



INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

INTRODUCTION

The Clientèle Group ("the Group"), operating in a tough trading environment, particularly given the context of the difficult economic and operating environment characterised by a low economic growth rate, load-shedding and challenges in the collections environment, is pleased to report further growth in the business.

Higher than expected policyholder withdrawals were again experienced. These are a result of many factors, including: the depressed economy and the consequent affordability effects, coupled with ongoing challenges in the collections environment. Withdrawals showed an improvement towards the end of the period, however, should these withdrawal losses continue to year end, a change in the withdrawal assumptions can be expected.

The Group remains in a sound solvency and liquidity position and continues to generate strong positive cashflows.

Despite the volatile investment markets, the Group achieved an annualised investment return for the period of 12% (2021: 20%) from its investment portfolios.

Use of the Clientèle Application ("the Clientèle App") continues to expand following its adoption by clients and agents alike. The Clientèle App serves as a platform for sales capture and basic policy administration as well as an access point for Clientèle Rewards and Clientèle Mobile.

OUTLOOK

With an ongoing focus on Treating its Clients Well ("TCW"), the Group continues to seek ways of enhancing its products, services and the delivery thereof in order to meet clients' needs. In our continuing efforts to treat clients well, we have launched the "December is on us" campaign where most clients have the opportunity to have their December 2023 premiums paid for them by Clientèle.

Management continues to successfully navigate the business through the prevailing challenges and take advantage of the opportunities which present themselves in this environment.

Clientèle Rewards, the Clientèle App, and Clientèle Mobile continue to add value to our clients. The Group exercised an option to secure a strategic controlling stake in Direct Rewards (Pty) Ltd during the period, and believes that this will contribute positively to the loyalty offerings provided by Clientèle Rewards.

The challenges within the collections environment together with pressure on disposable income for our customers continues to negatively impact withdrawals and remains one of managements key focus areas, together with increasing production of quality business across all of its distribution channels, including funeral parlours.

Despite the depressed economic environment and challenges within the operating environment, the Board remains encouraged by the prospects for growth and value creation over time.

By order of the Board

GQ Routledge
Chairman

Johannesburg
27 February 2023

BW Reekie
Managing Director

	Six months ended 31 December		Year ended 30 June
	2022	2021	% Change
Risk Discount Rate (%)	13.7	12.4	
Net profit for the period (R'000)	254,694	221,015	15
Headline earnings per share for the period (cents)	77.18	67.64	14
Earnings per share for the period (cents)	75.55	65.91	15
Embedded Value at the end of the period (R'000)	5,837,646	5,799,555	
Embedded Value per share (cents)	1,740.91	1,729.55	
Annualised Recurring return on Embedded Value (%)	13.5	16.1	
Value of New Business for the period (R'000)	195,107	152,302	
Recurring Embedded Value Earnings for the period (R'000)	366,131	437,311	

SHORT-FORM ANNOUNCEMENT DATED 27 FEBRUARY 2023

This short-form announcement is the responsibility of the Directors and is only a summary of the information in the full announcement and does not contain the full or complete details. The full announcement can be found through this link: (<https://senspdf.jse.co.za/documents/2023/jse/isse/CLI/CLI2022.pdf>). Copies of the full announcement are available for inspection at the Company's registered office, at no charge, during office hours and may also be requested from Eben Smit on 011 320 3015 or esmit@clientele.co.za. Any investment decisions should be based on consideration of the full announcement accessible via the JSE link above and published on the Company's website. [Comprehensive commentary including regulatory requirements is contained in the full announcement.](#)

Sponsor: PricewaterhouseCoopers Corporate Finance Proprietary Limited

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Directors: GQ Routledge BA LLB (Chairman); BW Reekie BSc(Hons), FASSA* (Managing Director); ADT Enthoven BA, PhD (Political Science); GK Chadwick MAgric, MBA (Alternate); PR Gwangwa BProc LLB, LLM; MG Cownie CA(SA)*; H Louw BCom(Hons), FASSA*; PG Nkademeng BSc Statistics and Economics; BA Stott CA(SA); RDT Tabane BA, M.Phil, MBA*; RD Williams BBusSci(Hons), FASSA (*Executive Director)

Company secretary: EJ Smit LLB

Clientèle Limited is a licensed controlling company.