconduct

The ARC has not been made aware of any instances of internal fraud or misconduct, nor of any notable compliance breaches during the current period.

Effectiveness of the Chief Financial Officer and the finance function

Mr R Ismail was appointed as Chief Financial Officer of Sygnia with effect from 1 September 2024, following Ms N Giles' role change in the Company (on 31 August 2024) to focus on strategic initiatives. Mr Ismail is a chartered accountant and has worked for the Company for the past 11 years.

In terms of JSE Listings Requirement 3.84(g), the Committee has considered and satisfied itself with regards to the effectiveness of the relevant financial directors, as well as the experience and adequacy of resources within the Group's finance function.

Risk management

The ARC reviewed and approved the 2024 Group-wide risk management practices and ensured that the executive team had implemented:

- processes to identify and assess the Group's key risk exposures;
- a risk management infrastructure capable of mitigating such risks within an approved risk appetite; and
- practices allowing for prompt communication of key risk-related matters to the ARC and other key internal stakeholders.

The annual risk workshops were recently concluded across key business units within the Group to identify, assess, and address those most critical risks that could impact the achievement of Sygnia's objectives.

The outcomes of the risk workshops, together with remediation plans, will be presented to the ARC at its next meeting.

Combined assurance

Sygnia has developed and implemented a combined assurance model in respect of its key risks, which were identified during a top-down and bottom-up approach. The combined assurance model continues to be reviewed regularly and is refined as appropriate to enhance its effectiveness and to cater for changing risk exposures and "lines of defence" responsibilities. An appropriate action plan is developed and monitored for each key risk. Combined assurance is evaluated against the Group's Board-approved risk appetite. The Committee's view is that the current combined assurance arrangements are sufficient to achieve their objectives.

Annual financial statements

The Committee reviewed the accounting policies, significant accounting matters and the going concern assessment, prepared by management, applicable to the Company's 2024 annual financial statements and ensured that the annual financial statements and the related results announcements were, in all material respects, in compliance with the provisions of the Companies Act, IFRS Accounting Standards and the JSE Listings Requirements.

The ARC also considered other matters communicated by the JSE over the past few months in respect of reporting and disclosure, including those emanating from the JSE's proactive monitoring process in respect of accounting policies and financial reporting. The Committee has concluded that appropriate financial reporting procedures exist and are operational within the Company to facilitate the preparation and dissemination of financial information that is free of material misstatement, whether due to fraud or error.

The Committee is satisfied that the annual financial statements fairly present the financial position of the Company at 30 September 2024 and the results of its operations and cash flows for the year then ended. The annual financial statements and results announcement were recommended to the Board for approval.

In conclusion, the ARC thanks management and the finance team members for their contribution and diligence during the 2024 financial period.

George Cavaleros
Chairman of the Audit and Risk Committee
4 December 2024

Independent auditor's report

To the shareholders of Sygnia Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the separate financial statements of Sygnia Limited (the company) set out on pages 106 to 121, which comprise the separate statement of financial position as at 30 September 2024, and the separate statement of profit or loss and other comprehensive income, the separate statement of changes in equity and the separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Sygnia Limited as at 30 September 2024, and its separate financial performance and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate financial statements of the current period. No key audit matters were identified during the audit of the separate financial statements of Sygnia Limited.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa, the Report by the Company Secretary, the Directors' Responsibility statement for the annual financial statements and the Audit and Risk Committee report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Forvis Mazars has been the auditor of Sygnia Limited for six years.

