

Momentum Metropolitan delivers double-digit sales growth

Focus on clients and advisers reaps rewards



Overview

1 Highlights

2 Business view

- Momentum Investments
- Metropolitan Life
- Guardrisk

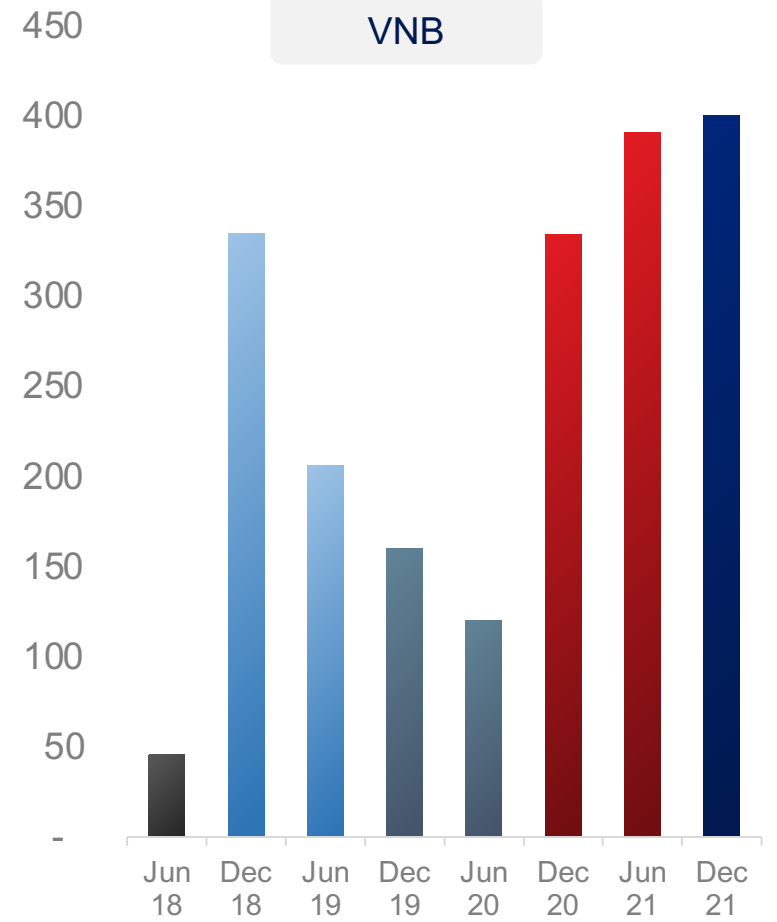
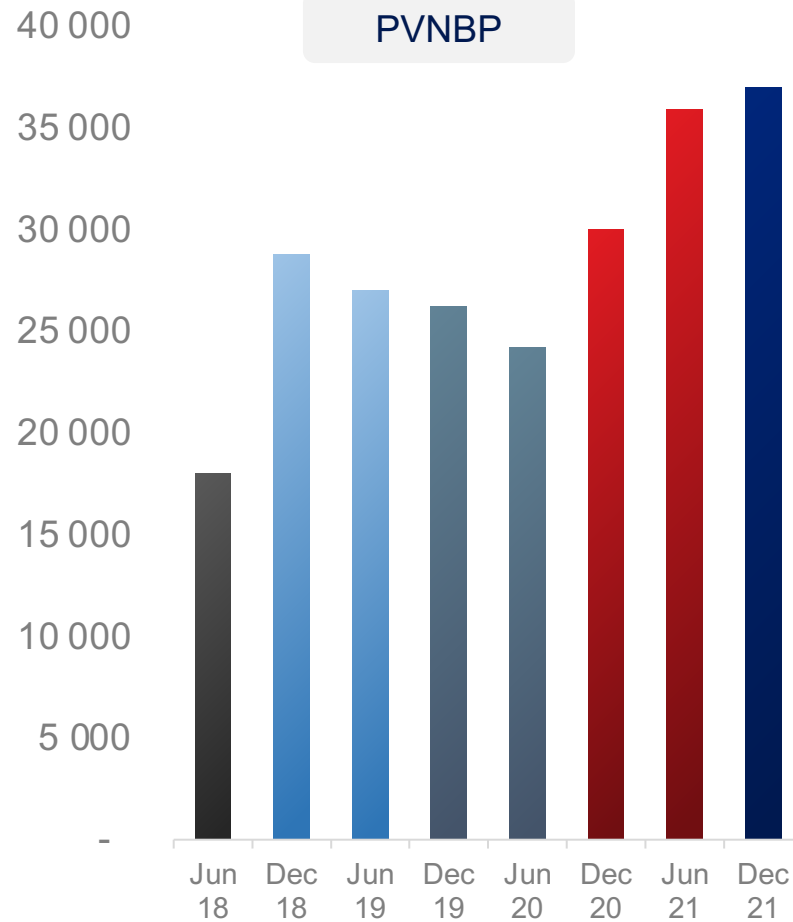
Hillie Meyer
Group Chief Executive Officer

