Sanlam Limited
(Incorporated in the Republic of South Africa)
(Registration number 1959/001562/06)
("Sanlam", "Sanlam Group" or "the group")
JSE Share code: SLM
A2X share code: SLM
NSX share code: SLA
ISIN: ZAE000070660

Sanlam Life Insurance Limited
(Incorporated in the Republic of South Africa)
(Registration No. 1998/021121/06)
("Sanlam Life")
Bond Issuer Code: BISLI
LEI: 378900E10332DF012A23

Sanlam group operational update for the nine-months ended 30 September 2025

Continued strong momentum underpinned by disciplined execution

Highlights

- Net results from financial services (NRFFS) increased 17% (19% normalised[1]).
- Net operational earnings increased by 14% (16% normalised).
- Group new business volumes increased by 11% (13% normalised).
- Life insurance new business volumes increased by 1% (6% normalised). While VNB margin remained steady at 2,25% relative to June 2025.
- The group regulatory and economic solvency cover ratio remained well within target ranges at 167% and 184%, respectively.

The group's resilience continues to drive solid performance despite a challenging environment shaped by tariffs and geopolitical tensions. Global markets are showing signs of recovery, while in South Africa, improved energy stability and moderating inflation are supporting a gradual rebound in real household income growth — though the elevated cost of living still pressures households.

Revised earnings framework

As communicated at the Sanlam's Capital Markets Day on 16 October 2025 and as part of the group's focus on simplifying reporting, the group has adopted a new financial reporting framework that is aligned with IFRS17. For more information visit https://www.sanlam.com/sanlam-capital-market-days

The naming conventions and definitions of key earnings metrics have been revised. Effective 1 January 2026, *net result from financial services (NRFFS)* will be replaced with **operating profit**, and *net operational earnings* with **adjusted headline earnings**. Both measures remove Sanlam-specific shareholders' fund adjustments and reflect full investment market movements, resulting in greater period-to-period volatility. In addition, project expenses, previously included under net operational earnings, are now reported as part of operating profit and adjusted headline earnings.

The group has presented earnings metrics using both the current and future financial reporting frameworks.

Percentage increase/(decrease) for the nine months ended 30 September	**Actual**	**Normalised[1]**
Current financial reporting framework		
▪ Net result from financial services	17%	19%
▪ Net operational earnings	14%	16%
Future financial reporting framework (with effect 1 January 2026)		
▪ Operating profit excluding investment variances[2]	2%	18%
▪ Operating profit	(3%)	10%
▪ Adjusted headline earnings[3]	(6%)	4%

[1] In constant currency with adjustments as detailed in the appendix.
[2] Operating profit adjusted for the impact of economic market movements (the difference between expected and actual investment outcomes).
[3] Operating profit including investment return (comprising investment income and surpluses).

Pleasing operating profit growth despite volatility[4]

The group maintained the positive performance experienced in the first half of 2025. **Net result from financial services** continued to grow strongly and demonstrated solid performance across life and general insurance, credit and structuring and investment management operations. Underlying operating performance specifically benefited from favourable mortality experience and higher asset-based fee income in the life insurance business in Africa, lower general insurance business claims in Africa, healthy asset management fee income in South Africa and solid credit and structuring growth in India and South Africa.

The strong investment gains on long-duration bonds in 2024 were partially reversed in the first half of 2025 due to unfavourable shifts at the long end of the yield curve. **Operating profit** includes positive investment variances in 2025 and 2024, with 2025 at levels significantly lower than 2024, primarily driven by the unfavourable movements at the long end of the yield curve. This translated to operating profit growth being lower than the NRFFS growth rate. Excluding investment variances and normalised for the one-off recapture fee in the 2024 base, operating profit growth of 18% is aligned with the NRFFS growth rate.

Adjusted headline earnings was impacted by bridge funding finance costs related to the Assupol acquisition and lower investment return on shareholder capital relative to the prior period.

