

momentum
group



Momentum Group

UK Investor Roadshow

Agenda



Who we are



Impact strategy



Business unit spotlight



Economic and political impacts



- Listed on the JSE and the Namibian Stock Exchange with a market capitalisation of > R40 billion (US\$2 billion) with 94% free float
- Our diverse range of financial services through specialised and empowered businesses under the brands Momentum, Metropolitan and Guardrisk
- Our key differentiators are:
 - Leader in IFA channels
 - Deep expertise of all lines of insurance
 - Constant innovation
 - Strong ALM capability and balance sheet
 - Federated business model
- Financial year end 30 June

Make people feel
safe and secure

PROTECTION

- Life insurance and life cell captives
- Non-life insurance and non-life cell captives

Make people feel
prepared

BUILDING LONG-TERM WEALTH

- Asset management and property management
- Investment and savings
- Employee benefits including administration and consulting

Make people feel
healthy

HEALTHCARE SOLUTIONS

- Health administration
- Managed care and wellness services

Distribution of our branded solutions

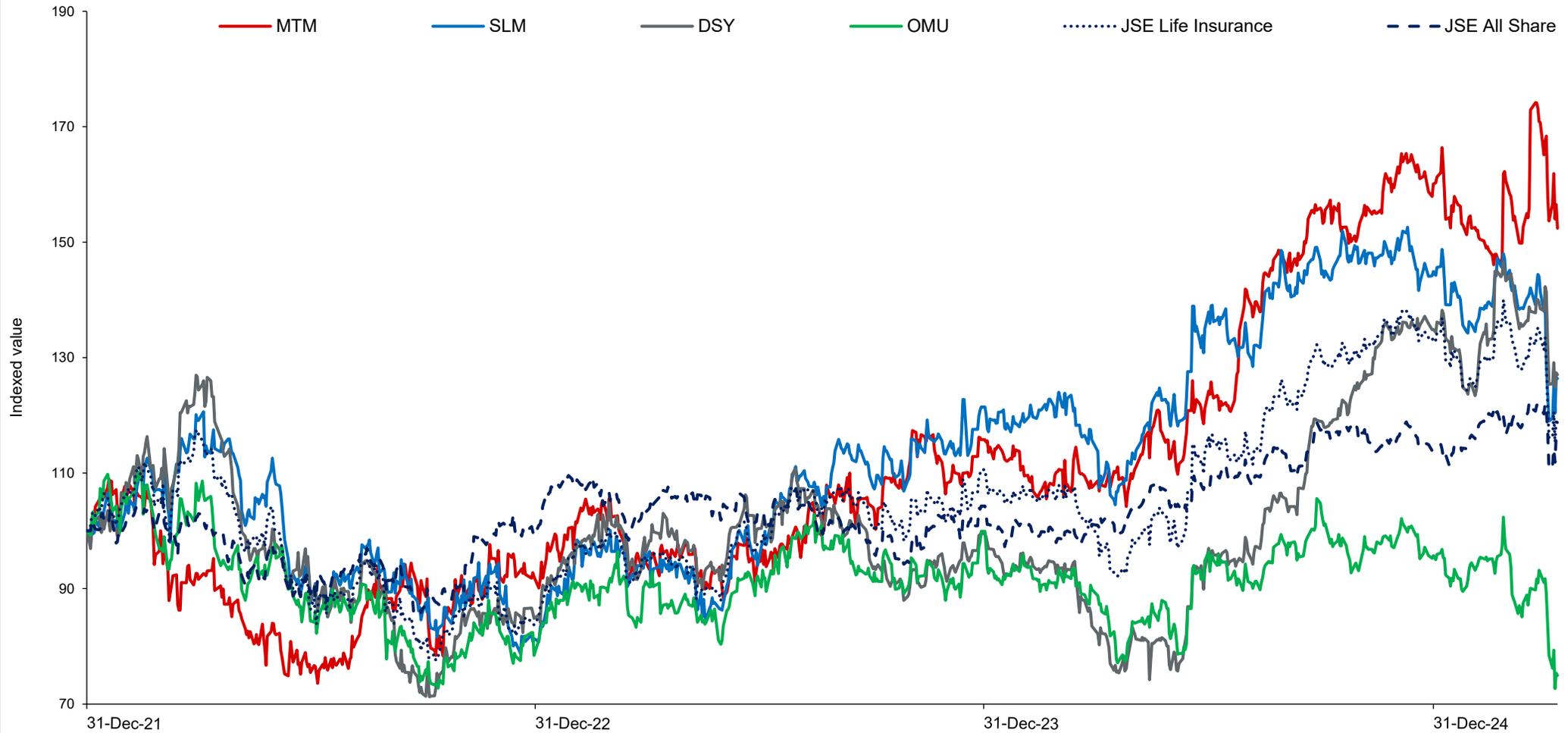
- Momentum Advice (Momentum Financial Planning and Consult by Momentum)
- Momentum Distribution Services (MDS)
- Metropolitan agency force
- Direct sales



