

OUTSURANCE GROUP LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number: 2010/005770/06)  
ISIN: ZAE000314084  
Share code: OUT  
("OGL" or "the Group")

VOLUNTARY TRADING UPDATE FOR OUTSURANCE HOLDINGS LIMITED AND TRADING STATEMENT FOR OUTSURANCE GROUP LIMITED FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

1. VOLUNTARY TRADING UPDATE FOR OUTSURANCE HOLDINGS LIMITED (OHL) FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

The results for the six months ended 31 December 2023 (current period) reflect the first-time adoption of IFRS 17. The adoption of IFRS 17 has resulted in a significant change in the accounting policies of the OHL group and, in particular, to the measurement approach for the life insurance operation. Results for the six months ended 31 December 2022 (comparative period) and 30 June 2023 have been restated as a result of the IFRS 17 transition.

The normalised earnings of the OHL group (89.8%-held by OGL) for the current period were driven by:

- the impact of higher natural perils claims incurred compared to the comparative period, most prominently in Australia;
- a material increase in the cost of the South African Employee Share Option Scheme, following the increase in the OGL share price over the current period;
- OUTsurance Ireland incurring more start-up losses during the current period, compared the comparative period. Expenses are escalating as the business is operationalising for the launch phase; and
- the life insurance business delivering a much-improved operating result, following the impact of stronger growth achieved in the funeral market and favourable yield movements compared to the comparative period.

From an operational point of view, the short-term insurance gross written premium and annualised new business premium increased by more than 20% and 35% respectively.

Shareholders are advised that normalised earnings for OHL and its major operating subsidiaries for the current period are expected to fall within the ranges provided below:

	Restated Six months ended 31 December 2022 R million	Guidance Six months ended 31 December 2023 % (decrease)/ increase
OHL (group consolidated)	1 599	(8%) to 2%
OUTsurance (SA short-term operations)	955	(8%) to 2%
OUTsurance Life	13	>400%
Youi Group	658	(20%) to (10%)
OUTsurance Ireland	(2)	>(2 800%)

2. TRADING STATEMENT FOR OUTSURANCE GROUP LIMITED FOR THE SIX MONTHS ENDED  
31 DECEMBER 2023

Paragraph 3.4(b) of the JSE Limited Listings Requirements requires companies to publish a trading statement as soon as they become reasonably certain that their financial results for the period to be reported on next will differ by at least 20% from those of the previous corresponding period.

Included in earnings attributable to ordinary shareholders for the current period is an amount of c. R0.5 billion relating to the profit on sale and dilution of associates, which is excluded from headline and normalised earnings. The majority of this amount relates to the profit on dilution of one of the portfolio investments of RMI Treasury Company Limited. As a result of the dilution in shareholding, the Group ceased the equity accounting of this investment in December 2023 and recognised the investment as a financial asset at fair value through other comprehensive income.

The following guidance is provided to OGL shareholders regarding the Group's expected normalised earnings per share (NEPS), headline earnings per share (HEPS) and earnings per share (EPS) for the six months ended 31 December 2023:

	Pre- implementation of IFRS 17 Reported Six months ended 31 December 2022 (cents)	Post- implementation of IFRS 17 Restated Six months ended 31 December 2022 (cents)	Guidance for the six months ended 31 December 2023  Expected % (decrease)/ increase	Expected range (cents)
NEPS	86.0	91.6	(5%) to 5%	87.0 to 96.2
HEPS	86.6	92.3	(6%) to 4%	86.8 to 96.0
EPS	89.1	94.8	25% to 35%	118.5 to 128.0

OGL regards normalised earnings (which excludes non-operational items and accounting anomalies) as the key indicator of the Group's operational performance.

The financial information on which this voluntary trading update and trading statement is based is the responsibility of the OGL directors and has not been reviewed and reported on by the Group's external auditor.

OGL's financial results for the six months ended 31 December 2023 are expected to be released on SENS on Monday, 18 March 2024.

Centurion  
7 March 2024

Sponsor  
RAND MERCHANT BANK (A division of FirstRand Bank Limited)