

Sanlam Limited
 Incorporated in the Republic of South Africa
 (Registration number 1959/001562/06)
 JSE Share code: SLM
 A2X share code: SLM
 NSX share code: SLA
 ISIN: ZAE000070660
 (“Sanlam”, “Sanlam Group” or “the group”)

Sanlam Life Insurance Limited
 (Incorporated in the Republic of South Africa)
 (Registration No. 1998/021121/06)
 Bond Issuer Code: BISLI
 LEI: 378900E10332DF012A23
 (“Sanlam Life”)

Operational update and trading statement for the year ended 31 December 2025

Operational update: strong growth and operating results

Sanlam’s 2025 results reflect a year of strong operational execution and strategic delivery aligned with the objectives communicated during our 2025 Capital Markets Day. We continue to deliver strong growth and operating performance amid a turbulent macroeconomic backdrop, marked by heightened geopolitical tension, market uncertainty and currency volatility. The group’s performance demonstrates our ability to navigate complexity, capitalise on emerging opportunities and maintain financial strength, positioning us to deliver sustainable value for our shareholders.

Over the past five years, we have consolidated our platforms and strengthened our operating model across key markets, making the business more scalable and resilient. Changes to our reporting framework to better reflect our strategy have been communicated and will become effective for the financial year commencing 1 January 2026. To capture the evolution in our business and provide comparability through the transition, we have presented key metrics below on both an actual reported and normalised basis. The normalisation adjustments¹ are predominantly driven by adjustments related to corporate activity in 2024 and 2025, as well as constant currency and other one-off adjustments.

The table below provides both the expected actual and normalised results for the year ended 31 December 2025 to allow like-for-like comparability.

Metric	Expected increase/(decrease) on comparative period (%)	
	Actual	Normalised ^{1,2}
Group new business volumes	18	22
Life new business volumes ³	10	17
Net client cashflows	>100	>100
Value of new business (“VNB”)	-21	-11
Discretionary capital change (R million)	3 940	3 940
Net result from financial services (“NRFFS”) ^{4,5}	-5 to 5	15 to 25

¹ These include the cessation of the Capitec partnership, which resulted in a one-off reinsurance recapture fee in 2024, as well as the integration of our Namibian holdings into the SanlamAllianz joint venture and the partial disposal of our direct stake in Shriram Finance Limited during 2024. Both transactions generated significant profits on the disposal of subsidiaries and associates during 2024. The 2025 results were impacted by Sanlam reducing its interest in the SanlamAllianz joint venture from 59.59% to 51%.

² In 2024 constant currency with adjustments for corporate activity and other one-off items.

³ On a present value of new business premium basis.

⁴ A measure of Sanlam group’s operating performance aligned with the cash earnings that drive dividend distribution.

⁵ Effective 1 January 2026, NRFFS will be replaced with operating profit, and net operational earnings with adjusted headline earnings.

Metric	Expected increase/(decrease) on comparative period (%)	
	Actual	Normalised ^{1,2}
Life and health	-5 to 5	20 to 30
General insurance	10 to 20	10 to 20
Investment management	0 to 10	10 to 20
Credit and structuring	0 to 10	10 to 20
Net operational earnings ⁶	-15 to -5	0 to 10

The increase in group new business volumes marks a record annual performance for the group. This was driven by strong flows into our South African asset management operations and solid contributions across both life and general insurance. Life insurance new business growth benefited from robust performance in Sanlam corporate, market-linked/living annuity and risk sales, partly offset by lower life annuity sales following the decline in bond yields. General insurance new business volumes benefited from double-digit growth in the South Africa and India businesses, while in Pan-Africa, sales were by impacted by weaker corporate volumes.

Net client cash flows more than doubled, with strong contributions across all lines of business.

The decrease in VNB was largely driven by a shift in product mix in South Africa, as clients continued to favour market-linked/living annuities over life annuities. This was compounded by development costs associated with establishing new distribution channels in India as well as by the cessation of the Capitec partnership and disposal of the Namibia operations to SanlamAllianz in 2024.

Discretionary capital increased by R4 billion following the partial sale of our stake in the SanlamAllianz joint venture, reflecting a disciplined decision to crystallise cash upfront while deliberately trading off a portion of future earnings to enhance balance-sheet flexibility and fund growth.

The group delivered strong underlying operational performance for the year, with positive contributions from the general insurance, investment management, and credit and structuring businesses. However, life and health NRFFS growth was muted, as the 2024 base benefited from a non-recurring reinsurance recapture fee following the cessation of the funeral insurance partnership between Sanlam and Capitec. Excluding this one-off item, the life and health business delivered strong underlying growth, supported by favourable mortality experience, improved persistency and higher asset-based fee income. Underwriting experience was positive across the group's South Africa and India general insurance operations, supported by lower claims, partly offset by higher claims in the Pan-African general insurance operations.

