MATERIAL RISK REGISTER as at 31 March 2026

PBT holdings
KNOWLEDGE TO ACHIEVE FORESIGHT TO LEAD

PBT HOLDINGS LIMITED
(formerly PBT Group Limited)
(Incorporated in the Republic of South Africa)
(Registration number: 1936/008278/06)
JSE share code: PBT ISIN: ZAE000256319
Main Board – General Segment
("PBT Holdings" or "the Company" or "the Group")

IN ACCORDANCE WITH JSE LR 11.38(E)

PBT Holdings annually reviews the material risks it faces. The risks are identified by analysing and understanding the business and the environment it operates in. The risks mentioned below are ranked from highest to lowest risk.

1	**Economic Uncertainty**	Macroeconomic instability, including political and economic uncertainty, may negatively impact PBT's operating environment, reducing client confidence and demand, adversely affecting the Company's performance, sustainability and profitability. Our flexible operating model allows PBT to proactively adjust its skills mix, workforce composition and service offering in response to evolving market conditions and client requirements.
2	**Talent Attraction and Retention**	PBT's business model is highly dependent on the expertise, institutional knowledge and client relationships of its key employees. The loss of critical talent, or an inability to attract and retain suitably skilled professionals in a competitive market, could result in reduced service quality, disruption to client delivery, loss of intellectual capital and reduced competitive advantage. PBT mitigates this risk through a structured and proactive talent management strategy. This includes market-related remuneration and a strong focus on employee engagement and retention. Knowledge-sharing practices are implemented to reduce key-person dependency, while succession planning and cross-skilling initiatives ensure continuity of critical skills. In addition, we actively recruit and build talent pipelines to support future growth and replace attrition where necessary.
3	**Client Retention**	PBT's continued success depends on retaining key corporate clients, many of which are long-standing and contribute significantly to revenue and cash flow. Loss of high-value clients, or failure to maintain strong client relationships, could result in reduced consultant billability and weakened financial performance. We actively manage client retention through a co-ordinated approach across business development, innovation and delivery teams. The business development team focuses on deepening existing relationships and securing new client opportunities, while the innovation team ensures our solutions remain aligned with evolving technology trends. The delivery team prioritises high-quality service and consistent performance to exceed client expectations. Focused engagement and service excellence underpin the retention of high-value clients.
4	**B-BBEE Compliance**	Maintaining and improving PBT's Broad-based Black Economic Empowerment (B-BBEE) status is an ongoing challenge, as client expectations and regulatory requirements in the information and communications technology (ICT) industry continue to evolve. Failure to comply with current legislation or to achieve strong transformation outcomes could reduce market competitiveness and impact our eligibility for client contracts. PBT is committed to driving meaningful transformation and contributing to sustainable B-BBEE progress in South Africa. As a majority black-owned group, our holding company is rated Level 2 on a consolidated B-BBEE scorecard, while our operating entities are rated Level 1 and Level 2 respectively. We actively monitor legislative changes, implement structured transformation initiatives, and set measurable goals to maintain and enhance our B-BBEE status, ensuring continued access to client opportunities and competitive advantage.
5	**Regulatory Compliance**	Non-compliance with applicable laws and regulations could pose a material risk to PBT, potentially resulting in financial penalties, reputational damage and loss of stakeholder trust. Key regulations include: • JSE Listings Requirements • King IV Report on Corporate Governance for South Africa, 2016 • Companies Act, No. 71 of 2008 (as amended) • Income Tax Act, No. 58 of 1962 • POPI Act and GDPR Failure to monitor regulatory changes or implement required policies could compromise good corporate governance and operational integrity. PBT maintains compliance through clearly assigned accountability and structured oversight for each regulatory area. Dedicated personnel, supported by specialised divisions, ensure that policies and procedures are implemented, regularly reviewed and updated in line with legislative amendments. Ongoing monitoring, audits and staff training are conducted to ensure adherence to regulatory requirements and to mitigate the risk of non-compliance.
6	**Cybersecurity and IT Systems**	PBT's operations are dependent on a secure, reliable and resilient information technology (IT) infrastructure to support internal users and deliver services to clients. Failure, disruption or compromise of these systems – including as a result of cyberattacks, data breaches, system outages or inadequate access controls – could lead to operational downtime, loss of sensitive data, reputational damage, regulatory non-compliance and financial loss. We maintain business continuity and mitigate technology-related risks through the implementation of robust cybersecurity and IT governance practices. This includes maintaining up-to-date systems and infrastructure, applying industry-standard security controls, enforcing access management and data protection protocols, conducting regular system monitoring and vulnerability assessments and ensuring staff are trained in cybersecurity awareness. In addition, disaster recovery and backup procedures are in place to enable timely restoration of critical systems and data in the event of an incident.
7	**Artificial Intelligence**	Rapid advancements in artificial intelligence (AI) may disrupt traditional IT services delivery models, reducing demand for certain services, increasing competitive pressure and potentially impacting PBT's revenue, relevance and profitability. PBT invests in the continuous development of our skills base and evolves our service offerings and delivery models to incorporate and leverage AI, positioning the business to respond effectively to changing client needs and technological disruption.