Forvis Mazars

Forvis Mazars

Partner: Mia Pieterse
Registered Auditor
4 December 2024
Cape Town

Statement of financial position

as at 30 September 2024

		Notes	2024 R'000s	2023 R'000s
Assets				
Investments in subsidiaries		2	656,816	656,816
Deferred tax assets		3	174	176
Tax receivable			79	59
Prepayments			133	125
Receivables	*	4	2,332	2,437
Investment	**	5	5,226	-
Cash and cash equivalents	*	6	9,039	8,992
Total assets			**673,799**	**668,605**
Equity				
Stated capital		7	678,170	667,660
Share-based payment reserve			11,401	16,948
Accumulated loss			(16,324)	(17,667)
Total equity			**673,247**	**666,941**
Liabilities				
Trade and other payables	*	10	552	1,664
Total liabilities			**552**	**1,664**
Total equity and liabilities			**673,799**	**668,605**

* Financials assets/liabilities measured at amortised cost.

** Financial assets measured at fair value through profit or loss.

Statement of profit or loss and other comprehensive income

for the year ended 30 September 2024

	Notes	2024 R'000s	2023 R'000s
Dividends from subsidiaries		324,200	305,204
Operating expenses	11	(5,224)	(5,811)
Other income		4,638	5,152
Profit from operations	11	**323,614**	**304,545**
Interest income		1,566	1,943
Impairment loss	2	-	(42)
Profit before tax		**325,180**	**306,446**
Income tax	12	(1,614)	(1,880)
Total profit and comprehensive income		**323,566**	**304,566**

Statement of changes in equity

for the year ended 30 September 2024

	Notes	Stated capital R'000s	Share-based payment reserve R'000s	(Accumulated loss)/Retained earnings R'000s	Total equity R'000s
Balance at 30 September 2022		**662,712**	**18,698**	**4,336**	**685,746**
Total profit and comprehensive income		-	-	304,566	304,566
Dividends paid *		-	-	(326,569)	(326,569)
Share-based payment		-	1,852	-	1,852
Issue of shares	7	1,492	-	-	1,492
Ordinary shares repurchased	7	(146)	-	-	(146)
Transfer between share-based payment reserve and stated capital for share options exercised	7	3,602	(3,602)	-	-
Balance at 30 September 2023		**667,660**	**16,948**	**(17 667)**	**666 941**
Total profit and comprehensive income		-	-	323,566	323,566
Dividends paid **		-	-	(322,223)	(322,223)
Share-based payment		-	4,576	-	4,576
Issue of shares	7	387	-	-	387
Transfer between share-based payment reserve and stated capital for share options exercised	7	10,123	(10,123)	-	-
Balance at 30 September 2024		**678,170**	**11,401**	**(16,324)**	**673,247**

* Dividends per share - 217 cents
Declared 5 December 2022 - 130 cents
Declared 5 June 2023 - 87 cents

** Dividends per share - 213 cents
Declared 4 December 2023 - 123 cents
Declared 5 June 2024 - 90 cents

Statement of cash flows

for the year ended 30 September 2024

	Notes	2024 R'000s	2023 R'000s
Cash flows from operating activities			
Cash flows from operations	13	2,989	9,311
Dividends received		324,200	305,204
Interest received		1,552	2,006
Tax paid		(1,632)	(1,964)
Net cash flows from operating activities		**327,109**	**314,557**
Cash flows from investing activities			
Purchase of investments		(5,226)	-
Return of capital by subsidiary	2	-	40,000
Net cash flows from investing activities		**(5,226)**	**40,000**
Cash flows from financing activities			
Dividends paid		(322,223)	(326,569)
Issue of ordinary shares	7	387	1,492
Loan repaid	9	-	(45,574)
Ordinary shares repurchased	7	-	(146)
Net cash flows from financing activities		**(321,836)**	**(370,797)**
Net change in cash and cash equivalents		**47**	**(16,240)**
Cash and cash equivalents at beginning of year	6	8,992	25,232
Cash and cash equivalents at end of year	6	**9,039**	**8,992**

Notes to the financial statements

for the year ended 30 September 2024

1. Accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial statements, except for the mandatory adoption of IAS 1 - Presentation of Financial Statements ("IAS 1") in the current year which requires disclosure of material accounting policies. The Company has adopted and applied this standard, which did not have a material impact, in the current year.

