

2 February 2024

Sanlam announces proposed transaction to acquire Assupol

Sanlam today announced a proposed transaction to acquire up to 100% of the issued ordinary shares of Assupol Holdings Limited (Assupol), through a scheme of arrangement with a fallback general offer to Assupol shareholders for a purchase consideration of around R6,5 billion.

The proposed transaction will see Assupol become part of Sanlam's retail mass cluster and together with Sanlam Sky, Safrican and the Capitec JV, which will close at the end of October 2024, it will place Sanlam in a strong position to service the financial services needs of South Africans.

Sanlam's retail mass cluster CEO, Mr Bongani Madikiza, will ensure that Assupol gets the support it needs to flourish in the Sanlam Group. Assupol will continue to operate with its own brand and identity and separate management team. Mr Madikiza will oversee the co-ordination of the various retail mass businesses within the Group as well as make sure they share intellectual property, best practice, and work collectively to maximise Sanlam's position in the market.

Assupol was established in 1913 as a burial society for members of the then South African Police. The company has grown into a fully-fledged life insurer, serving those who serve, and leading with innovative products and services. Assupol has become a household name, synonymous with high quality service and affordable products tailored for focused markets. The company provides funeral, life, savings and retirement products and services to South Africans from every walk of life.

For its latest financial year ending 30 June 2023, Assupol reported an embedded value of over R7 billion, gross insurance premium revenue of over R5 billion and a solvency cover ratio of 179%.

Sanlam Group CEO, Mr Paul Hanratty, said: "The proposed acquisition will allow us to strengthen our fortress South Africa strategy and signifies Sanlam's commitment to further long-term investment in South Africa. It places Sanlam in a strong competitive position in the retail mass segment of the South African market, thereby embedding our commitment to South Africa. Given the envisaged synergies, we are confident it will deliver accretive value for all our stakeholders."

Assupol Chairman, Dr Reuel Khoza, commented: "Assupol has always been a stable company, generating great value for its shareholders and all its stakeholders. We believe this acquisition by Sanlam will bring even greater opportunities for growth and success. It will not only strengthen our position in the market but also enhance our ability to provide exceptional value to our clients. We are excited about this new chapter and look forward to the benefits it will bring to both our employees and our clients."

The completion of the proposed transaction will be subject to suspensive conditions including the necessary regulatory approvals.

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ABOUT SANLAM GROUP

Sanlam is a pan-African financial services group listed on the JSE Limited, Namibian and A2X stock exchanges. Through its clusters - Retail Mass, Retail Affluent, Sanlam Corporate, Sanlam Emerging Markets (including SanlamAllianz), Sanlam Investment Group and Santam, the Group provides comprehensive and bespoke financial solutions to institutional clients and consumers across all market segments. Sanlam's areas of expertise include life and general insurance, financial planning, retirement, investments, and wealth management.

Established in 1918 as a life insurance company, Sanlam has evolved into the largest non-banking financial services group in Africa through its diversification strategy.

Headquartered in South Africa, Sanlam has a direct stake in financial services entities in Botswana, Kenya, Namibia, Nigeria, Malawi, Mauritius, Mozambique, Rwanda, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe.

The Group has a footprint of insurance operations in Angola, Benin, Burkina Faso, Cameroon, Cote D'Ivoire, Gabon, Ghana, Madagascar, Mali, Morocco, Niger, Lesotho, Senegal, and Togo. Sanlam also has business interests in India, Malaysia, and the United Kingdom.

For more information on Sanlam, visit www.sanlam.com

ABOUT ASSUPOL

Assupol is a proudly South African insurance company which began in 1913 as a burial society. From that modest and caring beginning, it has grown into a fully-fledged life-insurer, serving those who serve and often leading with innovative products and services. Assupol provides funeral, life, savings, and retirement products to South Africans and remains a trusted insurer to its clients.

For more information on Assupol, visit www.assupol.co.za