

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

RESULTS ANNOUNCEMENT AND CASH DIVIDEND DECLARATION FOR THE YEAR ENDED 30 JUNE 2025

The OUTsurance Group (OGL) is a multinational insurance group that specialises in Property and Casualty insurance. The Group's activities are focused on the South African, Australian and Irish insurance markets where it serves over 3.4 million policyholders and employs more than 7 800 employees. OGL holds a 92.8% interest in its subsidiary OUTsurance Holdings Limited (OHL), the owner of the various insurance interests.

OHL delivered a robust financial and operational performance for the year supported by good organic growth, a favourable claims environment and higher investment income.

OGL financial highlights

- Normalised earnings up 33.7% to R4 728 million.
- Final ordinary dividend of 149.0 cents per share resulting in a full year dividend of 237.6 cents or a 36.2% increase on the prior year; and a dividend pay-out ratio of 77.6%.
- Special dividend of 33.1 cents per share, attributed to a combination of factors including proceeds received from the sale of Youi's interest in Blue Zebra Insurance (BZI) and the ongoing monetisation of non-core assets.

OHL operational and financial highlights

- Property and Casualty gross written premium increased by 16.8% to R38 782 million, driven by the stronger organic growth recorded by Youi Direct and the OUTsurance SA operating segments as well as premium inflation. In Rand terms, gross written premium growth was negatively impacted by the appreciation of the Rand against the Australian Dollar during the 2025 financial year, coupled with the contraction of the gross written premium generated by Youi's broker channel book (BZI), which is currently in runoff. More information on these impacts is provided in the results presentation and the CFO report.
- The claims ratio improved from 56.8% in the prior year to 53.6%, an improvement driven by favourable natural perils experience and disciplined underwriting.
- Notwithstanding the ongoing investment in organic growth, the various operating segments delivered structural improvements in their respective cost-to-income ratios, attributed to the simplified organic growth strategy and disciplined expense management.
- OHL's operating profit increased by 25.7% to R6 047 million, driven by the improved profitability delivered by all operating units, with the exception of OUTsurance Ireland, and notwithstanding the impact of a larger share-based payment expense linked to the 68.7% increase in the OGL share price over the 2025 financial year.
- OUTsurance Ireland delivered a satisfactory performance in line with the business plan and gained good traction in the Irish market generating R269 million gross written premium in its first full year of operations. The operating losses for the year increased to R448 million in comparison with the operating losses of R218 million incurred in the prior year when the company launched in May 2024. The 2025 and 2026 financial years are expected to incur the largest start-up losses on the journey to achieve break-even which is expected by the 2029 financial year. The operating loss and net claims expense are skewed by the requirement to account for an onerous loss. The onerous loss allowance is required by IFRS 17 due to the sub-scale nature of the business. As the business scales to break-even, the onerous loss balance will decrease.
- OUTsurance Life grew operating profit by 65.9% to R438 million driven by reduced expenses, good new business momentum in the Direct and Funeral segments, coupled with the impact of favourable yield movements.
- Normalised investment income increased by 49.1% to R2 290 million driven by the organic growth in investable assets and favourable equity markets.
- Normalised earnings were 29.6% higher at R4 962 million.
- Normalised ROE improved to 36.4% from 30.7% in the comparative year.
- The average ZAR/AUD exchange rate was 4.2% stronger, which diluted the impact of the positive results delivered by Youi.
- OHL remains well capitalised with a solvency multiple of 2.3 times.

The table below sets out the build-up of OGL's normalised earnings:

R million	2025	2024	% change
OUTsurance SA	2 928	2 212	32.4%
Youi Group	2 290	1 574	45.5%
OUTsurance Life	349	210	66.2%
OUTsurance Ireland	(402)	(180)	>(100%)
Administration services	28	12	>100%
Central and consolidation adjustments	(97)	107	>(100%)
Non-controlling interest	(134)	(105)	(27.6%)
OUTsurance Holdings Limited	4 962	3 830	29.6%
Non-controlling interest	(390)	(353)	(10.5%)
Central and RMI Treasury Company	156	59	>100%
OUTsurance Group Limited	4 728	3 536	33.7%
Normalised earnings per share (cents)	306.2	230.6	32.8%
Diluted normalised earnings per share (cents)	304.6	226.4	34.5%

Central and RMI Treasury Company showed a significant improvement in profitability due to stronger earnings from the investment held in Polar Star.