Highlights



Strong new business sales

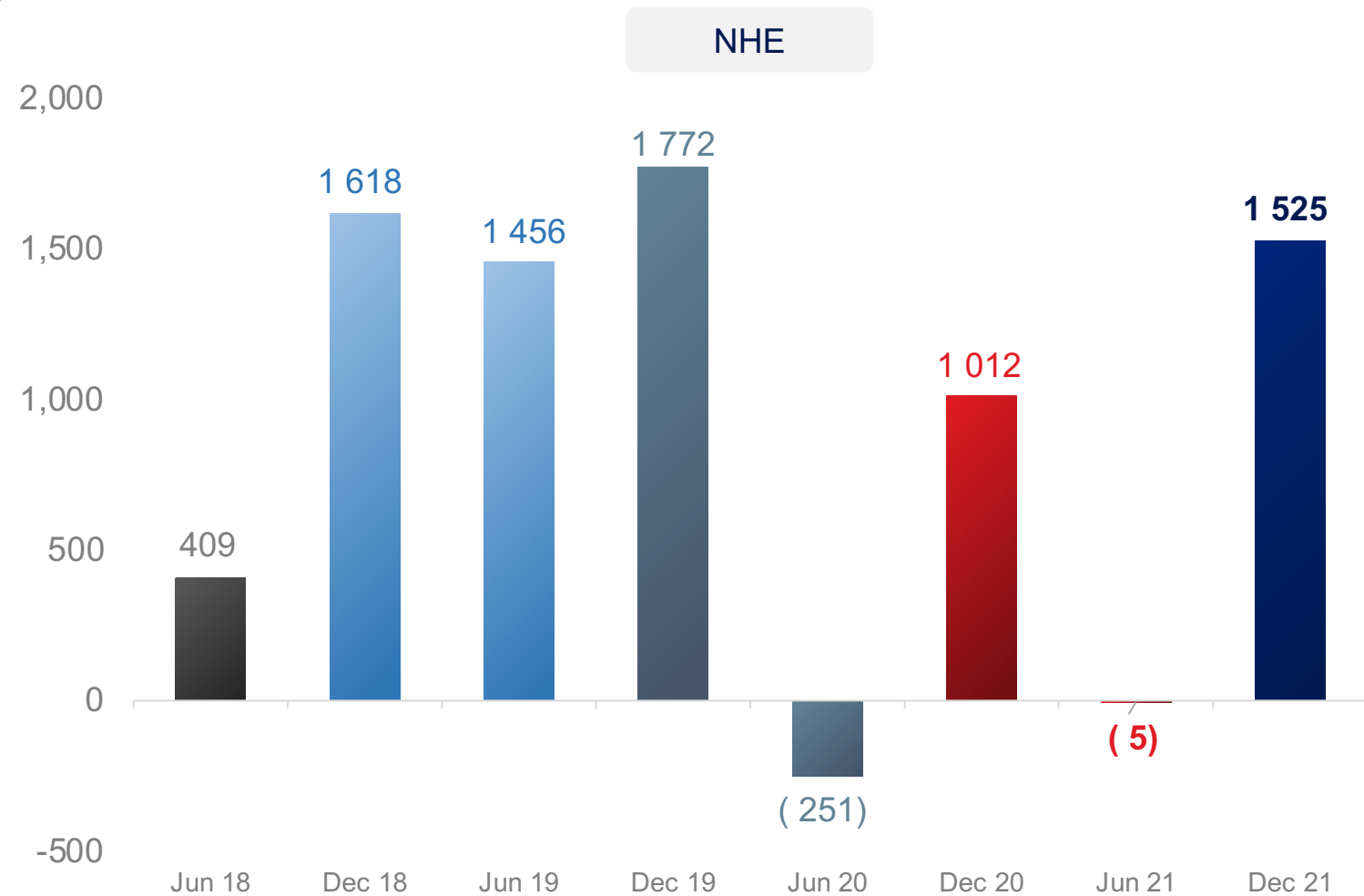
Growth in new business sales, VNB recovered (R'million)



Strong new business sales

Credible NHE

NHE recovered to about 80% of desired trendline (R'million)



**Strong new
business sales**

Credible NHE

**Transformation
on track**

Fourth consecutive B-BBEE Level 1 rating

Scorecard Element	Score
Equity Ownership	28 / 28
Management Control	11 / 20
Skills Development	15 / 23
Preferential Procurement	19 / 19
Enterprise and Supplier Development	14 / 14
Socio-Economic Development & Consumer Education	8 / 8
Empowerment Financing	13 / 15
Access to Financial Services	9 / 12
Total	117 / 139