Our diversified corporate portfolio

	Momentum Retail	Momentum Investments	Metropolitan Life	Momentum Corporate	Guardrisk	Momentum Insure	Health	Africa
PRODUCT	<ul style="list-style-type: none"> Protection Savings Closed book 	<ul style="list-style-type: none"> Savings and investments Asset management Property management 	<ul style="list-style-type: none"> Protection Savings Annuity 	<ul style="list-style-type: none"> Employee benefits Administration and consulting 	<ul style="list-style-type: none"> Cell captives General insurance Micro-insurance 	<ul style="list-style-type: none"> Non-life insurance 	<ul style="list-style-type: none"> Health administration Managed care & wellness services 	<ul style="list-style-type: none"> Life & Non-life insurance Healthcare Asset management Pension administration
CHANNEL	<ul style="list-style-type: none"> Agency force Independent financial advisers (IFAs) Digital platforms 	<ul style="list-style-type: none"> Agency force IFAs Direct Collaboration with Momentum Corporate 	<ul style="list-style-type: none"> Tied agency force IFAs Outbound call centre Digital platforms 	<ul style="list-style-type: none"> Specialist actuarial consultants Brokers Smaller intermediaries 	<ul style="list-style-type: none"> Brokers Underwriting managers 	<ul style="list-style-type: none"> Tied agency force Brokers Direct-to-consumer 	<ul style="list-style-type: none"> Advisers Tenders Direct 	<p>India</p>
CLIENT	<ul style="list-style-type: none"> Retail middle & affluent 	<ul style="list-style-type: none"> Retail affluent Businesses & retirement funds 	<ul style="list-style-type: none"> Emerging & middle-income retail 	<ul style="list-style-type: none"> Employees & employers 	<ul style="list-style-type: none"> Corporate & commercial entities 	<ul style="list-style-type: none"> Emerging & middle-income retail Corporates Public sector 	<ul style="list-style-type: none"> Individuals Corporates Public sector 	<ul style="list-style-type: none"> Health Insurance Incentivised wellness

Strong outperformance relative to peers over past 12 months



Diversified and balanced corporate portfolio spanning across retail and corporate life and investments, short-term insurance and health businesses supports earnings stability.

Impact strategy aims to position us as a distinctive financial services provider excelling in advice, providing simplified and impactful products and services enabled by technology.

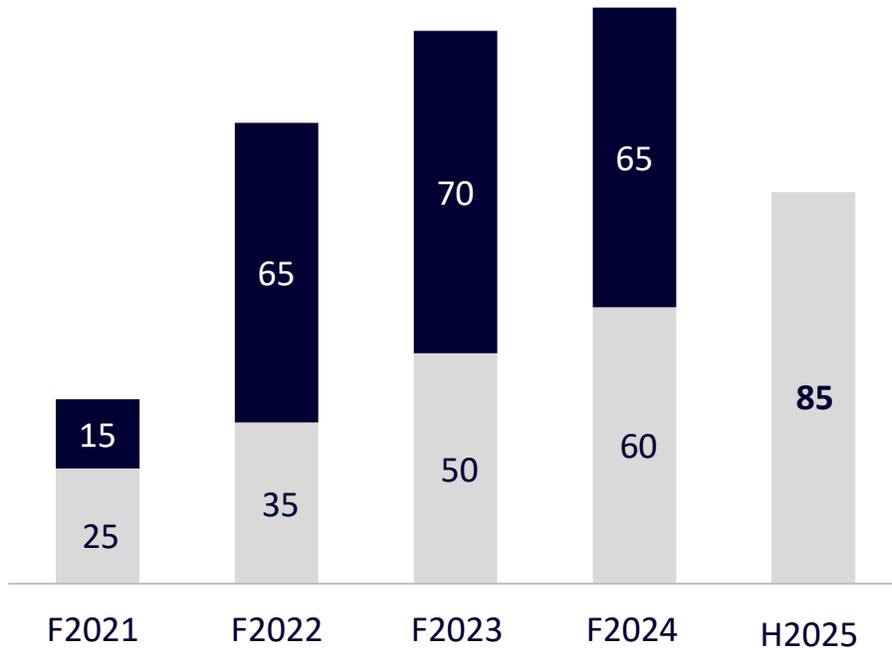
Strong solvency and liquidity position providing solid foundation for future growth while ensuring the Group can withstand market volatility.

Investment case

Federated operating model aims to unleash each business unit's inherent energy and commercial drive through our collaborative federated approach.

Commitment to returning surplus capital to shareholders through dividends and share buybacks and RoE focus.