Basis of preparation

The financial statements were prepared on a going concern basis, in accordance with IFRS Accounting Standards issued by the IASB, Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The financial statements are presented in rands, which is the functional currency of the Company, and are prepared on the historical cost basis, unless stated otherwise in the accounting policies below. All financial information presented has been rounded to the nearest thousand rand, unless otherwise indicated.

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reporting amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by the directors and management. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Significant estimates and judgements made by management in the application of IFRS Accounting Standards relates to the measurement of observable market data used to measure the share option expense, the assessment of the recoverable amount of receivables and the impairment of investment in subsidiaries.

There were no changes to the estimates and judgements from the prior year.

Forthcoming requirements

At the date of authorisation of these financial statements, the following standards and interpretations that impact the Company were in issue, but not yet effective:

IAS 1 – Presentation of Financial Statements

Effective for annual periods beginning on or after 1 January 2024
The amendments clarify the classification of liabilities as current or non-current and the classification of long-term debt affected by covenants.

IFRS 18 - Presentation and Disclosure in Financial Statements

Effective for annual periods beginning on or after 1 January 2027
IFRS 18 replaces IAS 1 Presentation of Financial Statements and includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.

During the current year, management has considered the impact of all standards, amendments and interpretations in issue but not yet effective, and are in the process of assessing the impact as at the date of this report.

Investments in subsidiaries

Investments in subsidiaries are recognised at cost and are carried at cost less impairment. The carrying amounts of the Company's investment in subsidiaries are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the investment's recoverable amount is estimated.

Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Financial instruments

Financial instruments are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the particular instrument. Financial assets are derecognised when, and only when, the Company transfers substantially all risks and rewards of ownership. Financial liabilities are derecognised when, and only when, the obligations under the contract are discharged, cancelled or expire.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise investments in unit trust portfolios. This asset is initially recognised at fair value and subsequently measured at fair value through profit or loss. Fair value (level 2) is deemed to be the published net asset value per unit as reported by the managers of the investments.

Financial assets at amortised cost

Financial assets at amortised cost comprise receivables and cash and cash equivalents. These assets are initially recognised at fair value plus transactions costs and are subsequently measured at amortised cost using the effective interest rate method less any impairment losses. Receivables with a short duration are measured at their transaction price.

Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise trade and other payables. These liabilities are initially recognised at fair value less any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets

The carrying amounts of the Company's financial assets are presented net of impairment after applying the expected credit loss (ECL) assessment. The ECL is updated at the end of the reporting period to reflect changes in credit risk since initial recognition. For financial assets at amortised cost, a forward looking ECL is applied. Most of the receivables relate to loans to subsidiaries that are interest free with no fixed terms of repayment. The Company expects the loans to be settled within one year and recognises a loss allowance based on the maximum contractual loan term at each reporting date. The Company applies IFRS 9's general approach to its loans receivable, in terms of which the Company regards a significant increase in credit risk as when payments are more than 30 days past due, and a default as when payments are more than 90 days past due. Loans are written off when there is no realistic prospect of recovery.

Dividend income

Dividend income is recognised when the Company becomes entitled to the distribution.

Interest income

Interest income is recognised on the accrual basis using the effective interest method.

Other income

Other income comprises an overhead recovery of expenses that are charged to subsidiaries in the Group. Other income is earned over time and is recognised in profit or loss.

Share-based payments

The Company operates three share option schemes involving share options in the Company. The share option schemes, which are on an equity settled basis, allow the employees of Sygnia Limited's subsidiaries to acquire shares of the Company. The shares are issued by Sygnia Limited in respect of services rendered to the relevant subsidiary, and therefore a recharge agreement exists between Sygnia Limited and the relevant subsidiaries. Ultimately, the fair value of options granted attributable to the respective subsidiary is recognised as a receivable on the statement of financial position, with a corresponding credit to the share based payment reserve, over the service vesting period during which the employees become unconditionally entitled to the options. The subsidiary recognises a liability to the Company for the issuing of the share options. When share options are exercised, the share based payment reserve is released to share capital. When share options are forfeited, the receivable recognised relating to the forfeited options is reversed, with a corresponding debit to the share based payment reserve in the period that the options are forfeited.

