

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
 Debt company code: BISAN
 LEI: 37890092DC55C7D94B35
 ("Santam" or "the company" or "the group")

AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 AND DECLARATION OF ORDINARY DIVIDEND

KEY FINANCIAL RESULTS

	Year ended 31 Dec 2023	Year ended 31 Dec 2022	Change %
Group insurance revenue (R million)	46,882	43,082	9%
Ordinary dividend per share (R cents per share)	905.00000	845.00000	7%
Basic earnings per share (R cents per share)	2,973	1,806	65%
Headline earnings per share (HEPS) (R cents per share)	2,310	1,817	27%

SALIENT FEATURES

- Conventional insurance GWP growth of 6% to R37.4 billion
- Conventional insurance net underwriting margin of 3.5% (5.1% in December 2022)
- Gross claims paid of R29.9 billion
- Return on shareholders' funds of 28.5%
- Economic capital coverage ratio of 155% (156% in December 2022)
- Final dividend of 905.00000 cents per share

KEY PERFORMANCE HIGHLIGHTS

Santam once again demonstrated its resilience, achieving strong financial results despite difficult operating conditions. Our resilience is a testament to our business core strength - we have a solid legacy and a consistent, proven record of sustainable value creation. Net income increased by 64% with a return on capital of 28.5%. A final dividend of 905 cents per share was declared; up 7% on 2022.

Conventional insurance

Conventional insurance underwriting profit declined by 26% at a margin of 3.5% (2022: 5.1%). Performance was impacted by the floods in the Western Cape, hail storms in Gauteng, the earthquake in Turkiye, and fires throughout the country that negatively affected the profitability of the property class of business.

- Santam Broker Solutions and Santam Client Solutions were most significantly impacted by the weather-related claims.
- This was offset by an exceptional underwriting result from Santam Specialist Solutions where most lines of business experienced a lower frequency of large claims compared to 2022.
- MiWay recorded a loss ratio of 59% (2022: 60%) and an underwriting profit of R168 million (2022: R254 million). Underwriting actions showed positive results but were offset by investments into strategic initiatives.
- Strong investment return on insurance funds contributed an overall 3% increase in conventional earnings.

Alternative Risk Transfer (ART) insurance

The ART business, consisting of Santam Structured Insurance and Centriq, reported profits of R516 million (2022: R368 million), the combination of solid growth in operating earnings as well as investment return.

International businesses

Our investments in India and Malaysia delivered exceptional revenue growth of 31%. The Indian business was the main contributor with strong growth across all distribution channels.

Strategy

In 2023, we introduced our new operating model and refreshed strategy. We have made good progress towards our 2030 targets and are confident in the ability to deliver superior shareholder returns.

DECLARATION OF ORDINARY DIVIDEND (NUMBER 138)

Notice is hereby given that the board has declared a gross final dividend of 905.00000 cents (2022: 845.00000 cents) per ordinary share for the year ended 31 December 2023 to those members registered on the record date, being Friday, 22 March 2024. The dividend has been declared from income reserves. A dividend withholding taxation of 20% will be applicable to all shareholders who are not exempt, with a net dividend of 724.00000 cents per ordinary share payable to such shareholders.

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

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Gross ordinary cash dividend amount per share: 905.00000 cents

Net ordinary cash dividend amount per share: 724.00000 cents

Issued shares at 29 February 2024: 115 131 417

Declaration date: Thursday, 29 February 2024

Last day to trade cum dividend: Monday, 18 March 2024

Shares trade ex-dividend: Tuesday, 19 March 2024

Record date: Friday, 22 March 2024

Payment date: Monday, 25 March 2024

To allow for the dividend calculation, Santam's share register will be closed for all transfers, off-market transactions and dematerialisations or rematerialisations between Tuesday, 19 March 2024 and Friday, 22 March 2024, 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 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. The annual financial statements have been audited by the company's auditors, PricewaterhouseCoopers who expressed an unmodified audit opinion on the audited consolidated annual financial statements. The audited annual financial statements, including the audit opinion is available on the JSE cloudlink: <https://senspdf.jse.co.za/documents/2024/jse/isse/SNT/ye23.pdf> and on the company's website at <https://www.santam.co.za/media/zhhhimvy/2023-financial-statements.pdf>.

Any investment decision by investors and/or shareholders and/or bondholders in relation to the company's shares or bonds should be based on consideration of the audited annual financial statements as the information in this announcement does not provide all of the details.

The presentation to analysts can be found on the company's website at <https://www.santam.co.za/media/bl5jds3z/2023-december-ias-booklet.pdf>.

ADMINISTRATION

INVESTOR RELATIONS

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NON-EXECUTIVE DIRECTORS

M Chauke, CD Da Silva, MP Fandeso, PB Hanratty, DEH Loxton, MM Mahlangeni, NT Moholi (chairperson), AM Mukhuba, JJ Ngulube, PE Speckmann, LA Swartz

EXECUTIVE DIRECTORS

TC Madzinga (group chief executive officer), ML Olivier (group chief financial officer)

COMPANY SECRETARY

R Eksteen

TRANSFER SECRETARIES

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29 February 2024

SPONSOR

Equity sponsor: Investec Bank Limited

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

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