

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 2024

1. VOLUNTARY TRADING UPDATE FOR OUTSURANCE HOLDINGS LIMITED (OHL) FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

The normalised earnings of the OHL Group (92.7%-held by OGL) for the six months ended 31 December 2024 (current period) were impacted by:

- the significantly lower natural perils claims incurred compared to the six months ended 31 December 2023 (comparative period) by particularly Youi and also OUTsurance SA;
- the strong premium growth of the operating segments driven by inflation and satisfactory organic growth, however the consolidated premium growth rate for the OHL Group was slightly curtailed by the stronger Rand against the Australian Dollar;
- higher investment income;
- the good operational performance and the favourable impact of yield movements at OUTsurance Life;
- a material increase in the cost of the South African Employee Share Option Scheme (ESOP), following the 43.3% increase in the OGL share price over the current period. The final tranche of the ESOP vests in September 2025 after which all vintages of long-term incentives will be transitioned to the new Conditional Share Plan, which is significantly less geared compared to the ESOP and which will result in a more stable expense base going forward; and
- the launch of OUTsurance Ireland in May 2024, which resulted in significantly higher start-up losses being incurred during the current period compared the comparative period and which is in line with expectations.

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:

	Six months ended 31 December 2023	Guidance Six months ended 31 December 2024
	R million	% increase/ (decrease)
OHL (group consolidated)	1 546	41% to 47%
OUTsurance SA (short-term operations)	923	24% to 30%
Youi Group	556	112% to 118%
OUTsurance Life	70	100% to 106%
OUTsurance Ireland	(59)	(267%) to (273%)

2. TRADING STATEMENT FOR OUTSURANCE GROUP LIMITED FOR THE SIX MONTHS ENDED
31 DECEMBER 2024

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.

In addition to the positive performance of OHL as outlined above, RMI Treasury Company's associate income delivered a significantly stronger performance. 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 2024:

	Six months ended 31 December 2023 (cents)	Guidance for the six months ended 31 December 2024	
		Expected % increase	Expected range (cents)
NEPS	92.1	49% to 55%	137.2 to 142.8
HEPS	91.6	42% to 48%	130.1 to 135.6
EPS	123.6	4% to 10%	128.5 to 136.0

Included in earnings attributable to ordinary shareholders for the comparative period is an amount of R486 million relating to the profit on sale and dilution of associates, which was excluded from headline and normalised earnings and which did not recur in the current period. This explains the significantly lower expected increase in EPS compared to HEPS and NEPS.

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 2024 are expected to be released on SENS on Friday, 14 March 2025.

Centurion
27 February 2025

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