Cents



R3.2 billion share buybacks **completed**

Further **R1 billion** share buyback programme **approved**

Approximately **10%** of shares in issue **repurchased**

Current dividend pay-out ratio
35% of NHE

International investor roadshow



Who we are



Impact strategy



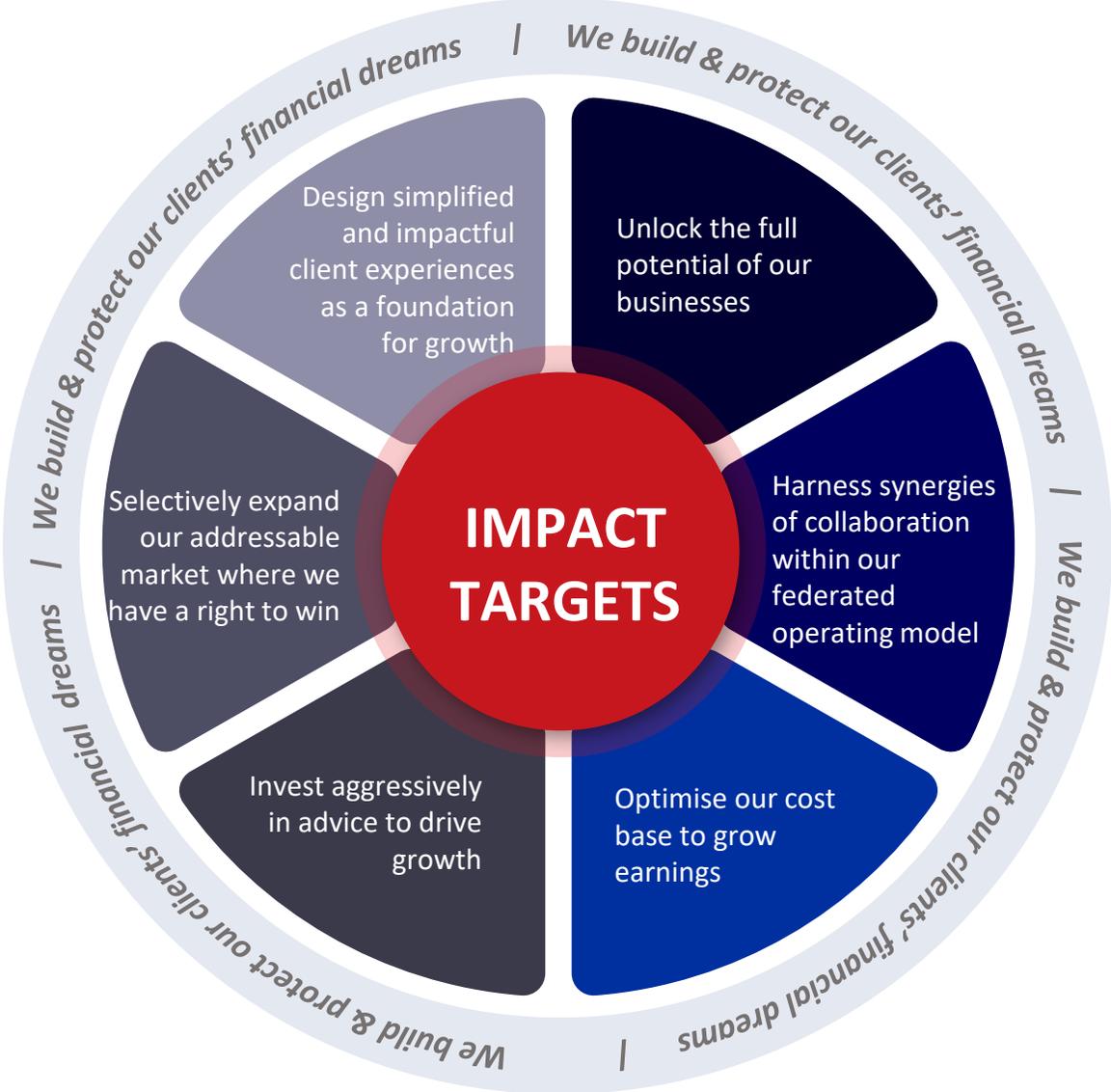
Business unit spotlight



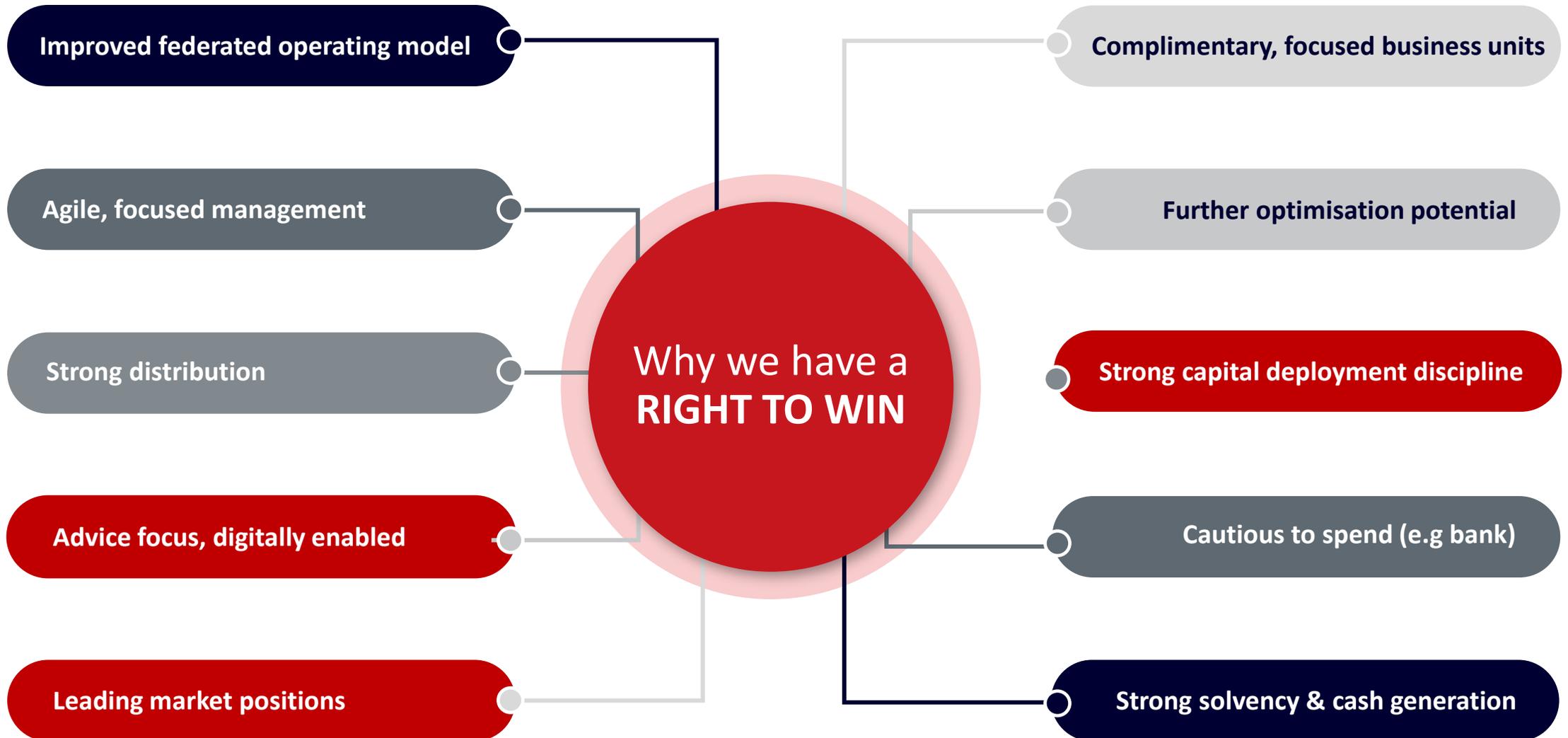
Economic and political impacts



F2025 – F2027 Strategic objectives



People | Transformation | Digital | Sustainability | Capital deployment



“ We continue to believe strongly in the importance of **ADVICE**; an advice-led approach differentiates us. ”

- **FACE-TO-FACE** advice is here to stay and offers growth opportunities
- **OWN ADVICE** as a brand to outshine competitors (incl. banks)
- Leading **IFA** market share proves our expertise
- Expand our small **AGENCY FORCE** to gain market share
- Use technology to empower advisers and boost client experience
- We aim to give clients a **PERSONAL** experience

Strategic focus areas

Key highlights



Product leadership



- Transitioned to digital risk selection mechanism
- Free digital fitness and health check on mobiles
- Client engagement on proactive health management



Onboarding innovation

FastTrack

- Transform traditional underwriting
- Attracting healthier lives, without active engagement
- No traditional medical tests – simpler, faster, cheaper
- Higher IFA market share, better VNB



Direct-to-client

Life Digital

- Growing sales from digital leads by 30%