Strong new business sales

Credible NHE

Transformation on track

External recognition

Second consecutive Top Employer certification



Strong new business sales

Credible NHE

Transformation on track

External recognition

Progress with digital strategy

Successfully implemented single adviser platform

Advisers



Strong new business sales

Credible NHE

Transformation on track

External recognition

Progress with digital strategy

Progressed from Reset to Reinvent

Group-wide support for digital transformation



Reinvent and Grow



Business view

Momentum Investments

Metropolitan Life

Guardrisk

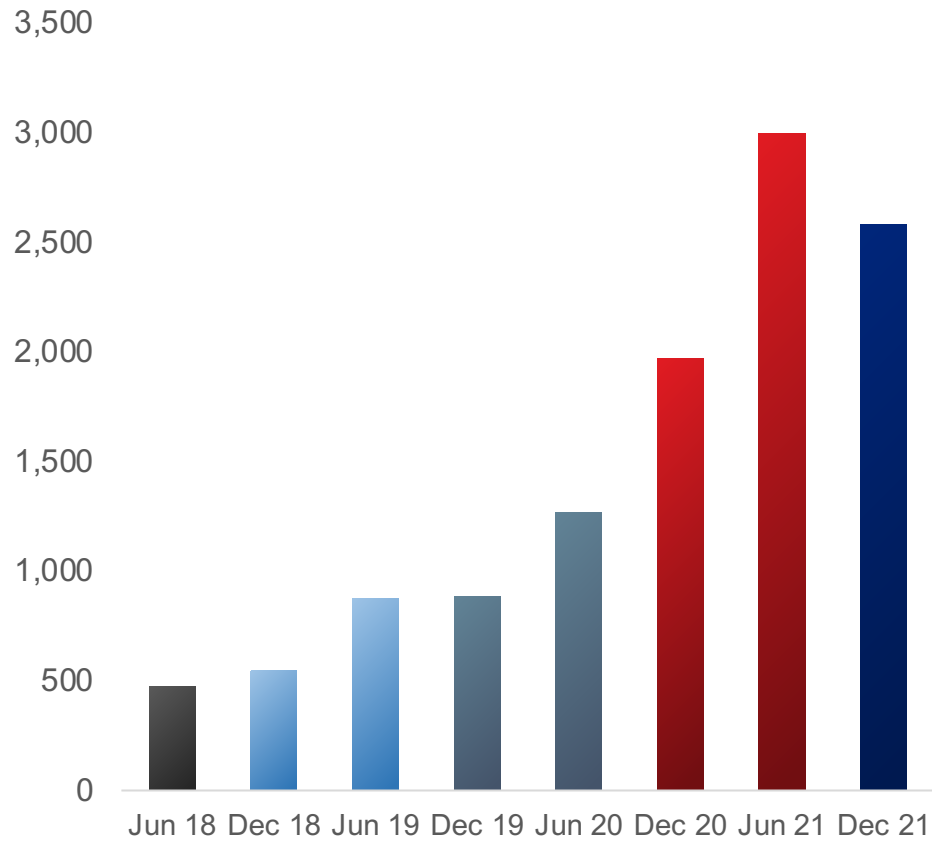




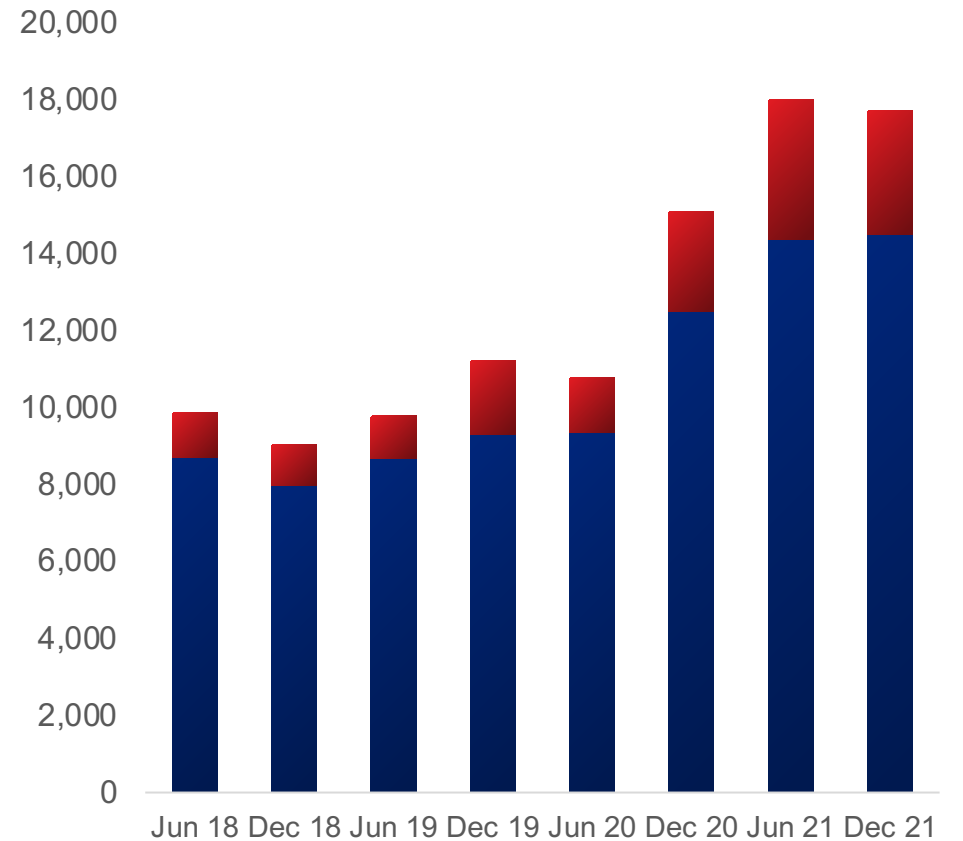
Won back adviser support

Results speak for themselves (R'million)