In line with the deliberate structural simplification of OGL, the Group has advanced its strategy to monetise non-core assets held within RMI Treasury Company, positioning it to roll up the OHL minority interest to the listed OGL level. Further details will be communicated in due course.

Total Return Swaps

OGL shareholders are referred to the announcement released on the Stock Exchange News Service on 2 May 2025 which provided the details of the Total Return Swaps (TRSs) which are linked to the share price of OGL and were entered into by the Group as a partial hedge against the share-based payment liability accruing on the last tranche of the Employee Share Option Scheme which vests on 23 September 2025. There will be an orderly market exit of the OGL shares backing these TRSs subsequent to the vesting date.

Outlook and value creation

The Group's focus will remain on delivering outstanding service to its customers and executing on its growth strategy. The Group's increasing geographical diversification strengthens its risk profile, while the substantial runway for organic growth in our chosen markets allows for a resilient growth outlook.

Herman Bosman	Marthinus Visser
Chairman	Chief executive officer

Centurion
12 September 2025

Cash dividend declaration

Notice is hereby given that a gross final cash dividend of 149.0 cents per ordinary share and a special dividend of 33.1 cents per ordinary share, payable out of income reserves, was declared on 15 September 2025 in respect of the year ended 30 June 2025.

These dividends will be subject to Dividend Withholding Tax at a rate of 20%, which will result in a net dividend of 119.2 cents per ordinary share in respect of the normal dividend and 26.48 cents per ordinary share in respect of the special dividend for those shareholders who are not exempt.

The company's tax reference number is 9469/826/16/9. Its issued share capital at the declaration date comprises 1 547 231 505 ordinary shares.

Shareholders' attention is drawn to the following important dates:

- Finalisation date for the special dividend will be Tuesday, 7 October 2025.
- Last day to trade in order to participate in this dividend will be Tuesday, 14 October 2025.
- Shares commence trading ex-dividend on Wednesday, 15 October 2025.
- The record date for the dividend payment will be Friday, 17 October 2025.
- Dividend payment date will be on Monday, 20 October 2025.

No dematerialisation or rematerialisation of share certificates may be done between Wednesday, 15 October 2025 and Friday, 17 October 2025 (both days inclusive). The special dividend is subject to South African Reserve Bank approval. Shareholders will be notified accordingly by the finalisation date.

By order of the OGL Board.

Schalk Human
Company secretary
Centurion
15 September 2025

Key financial information

Consolidated statement of profit or loss for the year ended 30 June

R million	2025	2024
Insurance revenue	37 131	31 913
Insurance service expenses	(28 668)	(24 977)
Net expenses from reinsurance contracts held	(882)	(1 347)
Insurance service result	7 581	5 589
Administration and other revenue	450	502
Net investment income	2 177	1 628
Investment income	287	290
Interest income on financial assets using the effective interest method	1 349	1 284
Net gain from fair value adjustments on financial assets	515	51
Expected credit losses on financial assets	26	3
Net insurance finance expenses	(296)	(241)
Finance expenses from insurance contracts issued	(452)	(343)
Finance income from reinsurance contracts held	156	102
Fair value adjustment to financial liabilities	(211)	(200)
Net insurance and investment result	9 701	7 278
Operating expenses	(2 274)	(1 646)
Finance costs	(136)	(73)
Equity accounted earnings	189	127
Profit on sale of assets held for sale	35	55
Profit on change in shareholding of investment in associates	-	509
Profit on sale of associates	176	44
Impairment of assets held for sale	(10)	-
Impairment of investment in associates	-	(9)
Profit before taxation	7 681	6 285
Taxation	(2 462)	(1 794)
PROFIT FOR THE YEAR	5 219	4 491
Profit attributable to:		
Ordinary shareholders	4 707	4 061
Non-controlling interests	512	430
PROFIT FOR THE YEAR	5 219	4 491
Earnings per share (cents)	306.2	265.5
Diluted earnings per share (cents)	303.3	261.0