- 25% of new policy applications
- 10% of new business sales



Channel partnerships



- Major technology upgrades for advisers and clients
- Exited older quotes systems, modern onboarding
- Integration capability – external advice platforms

IFA MARKET SHARE

2021
16%

2022
17%

2023
17%

2024
18%

“ *Capital is a scarce resource that will be allocated on a **BEST RISK/RETURN BASIS** to businesses.* ”

- Fix the businesses that underperform by **FIXING UNDERLYING ISSUES** (not through large acquisitions)
- Execute **BOLT-ON ACQUISITIONS** that add value to the Group
- **SYSTEMS OPTIMISATION** remains an area of focus to drive operational and cost efficiencies
- Preferred segments for organic and inorganic capital deployment :
 - Investment Management
 - Distribution
 - Corporate businesses
- Response to **BANK** competitors

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Our investment case



Impact strategy



Business unit spotlight



Economic and political impacts



Earnings Growth
(26% CAGR)

Directors Valuation
(54% increase)

**Underwriting Profit
contribution**

Reasons for SUCCESS

2019

R207 million

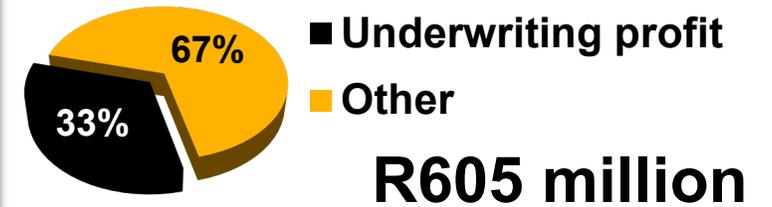
R 3.7 billion



2024

R653 million

R5.7billion **+R2 billion**
increase



- Solution focused, entrepreneurial culture.
- Strong partnerships with clients and intermediaries.
- Innovative product offerings.
- Well established general insurance, focused on corporate & commercial solutions.
- Successful bolt-on transactions.





