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### *Sanlam reports strong start to 2023 with robust performance on key metrics*

Sanlam Group has achieved a strong operating performance for the quarter ended 31 March 2023. This despite challenging economic conditions in the markets in which we operate, including continued electricity supply disruptions and adverse weather conditions in South Africa.

Salient features from the quarter include:

- Cash net result from financial services increasing by 26%;
- Net operational earnings increased by 38%;
- Group new business volumes increased by 9%;
- Life insurance new business was written at improved profitability with value of new life insurance business (VNB) increasing by 21% on a constant economic basis and VNB margin improving to 3,03% on a constant economic basis; and
- The Group undertook a further R347 million in share buybacks.

The Group's life insurance, general insurance and credit and structuring lines of business have all contributed to growth in net results from financial services, with the Sanlam Pan Africa (SPA) and India operations performing particularly well.

Group new business volumes increase of 9% was supported by the addition of the Absa asset management business, strong life insurance recurring premium growth and satisfactory growth in general insurance. Growth was dampened by lower life insurance single premium sales due to rand weakness and broader investment market volatility, which also impacted net client cash inflows.

The Group recorded net client cash inflows of R7,7 billion for the quarter.

Group VNB achieved significant growth despite muted life insurance sales, driven by margin improvements as a result of a shift to more profitable recurring and single premium products in the South Africa and Emerging Market operations.

Commenting on the achievements in the first quarter, Sanlam Group CEO, Mr Paul Hanratty said: "We are pleased with our performance in the first quarter in a challenging economic climate. The resilience of our business is underpinned by the commitment of our people and our focus on the implementation of our strategy and capital allocation."

The Group undertook a further R347 million in the period, and a cumulative R1,3 billion since commencing buybacks in the fourth quarter of 2022.

The BrightRock corporate transaction is expected to complete in the second quarter and Capital Legacy in the third quarter of 2023.

All required approvals have been received for the AfroCentric transaction, which will be implemented on 29 May, once the offer to AfroCentric shareholders closes on 26 May.

Our discretionary capital balance reduced to R4,9 billion from R5,3 billion on 31 December 2022. After allowing for the announced corporate transactions, the balance on 31 March 2023 would have been around R2,6 billion.

The capital and solvency position of the Group and its main operating entities remained strong and within target ranges on 31 March 2023.

Concluding, Mr Hanratty said: “We expect the operating environment to remain challenging for the remainder of the year, we believe we are well positioned to weather short-term volatility. We remain confident of the long-term growth potential in all our markets, including South Africa, and we aim to continue to deliver value to our shareholders and other stakeholders.”

***Ends***