Headline earnings reconciliation

R million	2025		2024	
	Gross	Net	Gross	Net
Earnings attributable to ordinary shareholders		4 707		4 061
Adjustments for:				
- Profit on disposal of investments in associates	(153)	(110)	(40)	(40)
- Profit on sale of assets held for sale	(35)	(23)	(52)	(52)
- Impairment of assets held for sale	10	10	-	-
- Loss on disposal of property and equipment	1	1	-	-
- Profit on dilution of investments in associates	-	-	(511)	(448)
- Impairments of investments in associates	-	-	9	9
- Realised foreign exchange gain on sale of investment in associate	-	-	(5)	(5)
Headline earnings attributable to ordinary shareholders		4 585		3 525

Normalised earnings reconciliation

R million	2025	2024	% change
Headline earnings attributable to ordinary shareholders	4 585	3 525	30.0%
Adjustments for:			
- Capital gains tax in respect of the share-trust wind-up	92	-	
- Adjustment for group treasury shares and treatment of share incentive scheme	30	(2)	
- Remeasurement of contingent receivable	27	-	
- Fair value adjustments on derivative financial instruments	(12)	9	
- Amortisation of intangible assets relating to business combinations	4	4	
- Discounting effect of deferred receivable	2	-	
Normalised earnings attributable to ordinary shareholders	4 728	3 536	33.7%

Computation of earnings and dividend per share

R million	2025	2024	% change
Earnings attributable to ordinary shareholders	4 707	4 061	15.9%
Headline earnings attributable to ordinary shareholders	4 585	3 525	30.0%
Number of shares in issue (millions)	1 547	1 538	0.6%
Weighted average number of shares in issue (millions)	1 537	1 530	0.5%
Earnings per share (cents)	306.2	265.5	15.3%
Diluted earnings per share (cents)	303.3	261.0	16.2%
Headline earnings per share (cents)	298.3	230.4	29.5%
Diluted headline earnings per share (cents)	295.4	226.0	30.7%
Dividend per share			
Normal dividend (cents)	237.6	174.4	36.2%
Special dividend (cents)	33.1	40.0	(17.3%)
Total dividend (cents)	270.7	214.4	26.3%

Computation of normalised earnings per share

R million	2025	2024	% change
Normalised earnings attributable to ordinary shareholders	4 728	3 536	33.7%
Number of shares in issue (millions)	1 547	1 538	0.6%
Weighted average number of shares in issue (millions)	1 544	1 533	0.7%
Normalised earnings per share (cents)	306.2	230.6	32.8%
Diluted normalised earnings per share (cents)	304.6	226.4	34.5%

Directors

Chairman:	HL Bosman
Lead Independent:	K Pillay
Independent:	ET Moabi, JA Teeger, JE van Heerden, MM Mahlare, RSM Ndlovu, SV Naidoo
Non-executive:	A Kekana, JJ Durand, WT Roos
Executive:	MC Visser (CEO), JH Hofmeyr (CFO)
Alternates:	F Knoetze, UH Lucht

On 12 September 2024, Mr Marx retired from the board of directors. On 26 November 2024, Ms Hanise and Mr Morobe resigned from the board of directors.

Secretary and registered office

JS Human

Physical address: 1241 Embankment Road, Zwartkop Ext 7, Centurion, South Africa, 0157

Postal address: P.O. Box 8443, Centurion, South Africa, 0046

Contact: investorrelations@out.co.za

Web address: <https://group.outsurance.co.za/>

Sponsor

(in terms of JSE Listings Requirements)

Rand Merchant Bank (a division of FirstRand Bank Limited)

Physical address: 1 Merchant Place, Corner of Fredman Drive and Rivonia Road, Sandton, 2196

Transfer secretaries

Computershare Investor Services Proprietary Limited

Physical address: Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Postal address: Private Bag X9000, Saxonwold, 2132

Telephone: +27 11 370 5000

Telefax: +27 11 688 5221

The Company has issued its audited annual financial statements and integrated report for the year ended 30 June 2025.

Whilst the audited annual financial statements are available through the JSE cloudlink

<https://senspdf.jse.co.za/documents/2025/jse/isse/OUTE/OGLAFS25.pdf> the integrated report and annual financial statements are available through the Company's weblink <https://group.outsurance.co.za>

KPMG, the Group's independent auditor, has audited the consolidated and separate annual financial statements and has expressed an unmodified audit opinion thereon.

Any investment decisions by shareholders and/or investors should be based on a consideration of the annual financial statements as a whole as the information in this announcement does not provide all the details. Shareholders and/or investors are encouraged to review the audited annual financial statements, which are available for viewing on the links set out above.

15 September 2025

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)