HEALTH INSURANCE

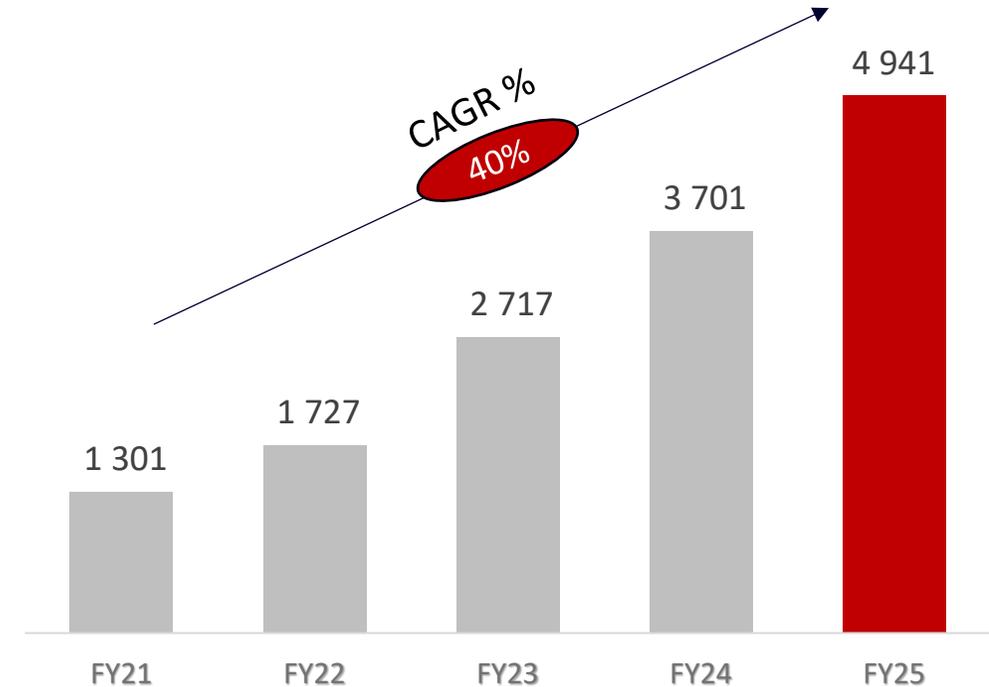
Growth% Y-o-Y

	ABHI	SAHI	Industry
FY25	30.3%	15.9%	9.10%

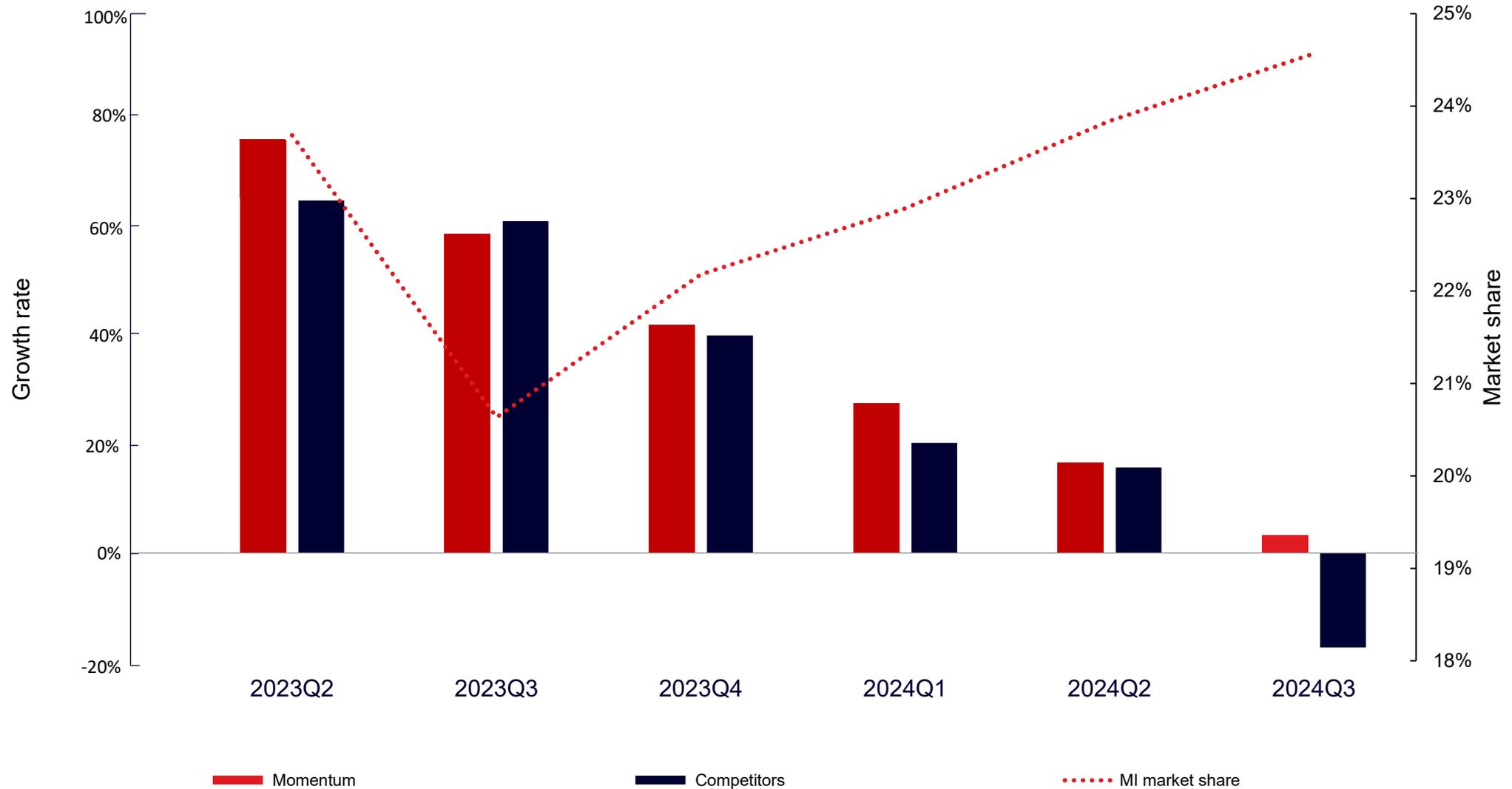
Market Share (IRDA)

	FY'24	FY'25	Increase
SAHI	11.18%	12.56%	+138 bps
Industry	3.17%	3.79%	+62 bps

ABHI Gross Written Premium (in Cr)



