

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

Santam Limited
Incorporated in the Republic of South Africa
Registration number 1918/001680/06
ISIN: ZAE000093779
JSE share code: SNT
NSX share code: SNM
A2X share code: SNT
("Santam")

PROPOSED ACQUISITION OF AN ADDITIONAL 22.8% INTEREST IN SAHAM ASSURANCE S.A. ("SAHAM ASSURANCE MAROC")

1. Introduction and Rationale

The board of directors of Sanlam Limited ("**Sanlam**") is pleased to announce that SAN JV (RF) Proprietary Limited ("**SAN JV**"), a subsidiary of Sanlam will increase its direct and indirect stake in SAHAM Assurance Maroc to 84.5% by acquiring 22.8% of the issued shares of SAHAM Assurance Maroc from Mr Said Alj ("**Mr Alj**"), including from two entities related to him, Sanam Holdings S.A. ("**Sanam**") and First Commercial Estate Company S.A.R.L. (collectively the "**Sellers**"), for a total consideration of MAD 1,241 million (i.e. MAD 1,320 per share) (ZAR 1,976 million; ZAR 2,101 per share)¹ (the "**Consideration**"), payable in cash on the Effective Date, which will be funded by Sanlam using debt facilities (the "**Transaction**").

SAHAM Assurance Maroc, the leading property and casualty insurer in Morocco, is 61.7% owned by SAN JV and has been listed on the Casablanca Stock Exchange since 2010.

Sanlam sees a number of strategic benefits in increasing its interest in SAHAM Assurance Maroc, which includes the following:

- Enabling Sanlam, its subsidiaries and associates (the "**Sanlam Group**") to deepen its direct presence in North and Francophone West Africa as part of Sanlam's strategy to optimise the Pan-Africa portfolio and strengthen its position in core markets;
- Enabling Sanlam to explore broad partnerships in the long-term that will further support growth in the region; and
- Transitioning and elevating our successful partnership with our Moroccan Partner, Mr Alj and Sanam Holdings, to Sanlam Group level, without departing from our business model of partnering in-country with strategic partners throughout the Sanlam Group.

Santam, the co-investor alongside Sanlam in SAN JV, is supportive of the Transaction and will confirm the extent of its participation following its board meeting in September, though the Transaction is not conditional upon this decision.

2. Overview of the Transaction

The Transaction is subject to certain conditions including (but not limited to) approvals from the relevant regulatory authorities to the extent required both in South Africa and Morocco.

As part of the Transaction, the Sellers have irrevocably undertaken to reinvest fifty percent of the Consideration to acquire shares in Sanlam on the open market at the prevailing share price. These shares will be acquired over the next few months and will be held for a minimum two-year period.

Sanam, chaired and represented by Mr Alj will continue to provide the Sanlam Group with strategic, economic and commercial advice on matters related to its activities in Morocco in the years to come, ensuring that the Sanlam Group continues to reap the benefit of Sanam's experience and knowledge of the local Moroccan market.

3. Financial information of the Transaction

As per the latest audited financial statements, prepared using the International Financial Reporting Standards, for the year ended 31 December 2020, the net asset value of SAHAM Assurance Maroc on 31 December 2020 was MAD 4,731 million and the net profit after tax and minority interests for the period was MAD 198 million.

Post implementation of the Transaction, Sanlam will continue to consolidate its proportionate ownership in SAHAM Assurance Maroc in its financial statements and will participate in 81.1% (Sanlam's effective post-Transaction shareholding after allowing for minorities in Santam) of the earnings and net asset value of SAHAM Assurance Maroc.

4. JSE transaction categorisation

In terms of the JSE Listing Requirements, the Transaction is below the Category 2 threshold and this announcement is made on a voluntary basis.

5. Effective Date

The Effective Date will be dependent on the fulfilment of the conditions to the Transaction, including regulatory approvals, and is expected to occur immediately after these approvals.

6. Conference call

A conference call for analysts and investors will take place at 17h00 (South African time) today. Investors and analysts who wish to participate in the conference call should register as indicated below:

Please register at <https://www.diamondpass.net/3034401> for the call.

Registered participants will receive their dial-in number upon registration. We advise participants to register and dial in 5-10 minutes prior to the commencement of the conference call at 17h00. For assistance, please contact Sanlam Investor Relations at +2721 947 8455.

Access Numbers for Recorded Playback:

Recorded playback will be available until 26 May 2021.

Access code for recorded playback: 39494

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

Bellville
3 May 2021

Enquiries

Sanlam Investor Relations

Phone: +27 21 947 8455

E-mail: ir@sanlam.co.za

Santam Investor Relations

Phone: +27 915 8228

E-Mail: Gloria.TaponNjamo@santam.co.za

Financial Advisors to Sanlam

N.M. Rothschild & Sons Limited

Emerge Invest

Transaction Sponsors to Sanlam

The Standard Bank of South Africa Limited

Legal Advisers to Sanlam

Allen & Overy

Webber Wentzel

Equity Sponsors to Santam

Investec Bank Limited