Earnings *(Percentage increase /(decrease) for the nine months of 2025 relative to the nine months of 2024)*	**NRFFS**		**Operating profit**	
	Actual	**Normalised**	**Actual**	**Normalised**
Sanlam group	**17%**	**19%**	**(3%)**	**10%**
- Excluding investment variances			*2%*	*18%*
By major line of business				
Life insurance and health	**15%**	**15%**	**(15%)**	**1%**
- Excluding investment variances			*(10%)*	*11%*
General insurance	**36%**	**35%**	**30%**	**29%**
- Excluding investment variances			34%	33%
Investment management	**1%**	**13%**	**2%**	**14%**
Credit and structuring	**3%**	**12%**	**3%**	**12%**

Life insurance and health operating profit growth was muted for the period under review. Excluding investment variances and normalised for the one-off recapture fee in the 2024 base, life insurance and health operating profit growth was 11%.

South Africa recorded strong operational performance across the portfolio, supported by improved claims experience in retail mass, higher contractual service margin (CSM) and risk adjustment releases, and increased asset-based fee income in the affluent businesses. Operating performance also benefited from the contraction of credit spreads in the credit portfolio backing life insurance liabilities. However, this was offset by lower investment variances due to a reversal of prior gains on longer duration bonds, which impacted operating profit. NRFFS was not impacted by this reversal of bond yields because the investment variance is stabilised through the asset mismatch reserve.

On a normalised basis, Pan-Africa recorded solid operating profit growth, supported by favourable mortality experience and expense efficiencies in Egypt and East Africa.

Asia recorded improved operating profit in Malaysia, while India's profits were negatively impacted by the investment into developing additional sales channels for the life insurance business.

[4] All commentary and growth rates relate to the normalised nine months of 2025 relative to the nine months of 2024, unless otherwise indicated. Commentary is provided on a normalised basis.

General insurance operations operating profit benefited from resilient performance in South Africa, driven by Santam's favourable attritional claims experience and a lower incidence of large losses. Earnings growth in India was supported by increased motor book sales, while Pan-Africa's operating profit growth was dampened by increased claims experienced in North and West Africa. General insurance operating profit growth is lower than NRFFS mainly due to increased project expenses incurred from corporate activity in 2025.

Investment management operating profit benefited from pleasing multi-manager, indexation and alternatives fee income in South Africa and continued high retail inflows in Pan-Africa.

Credit and structuring operating performance was driven by sustained growth in Shriram Finance Limited (SFL) in India, supported by strong book growth as well as robust performance from the structuring business in South Africa which benefited from solid equity and bond structuring fee income. This was offset by lower net interest margin caused by early funding of the book to reduce risk from geo-political turmoil in India.

Satisfactory growth in new business volumes and net client cash flows

Key group new business metrics

Percentage increase/(decrease) for the nine months of 2025 relative to the nine months of 2024)

	Actual	Normalised[5]
Sanlam group		
New business volumes	11%	13%
Net client cash inflows	87%	77%

Life insurance new business metrics

Present value of New Business Premiums (PVNBP)	1%	6%
Value of new covered business (VNB)	(19%)	(5%)
VNB margin	2,25%	2,25%

Life insurance new business volumes[6] increased by 6% on a normalised basis. In South Africa, growth was modest off a high base, supported by good savings product and risk business sales in the affluent market. This was partly offset by softer recurring premiums in corporate and weaker performance in the group and direct marketing businesses within retail mass. Increased Pan-Africa new business volumes were mainly driven by North and West Africa individual life and bancassurance flows, while Asia benefited from sustained growth in India due to strong individual life sales in the new agency and partner channels.

VNB growth was impacted by structural changes following the cessation of the Capitec partnership and sale of Namibia to the SanlamAllianz joint venture.

On a normalised basis, South Africa's VNB declined by 10%, reflecting a shift in the affluent segment from higher-margin guaranteed annuity sales to less capital-intensive living annuity products, in line with market dynamics following the shift in yields and equity-markets. The decline was further impacted by weaker group business sales in the mass market.