Guaranteed annuity sales



Platform new business



■ Wealth ■ Wealth International



Behind the results

1

External focus, competitive spirit

2

Improved service experience

3

Deliberate distribution enablement

4

Dynamic pricing

5

Took advantage of good industry flows

6

Excellent DFM growth

7

Support from MFP and Consult

Key Reinvent and Grow initiatives

Specialised distribution

Grow existing channels

Service initiatives

Product and service leadership

Re-platforming

Accelerate digital



Business view

Momentum Investments

Metropolitan Life

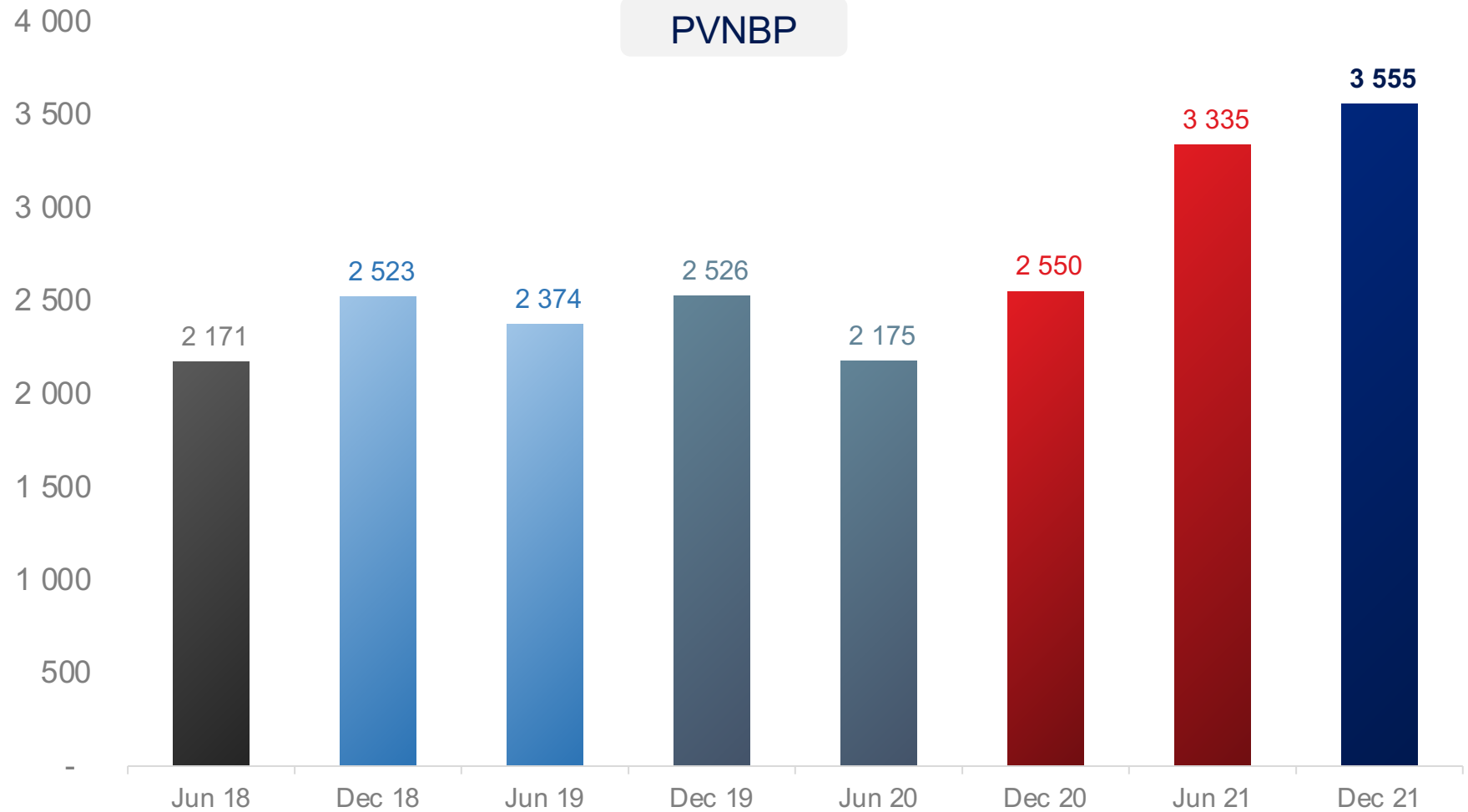
Guardrisk





What you measure is what you get

Sales reaching new highs (R'million)