The subsidiary recognises a liability to the Company for the issuing of the share options. When share options are exercised, the share-based payment reserve is released to share capital. When share options are forfeited, the receivable recognised relating to the forfeited options is reversed, with a corresponding debit to the share-based payment reserve in the period that the options are forfeited.

2. Investments in subsidiaries

The subsidiaries, at cost less impairment, are as follows:	2024 Percentage of equity held	2023 Percentage of equity held	2024 R'000s	2023 R'000s
Sygnia Life Limited	100	100	360,000	360,000
Sygnia Asset Management Proprietary Limited	100	100	113,040	113,040
Sygnia Collective Investments (RF) Proprietary Limited	100	100	-	-
Sygnia Capital (RF) Proprietary Limited	100	100	165,000	165,000
Sygnia Financial Services Proprietary Limited *	100	100	10,000	10,000
Sygnia Securities Proprietary Limited	100	100	-	-
Sygnia Holdings UK Limited	100	100	7,499	7,499
Sygnia Finance Proprietary Limited	100	100	-	-
Sygnia Consultants Proprietary Limited **	-	100	-	-
Sygnia Benefit Administrators Proprietary Limited	100	100	1,277	1,277
WealthFoundry (Pty) Ltd	51	51	-	-
			656,816	**656,816**

	2024 R'000s	2023 R'000s
Reconciliation of investments in subsidiaries		
Opening balance	656,816	696,858
Return of capital *	-	(40,000)
Impairment **	-	(42)
Closing balance	**656,816**	**656,816**

* Return of capital by Sygnia Financial Services Proprietary Limited in 2023. Consideration was given to the nature of the distribution to the Company, and it was determined that the distribution was a return of previously contributed capital.

** Sygnia Consultants Proprietary Limited ceased trading in the 2023 year, causing the investment in this company to be impaired.

The principal business and country of incorporation of all subsidiaries is South Africa except for Sygnia Holdings UK Limited whose principal place of business and country of incorporation is England & Wales.

3. Deferred tax assets

	Statement of financial position		Statement of comprehensive income	
	2024 R'000s	**2023 R'000s**	**2024 R'000s**	**2023 R'000s**
Accruals	3	5	(2)	(3)
Prepayments	(1)	(1)	-	-
Capital loss	172	172	-	-
	174	**176**	**(2)**	**(3)**

4. Receivables

	2024 R'000s	2023 R'000s
Interest receivable	63	49
Amounts receivable from subsidiaries	2,269	2,388
	2,332	**2,437**

5. Investment

	2024 R'000s	2023 R'000s
Collective investment scheme – Sygnia Money Market Fund	5,226	-

The collective investment scheme is managed by Sygnia Collective Investments (RF) Proprietary Limited (a subsidiary of the Group) and is an unconsolidated structured entity.

6. Cash and cash equivalents

	2024 R'000s	2023 R'000s
Current accounts (BB-rated)	832	2,474
Call account (BB-rated)	8,000	6,300
Stockbroking account *	207	218
	9,039	**8,992**

Impairments on cash and cash equivalents are measured on a 12-month expected credit loss basis and reflect the short-term maturities of the exposures. The Company considers that its cash and cash equivalents have good credit quality based on the external credit ratings of the counterparties. No impairment is considered necessary.

* Cash balance in a stockbroking account held with a subsidiary.

7. Stated capital

Authorised
500 000 000 ordinary shares with no par value (2023: 500 000 000).