Pan-Africa, on a normalised basis, recorded encouraging VNB growth of 36%, benefiting from volume and margin improvement across the portfolio.

Asia VNB remains affected by development costs associated with establishing new distribution channels in India.

The group net VNB margin remained steady at 2,25% from half year 2025.

General insurance net earned premiums grew by 13%, with solid contributions across all regions. Santam recorded robust growth in the conventional insurance business. In the Pan-Africa portfolio, SanlamAllianz recorded growth below its 12% to 15% target range due to lower premiums in Morocco and a clean-up of

[5] In constant currency with adjustments for corporate activity detailed in appendix
[6] On a Present Value of New Business Premiums (PVNBP) basis

the motor book in Ivory Coast. Asia recorded net earned premiums growth of 24%, driven by continued strong third-party motor business in India.

Investment management new business volumes were 14% higher than prior period, with healthy inflows recorded across all the group's investment management operations.

Group net client cash flows were up a pleasing 87% to over R74,7 billion, with substantial contributions across all regions and lines of business. Investment management business net inflows more than doubled from excellent multi-manager and alternatives flows in South Africa, in addition to higher retail flows in Pan-Africa. This was further bolstered by double digit net client cash flows growth from the life and general insurance operations.

The group's **discretionary capital** balance decreased to R8,6 billion on 30 September 2025.

Advancing our strategic partnerships

The integration of Assupol is progressing well, with alignment across teams and systems. We are proud of the momentum achieved to date in realising the strategic and operational benefits envisaged when we invested in this business.

The South African leg of the Ninety One transaction received competition tribunal approval on 19 September 2025. The transaction remains on track for completion subject to regulatory approval and the finalisation of the reorganisation of Sanlam Investment Management (Pty) Ltd (SIM) to transfer out all business activities and associated costs not forming part of the active asset management business.

In Pan-Africa, good progress has been made on the integration of overlapping countries, with eight out of 11 now completed. Kenya and Mauritius are expected to be completed before the end of the year. Morocco's integration, subject to regulatory approvals, is expected to be completed during 2026.

Outlook

The group remains confident in Africa's long-term fundamentals — a young population (with 70% under the age of 35), a labour force projected to reach 954 million by 2030, and increasingly diverse economies — all of which underpin resilience and long-term investment potential. In October 2025, four countries in which we operate, namely South Africa, Nigeria, Mozambique and Burkina Faso, exited the Financial Action Task Force (FATF) grey list. This marks an important milestone that restores credibility and removes a significant drag on investor confidence in these regions. We therefore maintain a positive outlook for Africa's economic growth, while remaining mindful of ongoing regional vulnerabilities and exposure to global risks that continue to pose challenges.

In South Africa, Sanlam's largest market, easing inflation and ongoing structural reforms are reshaping the economy. Governance improvements and large-scale private investment in renewables, logistics upgrades, and digital connectivity are strengthening confidence, and creating the foundation for sustained growth and recovery.

India's position as a growth vector remains robust, underpinned by ongoing reforms, resilient domestic demand and stable inflation. While short-term challenges arise from external trade tensions and margin pressures in the insurance sector, the long-term outlook remains favourable.

The group remains confident in achieving the through-the-cycle targets, as outlined at the Capital Markets Day. We expect continued demand for our solutions, driven by demographic trends and evolving consumer needs. Our ongoing investments in technology and distribution channels will continue to support growth across South Africa, Pan-Africa and Asia.

Sanlam's diversified portfolio and strong solvency position provide a sound and high-quality base for sustained delivery.

Appendix: Basis of normalisation

The following businesses' 2024 bases were normalised for ease of comparability on a normalised basis per the table below. The impact of these normalisation adjustments, except for the recapture fee in the 2024 base, did not have a material impact on the growth in operating profit.