Metropolitan Life

Science of Sales

1

Manpower: Minimum number of viable advisers

2

Turnover: Adviser tenure and retention

3

Productivity: Case count and product mix

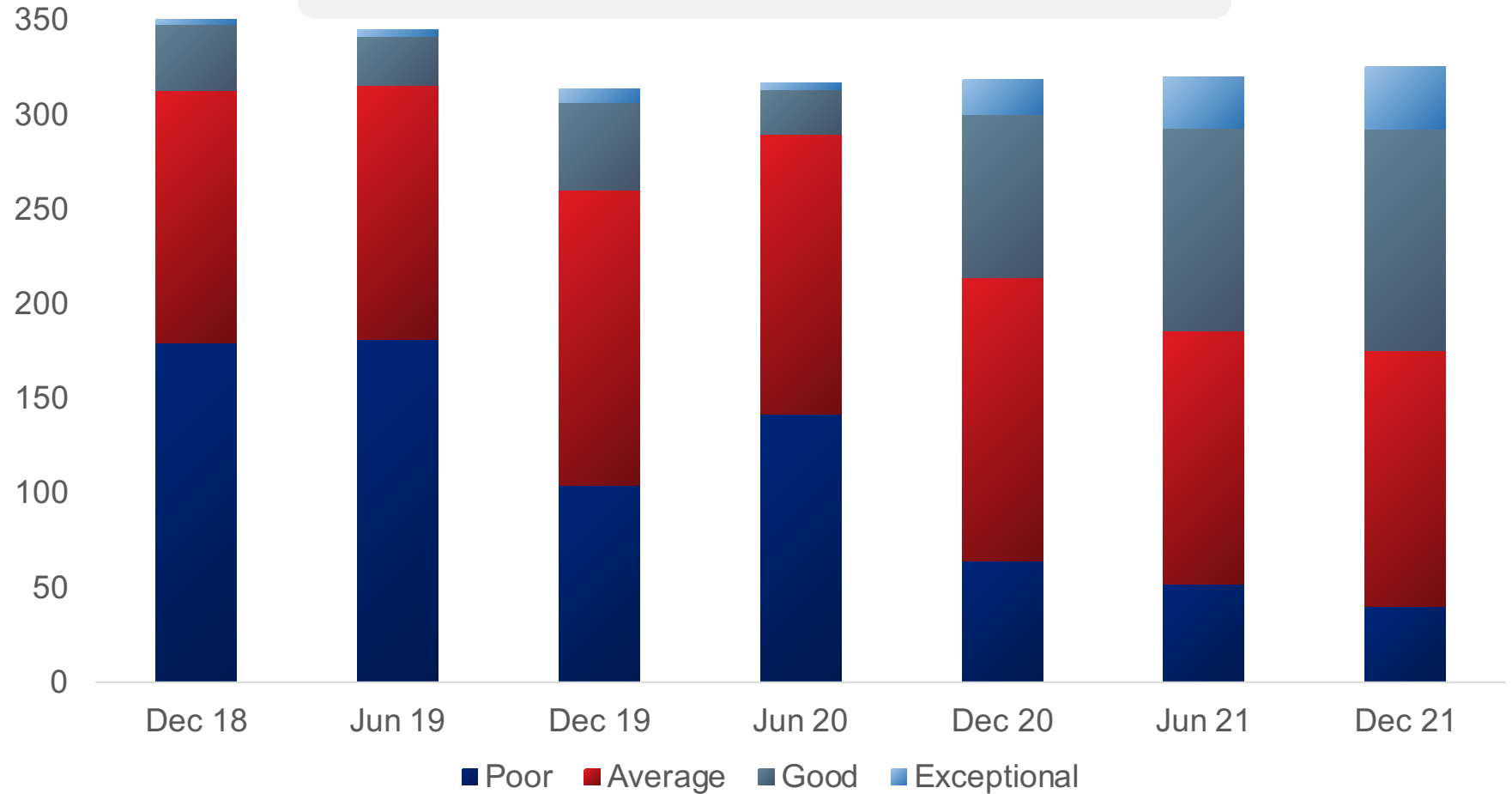
4

Quality: % payroll collection and lapse rates