Momentum Investments - guaranteed annuities growth and market share

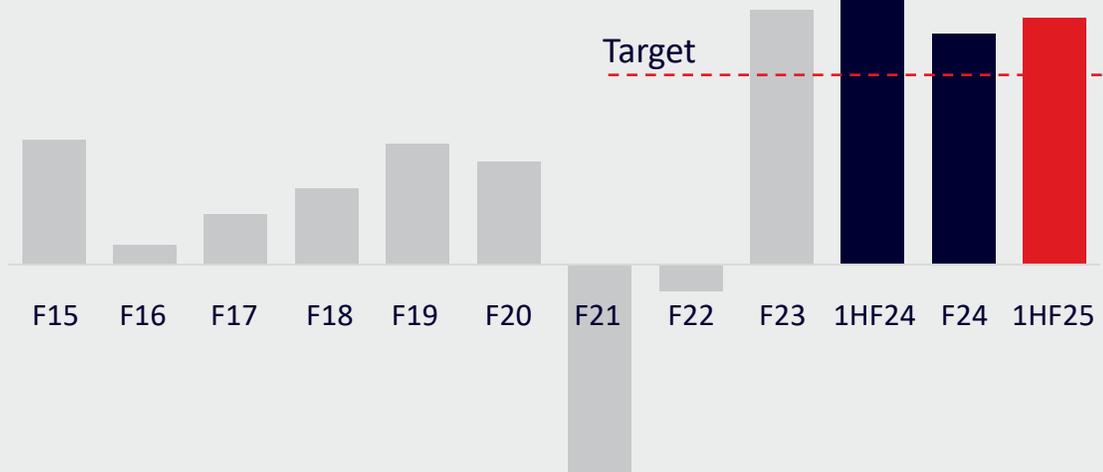




Underwriting margin delivery

- Margins strong, but market will eventually reprice
- F23 to H1F25 above target
- Positioned to achieve target margin of 5% to 7% net of tax
- PHI turnaround has been sustained
- Volatility continues to be a reality

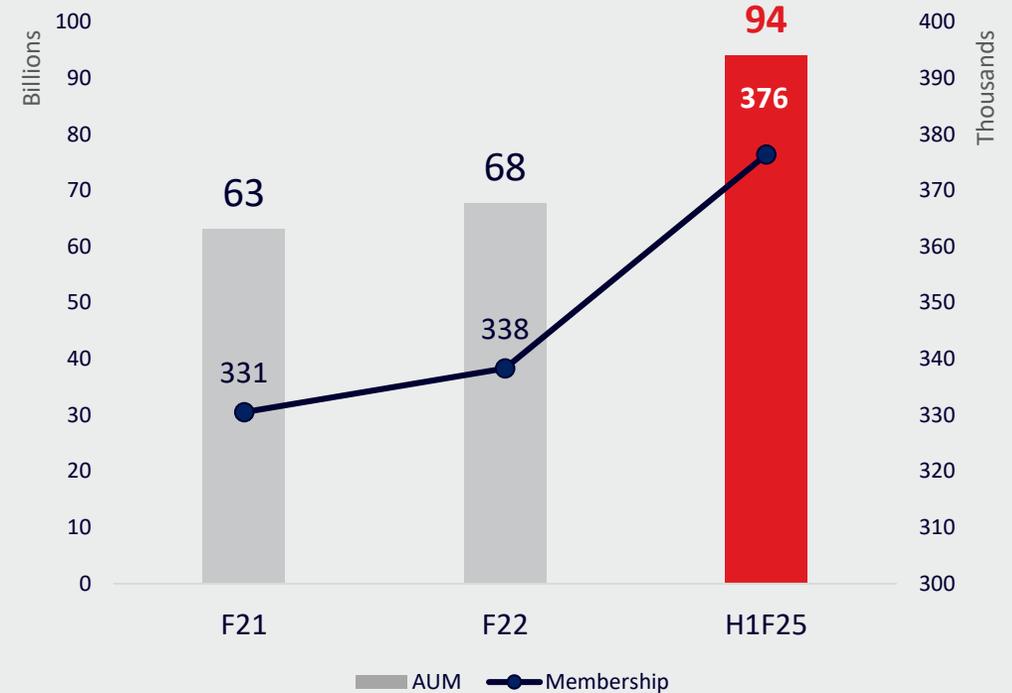
Underwriting Margin



FundsAtWork building on scale

- Excellent growth in our Umbrella Book
- 49% AUM growth
- 14% membership growth over 3.5-year period

FundsAtWork AUM & Membership



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Our investment case



Impact strategy



Our key differentiators



Economic and political impacts



- The South African Reserve Bank (SARB) worst-case scenario from impact of tariffs and the loss of the preferential trade agreement is GDP shrinking by 0.7% and 15% decline in the value of local currency
- SA largest export to the US (metals and minerals) are mostly excluded from the US tariffs
- Given lower expected consumer confidence and economic growth uncertainty we may see lower demand for SA exports.
- Our operations are not immediately impacted by the US tariffs, however there are some secondary impacts to consider
 - From a financial markets perspective, the Group's investment asset returns have been volatile. However, strong ALM discipline is minimising the impact on earnings.
 - Lower economic growth and consumer sentiment in the SA market is expected to impact clients affordability and therefore demand for our products.
 - The withdrawal of USAID is anticipated to have a detrimental affect on our Africa operations

Thank you



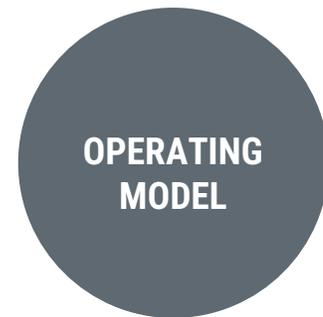
Appendix



- Simplified group name
- Re-energised brands



- Exits:
 - 7 African countries
 - aYo
 - African Bank lending partnership
 - Momentum Money
 - Metropolitan GetUp
- Optimise balance sheet
- Ongoing focus on operational efficiency



- Successfully adopted federated operating model
- Repositioned Multiply as part of Momentum Health



- Dominance in IFA distribution
- Alternative channels (esp Guardrisk)
- Tied agency force

- Step-change in earnings
- Momentum Investments
- Momentum Corporate
- Guardrisk
- India