	2024 Number of shares	2023 Number of shares	2024 R'000s	2023 R'000s
Issued				
Opening balance	150,947,489	150,439,353	667,660	662,712
Ordinary shares repurchased *	-	(8,864)	-	(146)
Issue of shares relating to share options exercised	1,238,500	517,000	387	1,492
Transfer between share-based payment reserve and stated capital for share options exercised	-	-	10,123	3,602
Closing balance	**152,185,989**	**150,947,489**	**678,170**	**667,660**

The unissued shares at year end are under the control of the directors until the next annual general meeting.

* In the prior year, the ordinary shares were repurchased at an average price of R16.47 and cancelled.

8. Share-based payments

The Group operates three share option schemes involving share options in Sygnia Limited, being The Sygnia Share Option Scheme ("Scheme A"), The Sygnia Share Option Scheme B ("Scheme B") and The Sygnia Share Option Scheme C ("Scheme C"). Scheme A is issued at a strike price with reference to the 30 day volume weighted average trading price at grant date; Scheme B is issued at a strike price of Rnil. Scheme C was approved in the current year and is issued at a strike price with reference to the 30 day volume weighted average trading price at grant date. There were no issues under Scheme C in the current year. The share options are an option to purchase shares in Sygnia Limited with 20%, 30% and 50% vesting over a period of three, four and five years, respectively. The maximum number of ordinary shares that may be issued in Scheme A, Scheme B and Scheme C is 5 million, 10 million and 10 million, respectively. Options issued are valued using a Black Scholes option pricing model. Subsequent to year end, changes were made to the rules of Scheme B and approved at a special general meeting. Refer to the SENS announcement dated 19 November 2024 for more details.

	2024		2023	
Scheme A	**Number of share options**	**Weighted average exercise price R**	**Number of share options**	**Weighted average exercise price R**
At beginning of year	35,000	11.1	371,007	9.4
Exercised during the year	(35,000)	11.1	(201,007)	8.0
Forfeited during the year	-	-	(135,000)	11.1
At end of year	**-**	**-**	**35,000**	**11.1**
Exercisable at year end	-	-	35 000	11.1

	2024	2023
Weighted average share price of options exercised during the year	R18.9	R17.9
Range of strike price for share options at end of year	R-	R11.1
Weighted average remaining life of options (years)	-	0.1

	2024		2023	
Scheme B	**Number of share options**	**Weighted average strike price R**	**Number of share options**	**Weighted average strike price R**
At beginning of year	2,841,000	-	3,746,000	-
Allocated during the year	-	-	580,000	-
Forfeited during the year	(110,000)	-	(1,103,000)	-
Exercised during the year	(1,203,500)	-	(382,000)	-
At end of year	**1,527,500**	**-**	**2,841,000**	**-**
Exercisable at year end	112,500	-	305,000	-

	2024	2023
Fair value of options allocated during the year	-	R6.1 million
Weighted average share price of options exercised during the year	R19.6	R17.4
Weighted average remaining life of options (years)	1.5	1.8

No options were allocated during the current year. The following weighted average inputs were used for options allocated:

	2024	2023
Historic volatility (%) *	-	36.4
Dividend yield (%)	-	11.5
Risk-free interest rate (%)	-	8.7
Expected life (years)	-	5.0
Share price (ZAR)	-	17.3

* Expected volatility was based on the two year historic volatility.

9. Loan payable

	2024 R'000s	2023 R'000s
Opening balance	-	45,574
Loan repaid	-	(45,574)
Closing balance	**-**	**-**

The loan amount represents a loan payable to a subsidiary.