Toolkit for branch management

Branch rating

Average number of branches in rating categories



Key Reinvent and Grow initiatives

Sales force moat

Grow existing channels

Metropolitan GetUp

Accelerate digital

Client value proposition

Product and service leadership



Business view

Momentum Investments

Metropolitan Life

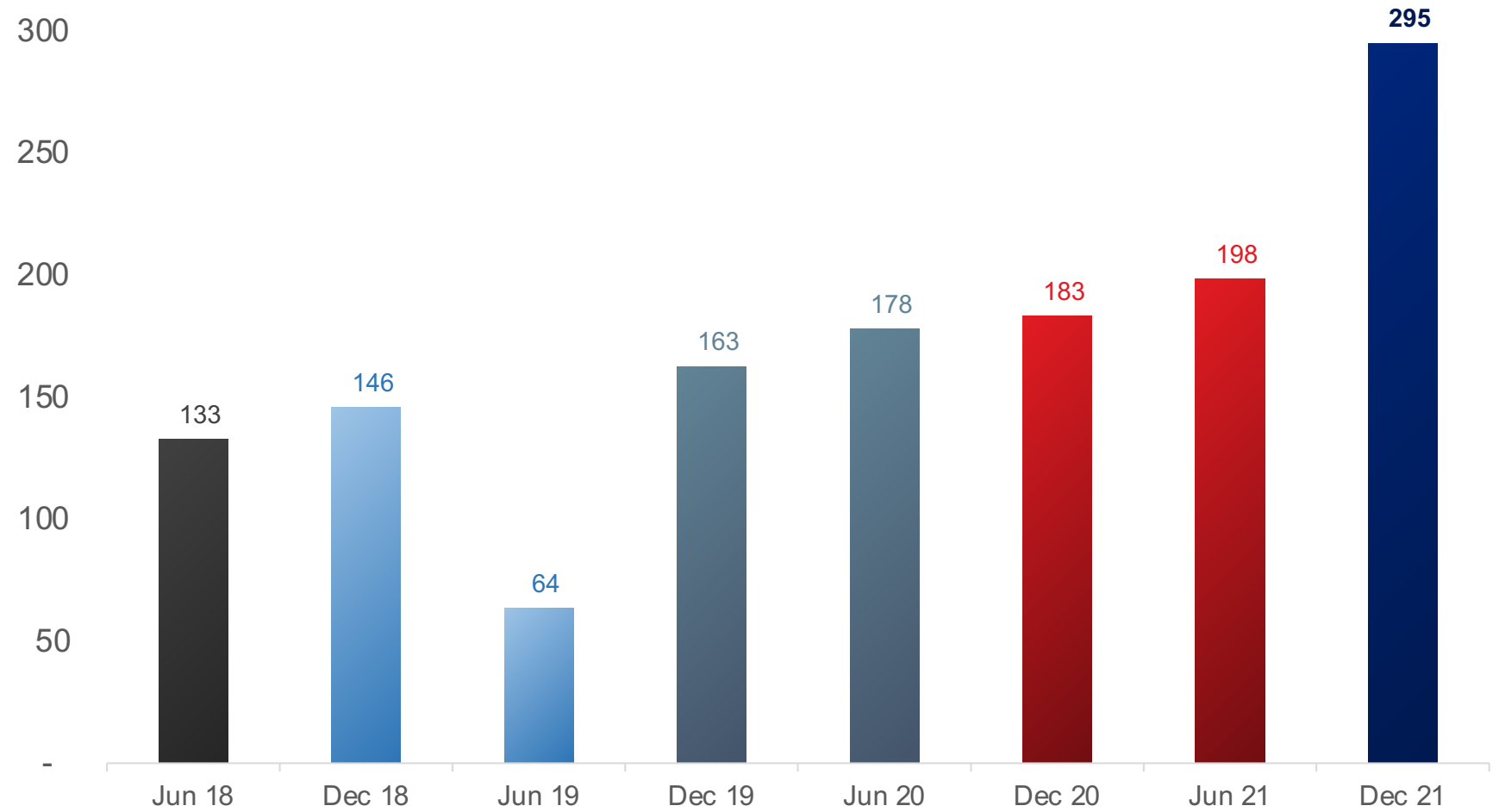
Guardrisk



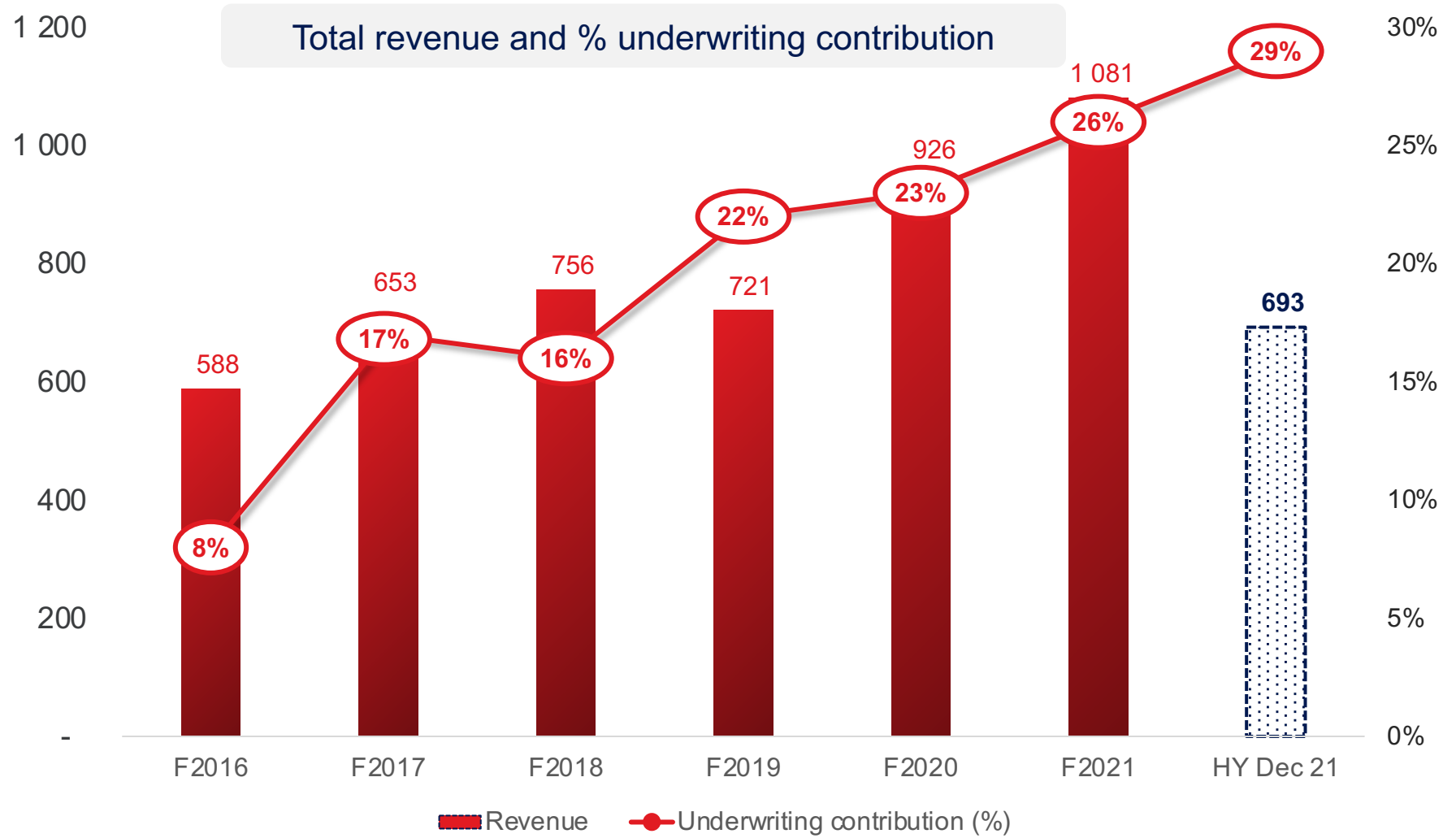


Sustained market leadership

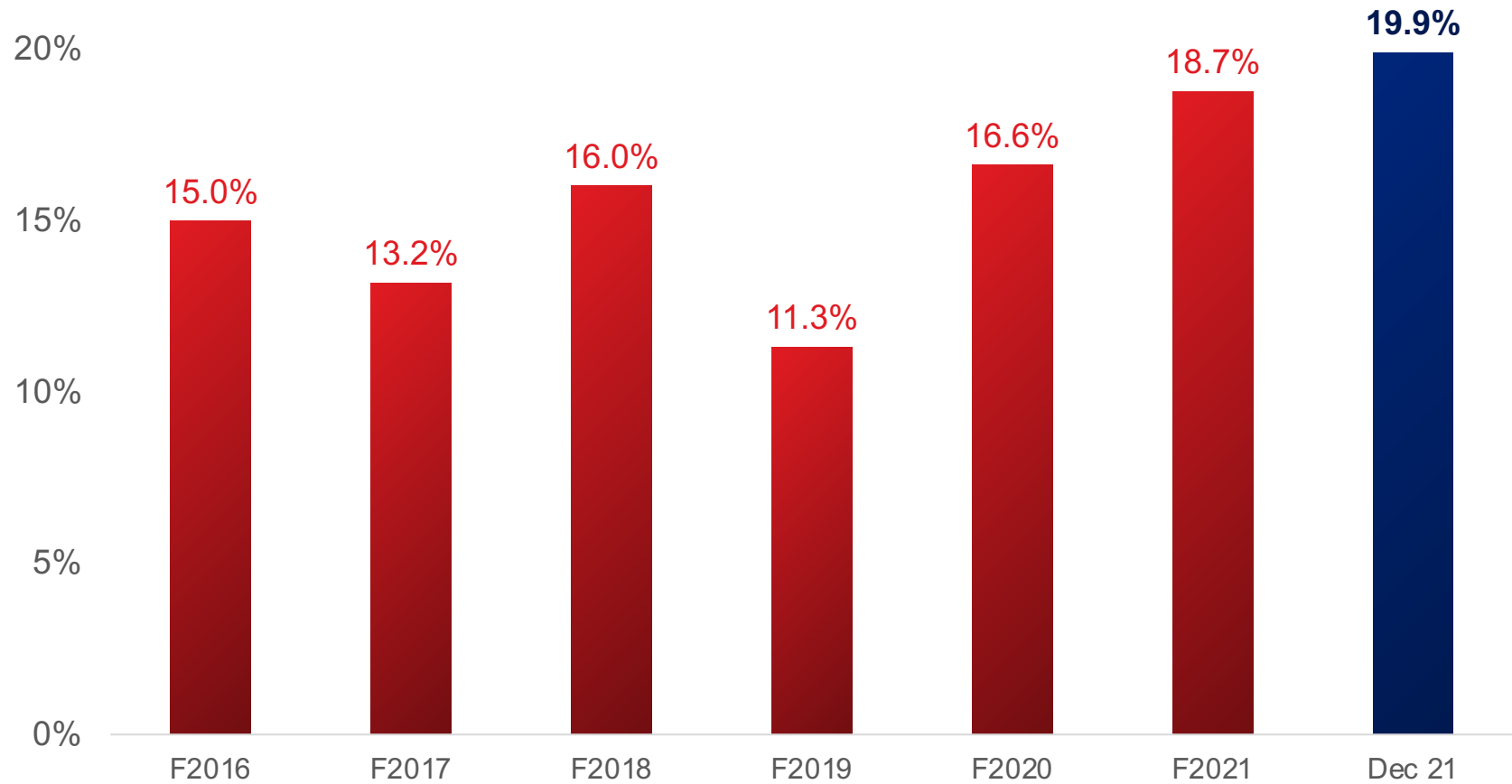
Consistent NHE growth (R'million)



