

Santam Limited and its subsidiaries
("Santam" or "the company" or "the group")
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
Debt company code: BISAN

REVIEWED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022 AND DECLARATION OF ORDINARY DIVIDEND (NUMBER 135)

KEY FINANCIAL RESULTS

	Period ended 30 Jun 2022	Period ended 30 Jun 2021	Change %
Gross written premium (GWP) (R million)	24,743	20,070	23%
Ordinary dividend per share (R cents)	462	432	7%
Basic earnings per share (R cents)	425	863	(51%)
Headline earnings per share (HEPS) (R cents)	409	863	(53%)

SALIENT FEATURES

- Conventional insurance GWP growth of 7% to R16.5 billion
- Conventional insurance net underwriting margin of 2.3% (6.7% in June 2021)
- Gross claims paid of R14.2 billion
- KZN flood gross claims amounted to R4.4 billion
- Economic capital coverage ratio of 157%
- Return on shareholders' funds of 7.4%
- Interim dividend per share of 462 cents

KEY PERFORMANCE HIGHLIGHTS

The first half of 2022 was one of the most challenging underwriting periods in Santam's history, compounded by a turbulent investment market environment. The conventional insurance net underwriting margin of 2.3% ended below the group's target range of 5% to 10%. Despite these headwinds, the Santam group reported satisfactory gross written premium growth and maintained an economic capital coverage ratio well within the target range.

Conventional insurance

The conventional insurance business achieved strong gross written premium growth of 7% in the challenging economic environment.

Adverse weather conditions in the first three months of the year and the devastating floods in the KwaZulu-Natal province during April 2022 significantly impacted the underwriting results, offset to some extent by a reduction in the COVID-19 related contingent business interruption (CBI) claims provisions.

Alternative Risk Transfer (ART) insurance

The ART business reported satisfactory operating results, positively impacted by excellent growth in fee income despite

weaker investment performance.

Sanlam Emerging Markets (SEM) general insurance businesses

Shriram General Insurance (SGI) in India was impacted by lower sales through the Shriram channels. However, SGI's net insurance result increased by 21% due to improved claims experience and higher investment returns.

Earnings and headline earnings per share decreased by 51% and 53% respectively. The group declared an interim dividend of 462 cents per share.

DECLARATION OF ORDINARY DIVIDEND (NUMBER 135)

Notice is hereby given that the board has declared a gross interim dividend of 462.00 cents per share (Jun 2021: 432.00 cents per share), 369.60 cents net of dividend withholding taxation, where applicable, per ordinary share for the six months ended 30 June 2022 to those members registered on the record date, being Friday, 23 September 2022. The dividend has been declared from income reserves. A dividend withholding taxation of 20% will be applicable to all shareholders who are not exempt.

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Company tax reference number: 9475/144/71/4

Gross cash dividend amount per share: 462.00 cents

Net dividend amount per share: 369.60 cents

Issued shares at 1 September 2022: 115 131 417

Declaration date: Thursday, 1 September 2022

Last day to trade cum dividend: Tuesday, 20 September 2022

Shares trade ex dividend: Wednesday, 21 September 2022

Record date: Friday, 23 September 2022

Payment date: Monday, 26 September 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 September 2022, and Friday, 23 September 2022, both days inclusive.

In terms of the dividends tax legislation, the dividends tax amount due will be withheld and paid over to the South African Revenue Service (SARS) by a nominee company, stockbroker or Central Securities Depository Participant (CSDP) (collectively Regulated Intermediary) on behalf of shareholders. Shareholders should seek their own advice on the tax consequences associated with the dividend and are particularly encouraged to ensure their records are up to date so that the correct withholding tax is applied to their dividend.

SHORT FORM ANNOUNCEMENT

This short form announcement is the responsibility of the directors and is only a summary of the information in the full reviewed condensed consolidated interim financial statements announcement (full announcement). Any investment decision by investors and/or shareholders and/or bondholders should be based on consideration of the full announcement that was released on 1 September 2022 and which can be found on the company's website at

<https://www.santam.co.za/media/2687677/2022-interim-financial-statements.pdf>. Copies of the full announcement may also be requested at the company's registered office, at no charge, during office hours at the investor relations department (see contact details below).

PricewaterhouseCoopers expressed an unmodified review opinion on the reviewed condensed consolidated interim financial statements in their report dated 31 August 2022. The full report is available on <https://www.santam.co.za/media/2687677/2022-interim-financial-statements.pdf>.

The full announcement was released on the JSE's website at <https://senspdf.jse.co.za/documents/2022/JSE/ISSE/SNT/HY2022.pdf>.

The presentation to analysts can be found on the company's website at <https://www.santam.co.za/media/2687676/2022-june-ias-booklet.pdf>.

ADMINISTRATION

INVESTOR RELATIONS

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NON-EXECUTIVE DIRECTORS

M Chauke, CD Da Silva, MP Fandeso, PB Hanratty, DEH Loxton, MLD Marole, NT Moholi (chairperson), AM Mukhuba, JJ Ngulube, PE Speckmann

EXECUTIVE DIRECTORS

TC Madzinga (chief executive officer), HD Nel (chief financial officer)

COMPANY SECRETARY

R Eksteen

TRANSFER SECRETARIES

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1 September 2022

SPONSOR

Equity sponsor: Investec Bank Ltd

Debt sponsor: Rand Merchant Bank (a division of FirstRand Bank Limited)

Santam is an authorised financial services provider (licence number 3416).