

#### **NINETY ONE LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 2019/526481/06)

JSE Share Code: NY1

ISIN: ZAE000282356

("Ninety One Limited")

#### **NINETY ONE PLC**

(Incorporated in England and Wales)

(Registration number: 12245293)

LSE Share Code: N91

JSE Share Code: N91

ISIN: GB00BJHPLV88

LEI: 549300G0TJCT3K15ZG14

("Ninety One plc")

#### **SANLAM LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 1959/001562/06)

JSE & A2X Share Code: SLM; NSX Share Code: SLA

ISIN: ZAE000070660

("Sanlam" or "Sanlam Group")

#### **SANLAM LIFE INSURANCE LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number: 1998/021121/06)

LEI: 378900E10332DF012A23

Bond Issuer Code: BISLI

("Sanlam Life")

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**JOINT ANNOUNCEMENT REGARDING THE EXECUTION OF KEY OPERATIVE AGREEMENTS FOR THE CREATION OF A LONG-TERM ACTIVE ASSET MANAGEMENT RELATIONSHIP BETWEEN SANLAM AND NINETY ONE AND DISCLOSURE OF FURTHER FINANCIAL INFORMATION**

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#### **1. INTRODUCTION**

- 1.1. On 20 November 2024, Sanlam and Ninety One (the dual-listed company ("DLC") consisting of Ninety One plc and Ninety One Limited, together, "**Ninety One**") jointly announced (the "**Initial Announcement**") that they had entered into a binding Framework Agreement (the "**FWA**") to establish a long-term strategic relationship whereby Sanlam would appoint Ninety One as its primary active asset manager for single-managed local and global products with preferred access to Sanlam's South African distribution network (the "**Proposed Transaction**").
- 1.2. The FWA envisaged that the Proposed Transaction would be implemented pursuant to several operative agreements in terms of which:

*SA Transaction:*

- 1.2.1. Sanlam Investment Holdings Proprietary Limited (“**SIH**”) will dispose of its entire shareholding in Sanlam Investment Management Proprietary Limited (“**SIM**”) to Ninety One Limited (the “**SIM Sale**”). Prior to the closing of the Proposed Transaction and implementation of the SIM Sale, SIH will effect an intra-group reorganisation of the SIH group of companies (the “**SI Reorganisation**”). As part of the SI Reorganisation, all business activities and associated costs not forming part of the active asset management business, as referred to in the Initial Announcement, will be transferred out of SIM;
- 1.2.2. Sanlam Life will receive Ninety One shares as a consequence of various transactions to be entered into between Sanlam Life, SIM and Ninety One plc pursuant to the SA Transaction (as defined below) (the “**Sanlam Life Transaction**”);
- 1.2.3. Sanlam and Ninety One will enter into an initial 15-year strategic relationship, which will provide for (among other things) Ninety One to be granted preferred access to Sanlam’s distribution network (together with the SIM Sale and the Sanlam Life Transaction, the “**SA Transaction**”); and

*UK Transaction:*

- 1.2.4. Sanlam Investments UK Limited (“**SI UK**”) will transfer its active asset management business, including certain investment professionals currently employed by SI UK, to Ninety One UK Limited (“**Ninety One UK**”), pursuant to which Ninety One UK will be appointed as the primary active asset manager for a specific portion of SI UK’s assets under management (the “**UK Transaction**”). As part of the UK Transaction, Ninety One UK will enter into certain agreements setting out the terms for appointment of Ninety One UK as the primary active asset manager for the SI UK mandates prior to the closing of the UK Transaction.

## 2. EXECUTION OF KEY OPERATIVE AGREEMENTS

- 2.1. To facilitate the implementation of the Proposed Transaction, Sanlam and Ninety One have now entered into the following key operative agreements:

*SA Transaction*

- 2.1.1. a transaction implementation agreement setting out a series of inter-connected transaction steps for the implementation of the SA Transaction including, *inter alia*, the SIM Sale and Sanlam Life Transaction;
- 2.1.2. a relationship agreement, effective upon closing of the SA Transaction, which will govern the 15-year strategic relationship between Ninety One and the Sanlam Group;
- 2.1.3. certain investment management agreements setting out the terms for the appointment of Ninety One as the primary active asset manager for the assets held on the balance sheet by Sanlam Life and Sanlam Developing Markets Limited; and

*UK Transaction*

- 2.1.4. a transfer agreement governing the implementation of the UK Transaction.

- 2.2. The remaining operative agreements will be entered into on or before closing of the SA Transaction and the UK Transaction, as applicable.

