

SANLAM KENYA PLC

STATEMENT TO THE SHAREHOLDERS

The Board of Sanlam Kenya Plc hereby wishes to issue this Statement to our Shareholders for the benefit of our esteemed investors and the general public. This Statement is issued pursuant to the provisions of Paragraph G.05 (1) (f) and (2) of the Fifth Schedule of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.

Based on our un-audited end of year financial results and information currently at the Board's disposal, we wish to report that our projected net earnings after tax for the period ended 31st December 2021 will reflect a decline compared to the prior year earnings. The prolonged Covid-19 pandemic negatively impacted various aspects of the economy including our business. Both corporate and retail segments were adversely affected by increased premium default and claims from Covid-19 fatalities. In response to the uncertainty, the business increased the level of premium debt provisioning to reflect the associated default risk while claims and related policy holder reserving was increased to ensure sufficient prudence. The provisioning approach applied by the business is the key contributor to the decline in earnings and is expected to reverse as the operating environment improves over the next financial year.

The Board of Directors continues to apply its efforts on innovation, expense management and digitalisation of key business processes to improve company efficiencies, customer offering, and sustainable shareholder returns well into the future.

By order of the Board



Dr John PN Simba EGH, MBS, OGW.
Chairman

DISCLAIMER: This announcement is for information purposes only. It has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Securities) (Public Offerings, Listings and Disclosures) Regulations 2002 as amended. As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of the statements appearing in this announcement.



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