Returned significant value to shareholders

Strong balance sheet and cash generation

Accelerated digital

Strategic focus areas

Key highlights



Profitability

Turnaround on track

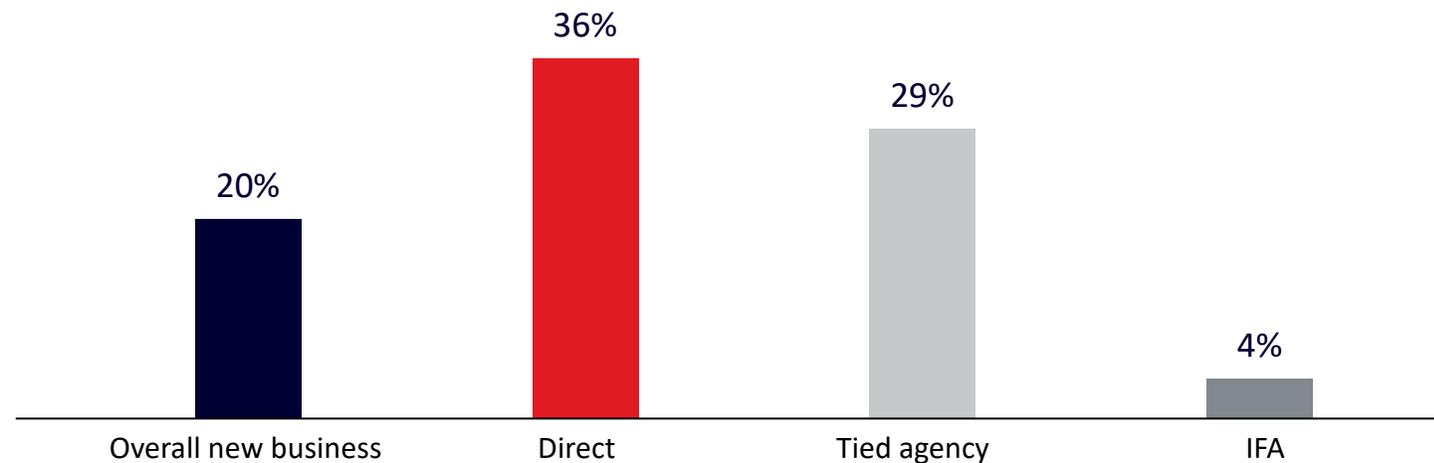
- Highest NHE (R230m) for any half-year
- R315m contribution to Group's dividend