### 3. TRANSACTION CONSIDERATION

- 3.1. As consideration for the Proposed Transaction, the Sanlam Group will receive a total of 125,694,804 shares, comprising a combination of Ninety One plc and Ninety One Limited shares. This allocation represents an approximate 12.3% equity stake in Ninety One on a DLC basis, based on Ninety One's total issued share capital as at 28 February 2025. The distribution of these shares among the Sanlam Group entities is as follows:

Recipient	SIH	Sanlam Life	SI UK	Sanlam Group
<b>Total shares</b>	99,424,590	12,594,619	13,675,595	<b>125,694,804</b>

- 3.2. Excluding ARC Financial Services Investments Proprietary Limited as an indirect minority shareholder in SIH and Absa Financial Services Limited as a direct minority shareholder in SIH, the Sanlam Group will hold an effective shareholding of approximately 8.9% in Ninety One (on a DLC basis).

### 4. FINANCIAL INFORMATION

- 4.1. As previously indicated in the Initial Announcement, the financial information referred to under paragraph 4 (Financial Information) thereof is set out below.
- 4.2. The value of the SIM net assets as at 30 September 2024 and the net profits that are the subject of the Proposed Transaction for the six months ended 30 September 2024 were GBP23.6 million and GBP11.7 million<sup>1</sup> respectively. The net assets figure reflects SIM's pre-SI Reorganisation net assets.
- 4.3. This financial information has been prepared in terms of IFRS and extracted from the SIM and SI UK management accounts for the six-month period ended 30 September 2024. Review opinions on this financial information were issued by the respective audit firms.
- 4.4. For Ninety One, the Proposed Transaction is anticipated to be earnings and dividend accretive from inception.
- 4.5. For Sanlam, the Proposed Transaction is anticipated to be marginally dilutive to earnings and dividends in the initial year, primarily due to transaction implementation costs and taxation on the transaction consideration. However, from year three onward, the Proposed Transaction is anticipated to become earnings and dividends accretive as the strategic benefits of the deal begin to materialise.

### 5. CONDITIONS PRECEDENT

- 5.1. The UK Transaction and the SA Transaction are not inter-conditional, each transaction is subject to various suspensive conditions, including regulatory and other customary approvals.
- 5.2. The SA Transaction is further contingent upon completion of the SI Reorganisation, the SIH minority shareholder approval, as well as the Ninety One shareholder approvals for the issuance of Ninety One shares to the Sanlam Group in connection with the SA Transaction.

<sup>1</sup> ZAR/GBP exchange rate used: 22.89 for the value of the net assets (being the exchange rate as at 30 September 2024); and 23.39 for the net profits attributable (being the average exchange rate used for the six months ended 30 September 2024).

The UK Transaction is not subject to Ninety One shareholder approval, and the issuance of Ninety One shares in connection with the UK Transaction will take place using Ninety One's existing allotment authority, as previously approved by Ninety One shareholders at its 2024 annual general meeting.

- 5.3. The UK Transaction has a long stop date of 15 August 2025, while the SA Transaction has a long stop date of 31 March 2026. The effective dates for each transaction will be dependent on the fulfilment of the suspensive conditions applicable to each transaction.

## 6. **EXPECTED TIMETABLE AND WAY FORWARD**

A circular to Ninety One shareholders containing further details relating to the issuance of the Ninety One shares in connection with the SA Transaction will be published on the Ninety One website (and subsequently posted to Ninety One shareholders) in due course. The announcement containing the relevant salient dates will also be published in due course.

### **6 March 2025**

#### **Ninety One Enquiries:**

Ninety One Investor Relations

ir@ninetyone.com

This announcement is being released simultaneously on the LSE and JSE in accordance with the rules applicable to dual listed company structures and will be made available on the Ninety One website at [www.ninetyone.com](http://www.ninetyone.com).

#### **JSE Sponsor to Ninety One:**

J.P. Morgan Equities South Africa (Pty) Ltd

#### **Financial Advisor to Ninety One:**

Rothschild & Co South Africa (Pty) Ltd

#### **Legal Advisors to Ninety One:**

Edward Nathan Sonnenbergs Inc.

Linklaters LLP

#### **Sanlam Enquiries:**

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#### **JSE Equity Sponsor to Sanlam Limited:**

The Standard Bank of South Africa Limited

#### **JSE Debt Sponsor to Sanlam Life Insurance Limited:**

The Standard Bank of South Africa Limited

**NSX sponsor to Sanlam Ltd:**

Simonis Storm Securities (Pty) Ltd

**Legal Advisors to Sanlam:**

Webber Wentzel

Allen Overy Shearman Sterling LLP

**Forward looking statements**

This announcement, oral statements made regarding the Proposed Transaction, and other information published by Ninety One (where it relates to Ninety One) and/or Sanlam (where it relates to Sanlam) (jointly the "Parties") may contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the respective management of the Parties about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Proposed Transaction for the Parties, the expected timing and scope of the Proposed Transaction and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although the Parties believe that the expectations reflected in such forward-looking statements are reasonable, the Parties can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither the Parties nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the UK Listing Rules, the JSE Listings Requirements and the Disclosure and Transparency Rules of the FCA and/or Chapter X of the Financial Markets Act in South Africa), the Parties are under no obligation, and expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No statement in this announcement is intended as a profit forecast or profit estimate.

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