10. Trade and other payables

	2024 R'000s	2023 R'000s
Accruals	461	527
Trade creditors	91	299
Amounts payable to subsidiaries	-	838
	552	**1,664**

11. Profit from operations

Profit from operations is arrived at after taking the following into account:	2024 R'000s	2023 R'000s
Audit fees - external audit fees	696	623
Directors' fees	3,378	4,111

12. Income tax

	2024 R'000s	2023 R'000s
South African normal tax		
South African normal tax		
Current tax – current year	1,612	1,877
Deferred tax – current year	2	3
	1,614	**1,880**
Reconciliation of tax rate	%	%
Standard rate	27.0	27.0
Non-taxable income – dividends received	(26.9)	(26.9)
Non-deductible expenses	0.4	0.5
Effective rate	**0.5**	**0.6**

13. Cash flows from operations

	2024 R'000s	2023 R'000s
Profit before tax	**325,180**	**306,446**
Adjusted for:		
Impairment	-	42
Dividend income	(324,200)	(305,204)
Interest income	(1,566)	(1,943)
Operating cash flows before changes in working capital	**(586)**	**(659)**
Working capital changes:		
Receivables	4,695	9,666
Prepayments	(8)	(5)
Trade and other payables	(1,112)	309
Cash flows from operations	**2,989**	**9,311**

14. Related party transactions

Identity of related parties
The Company has a related party relationship with companies in the Sygnia Limited Group, significant shareholders and its directors. In the ordinary course of business, the Company enters into various service and investment transactions with related parties.

Transactions with key management personnel
Executive and non-executive directors are considered to be the only key management personnel. The executive directors of Sygnia Limited are employed by subsidiaries in the Group on the same terms and conditions as other employees and do not have separate service contracts in their capacity as directors. The non-executive directors are paid a monthly retainer fee by Sygnia Limited. Only short-term compensation was paid to directors during the year.

Cash-based remuneration paid to directors of the Company by the Group

2024	Directors' fees R'000s	Consulting fees R'000s	Salary R'000s	Bonus R'000s	Total R'000s
Executive directors					
MF Wierzycka *	-	-	1,819	-	1,819
J Corelli (appointed 14 December 2023)	-	-	2,475	2,200	4,675
RA Ismail (appointed 1 September 2024)	-	-	213	1,100	1,313
WA Wierzycki (resigned 14 December 2023)	-	-	729	-	729
NJ Giles (resigned 31 August 2024)	-	-	3,208	-	3,208
	-	**-**	**8,444**	**3,300**	**11,744**
Non-executive directors					
HI Bhorat	1,028	1,910	-	-	2,938
G Cavaleros	832	-	-	-	832
MH Jonas (resigned 17 October 2023)	-	-	-	-	-
J Boyd	718	-	-	-	718
A Jakoet	800	-	-	-	800
	3,378	**1,910**	**-**	**-**	**5,288**

2023	Directors' fees R'000s	Consulting fees R'000s	Salary R'000s	Bonus R'000s	Total R'000s
Executive directors					
MF Wierzycka	-	-	-	-	-
DR Hufton (resigned 30 April 2023)	-	-	3,825	800	4,625
MA Sirkot (resigned 31 March 2023)	-	-	1,888	-	1,888
WA Wierzycki	-	-	3,050	2,100	5,150
NJ Giles (appointed 17 May 2023) **	-	-	1,302	2,239	3,541
	-	**-**	**10,065**	**5,139**	**15,204**
Non-executive directors					
HI Bhorat	979	815	-	-	1,794
G Cavaleros	789	-	-	-	789
MH Jonas	1,189	-	-	-	1,189
J Boyd	684	-	-	-	684
C Appana (resigned 30 June 2023)	350	-	-	-	350
A Jakoet (appointed 7 August 2023)	120	-	-	-	120
	4,111	**815**	**-**	**-**	**4,926**

* Salary earned as from July 2024.
** The 2023 bonus included a sign-on bonus of R1.24 million paid in May 2023.