Business	Transaction	Treatment
SanlamAllianz	On 7 April 2025, Allianz Europe BV (Allianz) acquired 8,59% in SanlamAllianz, resulting a final shareholding split in SanlamAllianz of 51% Sanlam and 49% Allianz. Sanlam Life Namibia sold to SanlamAllianz with financial effective date of 1 July 2024. Prior to this Sanlam owned 100%, and post transaction Sanlam owned an effective 59,59% of Sanlam Life Namibia.	Treated as though transaction occurred effective 1 January 2024, with Sanlam shareholding of SanlamAllianz at 51% from 1 January 2024. Treated as though transaction occurred effective 1 January 2024, with Sanlam shareholding of Sanlam Life Namibia at 51% from 1 January 2024.
Sanlam Life and Savings	Sanlam acquired 100% of Assupol with an effective date of 1 October 2024.	Treated as though transaction occurred effective 1 January 2024, with Assupol included as a subsidiary from 1 January 2024.
	Conclusion of the Sanlam's joint venture with Capitec on 31 October 2024.	Treated as though transaction occurred effective 1 January 2024 and therefore 2024 results removed.
	Sanlam Life acquired a 60% shareholding in Multichoice Group Limited's insurance business, NMS Insurance Services (SA) Limited effectively on 30 November 2024. Santam completed the transaction to acquire the 60% A1 ordinary shares in NMS Insurance services (SA) Limited from Sanlam Life, effective on 2 May 2025.	Treated as though transaction occurred effective 1 January 2024, with NMS Insurance Services (SA) limited included as a subsidiary from 1 January 2024.
Asia - India	Reduction of shareholding in SFL at end of March 2024. Prior to this date Sanlam owned an effective 10,19% of SFL, and post transaction date, Sanlam owned an effective 9,54%.	Treated as though transaction occurred effective 1 January 2024, with effective 9,54% shareholding in SFL from 1 January 2024.
Sanlam Investments	On 16 June 2025, the UK component of the Ninety One transaction was completed.	Treated as though transaction occurred effective 1 January 2024, and therefore 2024 results removed.

The following one-off items are adjusted for in the calculation of the normalised earnings:

- General insurance is normalised for the impact of a timing on the estimated net earned premiums in Pan-Africa, with no impact on the full-year results expected.
- Investment management is normalised for a one-off tax in Sanlam Private Wealth and other one-off items in Sanlam UK and Glacier.

The normalised information is prepared for illustrative purposes only and is the responsibility of the directors. Because of its nature it may not fairly present the group's financial position, changes in equity, result of operations or cash flows.

Conference call

Abigail Mukhuba, group CFO, will host a conference call for investors, analysts, and the media at 17:00 South African time (UTC+2) on 13 November 2025.

Those wishing to participate in the conference call should navigate to: https://www.diamondpass.net/9037996. *Registered participants will receive their dial-in number on registration.*

Recorded playback will be available until 18 November 2025.

Access code for recorded playback: 48037

South Africa	*010 500 4108*
USA and Canada	*1 412 317 0088*
UK	*0 203 608 8021*
Australia	*073 911 1378*
Other countries	*+27 10 500 4108*

Cape Town
13 November 2025

Equity sponsor: The Standard Bank of South Africa Limited
Debt sponsor: The Standard Bank of South Africa Limited
NSX sponsor: Simonis Storm Securities (Pty) Ltd

Disclaimer

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Forward-looking statements

In this document, we make certain statements that are not historical facts and relate to analyses and other information based on forecasts of future results not yet determinable, relating, amongst others, to financial results, to new business volumes, investment returns (including exchange rate fluctuations) and actuarial assumptions. These statements may also relate to our prospects, developments, and business strategies. These are forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as "believe", "anticipate", "intend", "seek", "will", "plan", "could", "may", "expect" and "project" and similar expressions are intended to identify such forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties and, if one or more of these risks materialise, or should underlying assumptions prove incorrect, actual results may be very different from those anticipated. Forward-looking statements apply only as of the date on which they are made, and Sanlam does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Any forward-looking information contained in this document has not been reviewed and reported on by Sanlam's external auditors.