Net operational earnings were impacted by a strengthening rand and resultant foreign exchange losses, higher finance costs relating to the Assupol transaction, which were incurred for a full year rather than three months in 2024, as well as increased project related expenditure associated with corporate activity and modernising legacy systems.

⁶ NRFFS including investment return after allowing for specific shareholders' fund adjustments and project expenses.

Trading statement for the financial year ended 31 December 2025

Shareholders (Sanlam Limited) and noteholders (Sanlam Life) are advised that Sanlam is in the process of finalising its financial results for the year ended 31 December 2025. These results will be released on the Stock Exchange News Service of the JSE Limited ("JSE") on Thursday, 12 March 2026.

This trading statement provides an indication of the expected ranges for headline earnings and earnings attributable to equity holders of the group in accordance with paragraph 6.30 of the Listings Requirements of the JSE Limited ("JSE"). Headline earnings and earnings per share are presented in accordance with the JSE Listings Requirements and do not form the basis of the group's internal financial reporting. It also includes the net result from financial services per share which is the primary metric used by management to assess the group's operational performance.

The group expects the following earnings ranges for the year ended 31 December 2025:

Metric	12 months to 31 December			
	2024	2025		
	Actual	Expected range increase/decrease		Normalised ⁷ expected increase/decrease
	(cents per share)	(cents per share)	(%)	(%)
Net result from financial services per share ⁸	730	694 to 767	-5 to 5	15 to 25
Net operational earnings per share ⁹	877	745 to 833	-15 to -5	0 to 10
Headline earnings per share ("HEPS")	964	723 to 819	-25 to -15	
Diluted HEPS	952	714 to 809	-25 to -15	
Earnings per Share ("EPS")	1 068	694 to 801	-35 to -25	
Diluted EPS	1 054	685 to 790	-35 to -25	

HEPS contracted largely due to the abovementioned corporate activity and structural changes in 2024 and 2025, as well as negative investment variances in 2025, primarily driven by unfavourable movements at the long end of the yield curve relative to the strong gains recorded in 2024. The large positive investment variances recognised in 2024, resulted from yield reductions in 2024 and an approach to asset liability matching (ALM) suited to the previous IFRS 4 accounting regime. These investment variances were crystallised in the first half of 2025 as the group's ALM approach transitioned to one supporting the new IFRS 17 accounting standard. During the transition, yields rose in response to "Liberation Day" and the investment gains of 2024 were only partially crystallised. In 2025 an anomaly in yields on the longest dated South African government bonds emerged due to shortages in the longest dated bonds. This further exacerbated negative investment variances in 2025, although these are unrealised losses which are expected to unwind over time as market liquidity normalises in due course.

In addition to the HEPS impacts described above, EPS declined due to significantly lower disposal gains from subsidiaries and associates compared to the prior year's elevated base.

⁷ Normalisation adjustments are predominantly driven by adjustments related to corporate activity in 2024 and 2025, as well as constant currency and other one-off adjustments. These include the cessation of the Capitec partnership, which resulted in a one-off reinsurance recapture fee in 2024, as well as the integration of our Namibian holdings into the SanlamAllianz joint venture and the partial disposal of our direct stake in Shriram Finance Limited during 2024. Both transactions generated significant profits on the disposal of subsidiaries and associates during 2024. The 2025 results were impacted by Sanlam reducing its interest in the SanlamAllianz joint venture from 59.59% to 51%.

⁸ Effective 1 January 2026, NRFFS will be replaced with operating profit, and net operational earnings with adjusted headline earnings.

⁹ NRFFS including investment return after allowing for specific shareholders' fund adjustments and project expenses.

As communicated previously, our new financial reporting framework will become effective for the financial year commencing 1 January 2026. For the 12 March 2026 result announcement, the group will provide indicative information under the new framework. To further enhance transparency for users, the group will present results on both an actual reported and normalised basis, reflecting a like-for-like perimeter for ease of reference.

The group's full audited annual financial statements and operating results for the year ended 31 December 2025 will be released on Thursday, 12 March 2026 via the Stock Exchange News Service ("SENS") of the JSE, followed by a live webcast at 15:00. Pre-registration for the webcast is required and can be accessed using the following link: https://sanlamevents.formstack.com/forms/2025ar_inv

The financial information in this trading statement is the responsibility of the Sanlam board of directors and has not been reviewed or reported on by the group's external auditors.

This announcement may contain information classified as pro forma financial information, which is the responsibility of the Sanlam board of directors. Any pro forma financial information has been prepared for illustrative purposes only and, because of its nature, may not fairly present the Group's financial position, changes in equity, results of operations or cash flows. This information has not been reviewed or reported on by the Group's external auditors.

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Cape Town, 5 March 2026

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The Standard Bank of South Africa Limited

Debt Sponsor to Sanlam Life Insurance Limited

The Standard Bank of South Africa Limited