Equity remuneration paid to directors of the Company by the Group

				Number of share options			
2024	**Date granted**	**Scheme A or B**	**Exercise price**	**Opening balance**	**Allocated during the year**	**Exercised during the year**	**Closing balance**
Executive directors							
WA Wierzycki (resigned 14 December 2023)	01-Oct-20	B	-	200,000	-	(40,000)	160,000
J Corelli (appointed 14 December 2023)	01-Oct-20	B	-	100,000	-	(50,000)	50,000
J Corelli (appointed 14 December 2023)	01-Oct-21	B	-	70,000	-	-	70,000
RA Ismail (appointed 1 September 2024)	01-Aug-19	B	-	35,000	-	(35,000)	-
RA Ismail (appointed 1 September 2024)	01-Apr-23	B	-	100,000	-	-	100,000
				505,000	**-**	**(125,000)**	**380,000**

				Number of share options			
2023	**Date granted**	**Scheme A or B**	**Exercise price**	**Opening balance**	**Allocated during the year**	**Forfeited during the year**	**Closing balance**
Executive directors							
DR Hufton	01-Aug-19	B	-	160,000	-	(160 000)	-
DR Hufton	01-Oct-20	B	-	200,000	-	(200 000)	-
DR Hufton	01-Oct-21	B	-	200,000	-	(200 000)	-
MA Sirkot	16-Jan-19	A	7.96	201,006	-	(201 006)	-
MA Sirkot	01-Oct-20	B	-	100,000	-	(100 000)	-
MA Sirkot	01-Oct-21	B	-	50,000	-	(50 000)	-
WA Wierzycki	01-Oct-20	B	-	200,000	-	-	200 000
				1,111,006	**-**	**(911 006)**	**200 000**

Dividends paid to directors (including indirect shareholding)

	2024 R'000s	**2023 R'000s**
MF Wierzycka	192,201	195,810
J Corelli	439	-
NJ Giles	18	-
DR Hufton	-	3,148
MA Sirkot	-	715
WA Wierzycki	-	2,367

Directors' interest in Sygnia Limited

	Number of shares held		
	Direct beneficial interest	Indirect beneficial interest	Percentage held
At 30 September 2024			
MF Wierzycka *	82,680	90,152,444	59.3%
J Corelli (appointed 14 December 2023)	347,313	-	0.2%
NJ Giles (resigned 31 August 2024)	8,488	-	0.0%
WA Wierzycki (resigned 14 December 2023) **	691,588	-	0.5%
At 30 September 2023			
MF Wierzycka *	82,680	90 152 444	59.8%
WA Wierzycki **	710,330	380 284	0.7%
DR Hufton (resigned 30 April 2023) ***	2,421,325	-	1.6%
MA Sirkot (resigned 31 March 2023) ****	50,252	-	0.0%

* Indirect beneficial interest relates to 44,532,444 (2023: 44,532,444) shares held by SJB Peile and 45,620,000 shares held by Sapayoa Investments (Pty) Ltd (2023: 45,620,000).
** Mr WA Wierzycki used a loan from a subsidiary to purchase 375,000 shares in June 2019.
*** Mr DR Hufton used a loan from a subsidiary to purchase 1,322,761 shares in June 2019.
**** Mr MA Sirkot used a loan from a subsidiary to purchase 500,000 shares in June 2019.

Transactions with subsidiaries
Dividend income from subsidiaries is reflected in the statement of profit or loss and other comprehensive income. Other transactions with related parties are as follows:

	2024 R'000s	2023 R'000s
Other income	4,638	5152

Balances with related parties
Balances with related parties are disclosed in the receivables, loan payable, trade and other payables and investment notes above. Amounts receivable from subsidiaries and amounts payable to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

The Company has significant influence over the Sygnia Money Market Fund.

15. Financial risk management

The Company is exposed to a variety of financial risks. The most important components of financial risk are credit risk, liquidity risk and market risk (arising from changes in interest rates). Market risk arises from open positions in interest rate instruments.