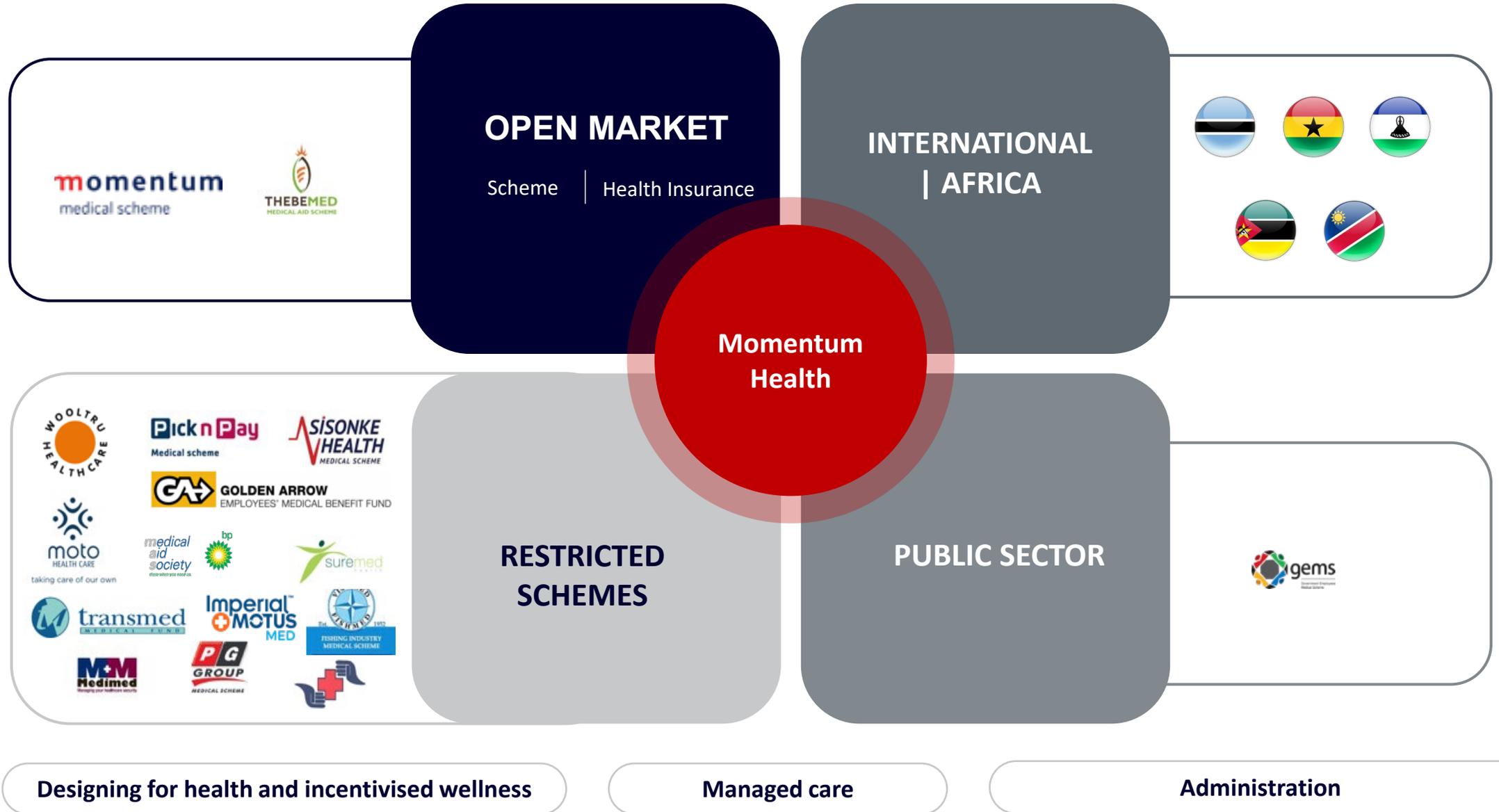
Strong operating results

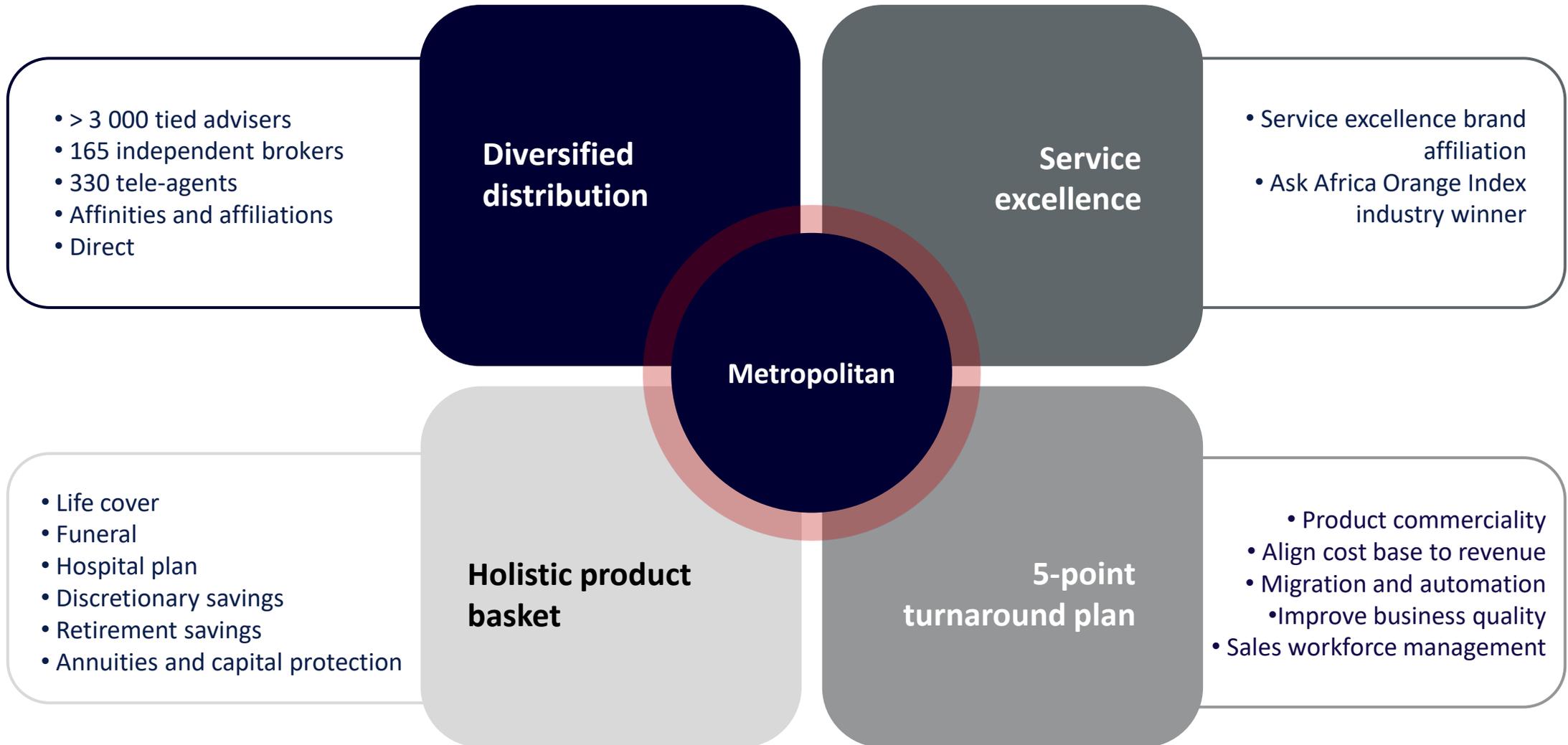
- Combined ratio improved from 106% to 90%, below long-term target and lowest since F21
- Operating profit improved by >R250m, up over 300%



Growth







Strategic focus areas

Key highlights



Growth

- Strong sales growth for the Life businesses in Namibia, Lesotho, Botswana and Ghana
- Concluded partnership agreements with key distribution partners in Namibia, Botswana and Ghana
- Health sales reduced as some unprofitable schemes were not renewed. Outlook for sustainable profitable growth remains positive



Operational Efficiency

- Retail exergy Policy administration roll-out progressing well and supporting improvements in process efficiency
- Continued focus on RPA and automation of key tasks to improve efficiency has supported good cost containment



Product Development & Competitiveness

- Launched new savings products for Lesotho and Botswana
- Launch of Annuity products on track for Q3 F2025
- Refreshed funeral products planned for launch in Q3 F2025



Earnings and Profitability

- Value of New Business remained steady at -1% and remains a key focus area with good progress
- A review of the sales remuneration model is underway
- Focus on reduces lapses and surrenders progressing well but more to be done
- Good claims ratios in Health business have supported strong growth in profits
- Earnings supported by positive market variances