The Audit and Risk Committee assists the board in discharging its responsibilities that relate to the safeguarding of assets, the operation of adequate and effective systems and control processes, and the oversight of the external and internal audit appointments and functions. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee. The Audit and Risk Committee oversees the risk management structures and processes, which have been designed to identify, evaluate and manage risks and effectively communicate to the various reporting structures. The responsibility for risk management rests with every individual in the company, including Board members.

The committee meets on a quarterly basis.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligation or incur a change in its creditworthiness, resulting in a financial loss to the Company. The maximum exposure to credit risk is represented by the carrying value of financial assets at amortised cost. Cash resources are limited to high credit quality financial institutions. The Company has policies in place to limit credit exposure to any one financial institution. Most receivables are from subsidiaries and the Company has reviewed the financial position of subsidiaries with balances due. Management has assessed recoverability based on budgeted forecasts and expected repayments and found these subsidiaries have sufficient assets to settle the loans in future. The assets of the subsidiaries exceed the liabilities, and the disposal of assets would be sufficient to settle all the liabilities. The value of the assets of the subsidiaries is expected to grow, which adds to the low credit risk of the financing provided to subsidiaries. A combination of low fees, top investment performance, original products and exponentially evolving technology has meant that the company and its subsidiaries have continued to grow their assets under management and administration despite highly volatile market conditions. The Company has a history of very few bad debts. Management consider the probability of default to be close to zero as all subsidiaries have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses, as any such impairment would be insignificant to the Company.

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due. The Company manages its liquidity requirements by monitoring forecasted cash flows. Furthermore, a fellow subsidiary has an undrawn credit facility with Standard Bank that can be utilised by the Company if required. Financial liabilities have not been discounted, and the amounts shown in the statement of financial position are therefore the same as the amounts that will be paid on maturity of these liabilities. Trade creditors and amounts owing to subsidiaries are short term in nature and payable within ninety days from the reporting date. Refer to note 17 for guarantees provided by the Company.

Market risk

Market risk is the potential impact on earnings of unfavourable changes in foreign exchange rates, interest rates and market prices.

Foreign exchange risk: The Company does not have significant exposure to foreign exchange rate risk.

Interest rate risk: The Company is exposed to interest rate risk through its investment, call account and current account.

Price risk: The Company is not exposed to price risk.

Cash flow sensitivity analysis for variable rate instruments:

Interest rate
An increase of 100 (2023: 300) basis points in interest rates at year end would have increased profit before tax by R0.14 million (2023: R0.27 million). A decrease of 100 (2023: 300) basis points in interest rates at year end would have had the equal but opposite effect. This assumes that all other variables remain constant and that the year end balance has been constant throughout the year.

16. Events subsequent to the reporting date

On the 4th of December 2024, the directors proposed and approved a dividend of 127 cents per share.

The directors are not aware of any other matters or circumstances arising since the end of the financial period, not otherwise dealt with in the annual financial statements, which significantly affect the financial position of the Company or the results of its operations.

17. Guarantees

Sygnia Limited, along with subsidiaries in the Group, have issued an irrevocable and unconditional guarantee for the loan payable and preference shares issued by Sygnia Capital (RF) Proprietary Limited to Standard Bank. The balance of the preference share liability owing by Sygnia Capital (RF) Proprietary Limited at 30 September 2024 amounts to R100 million (2024: R100 million). The balance of the loan payable by Sygnia Capital (RF) Proprietary Limited at 30 September 2024 amounts to R25.2 million (2023: R35.3 million). In the event that the guarantees are called upon, management have determined that Sygnia Limited would not be called on to settle the obligations. The measurement of the guarantees is performed in the subsidiary that would be called upon should Sygnia Capital (RF) Proprietary Limited default. This entity has sufficient resources to settle the obligation, and as such the guarantees are not recognised by the other entities in the group.

Sygnia

Sygnia Limited
Incorporated in the Republic of South Africa

Registration number: 2007/025416/06
JSE share code: SYG
ISIN code: ZAE000208815
Sponsor: The Standard Bank of South Africa Limited

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