**Successful diversification into underwriting
(R'million)**



Increase in ROE



Behind the results

1

Commercial client partnering

2

Cell captive business provides steady annuity income

3

Identified new revenue opportunities

- GGI
- Bolt-on acquisitions
- Micro-insurance

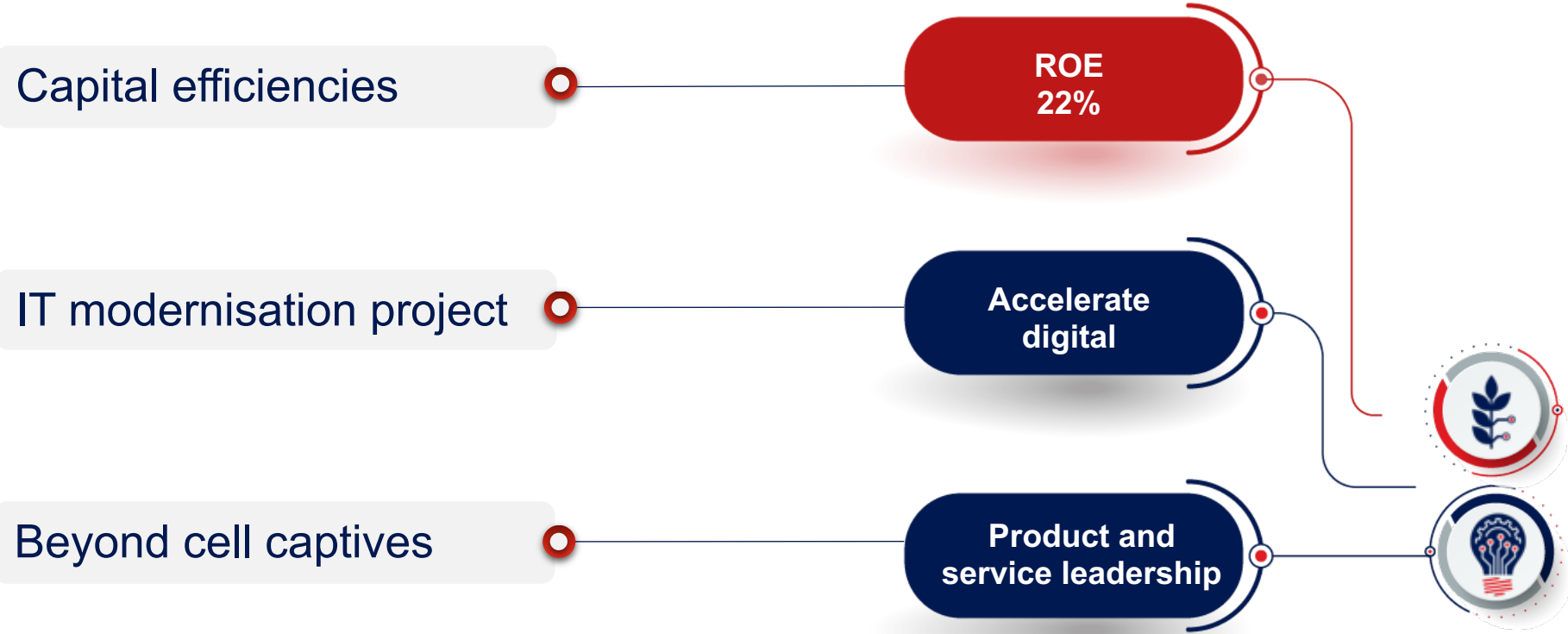
4

Thought leadership

5

Entrepreneurial culture

Key Reinvent and Grow initiatives



“

Strategy is not what you talk about, it is what you do

”

Johann le Roux, CEO of Momentum Life



Thank you



Financial results for
the six months ended

31 December 2021

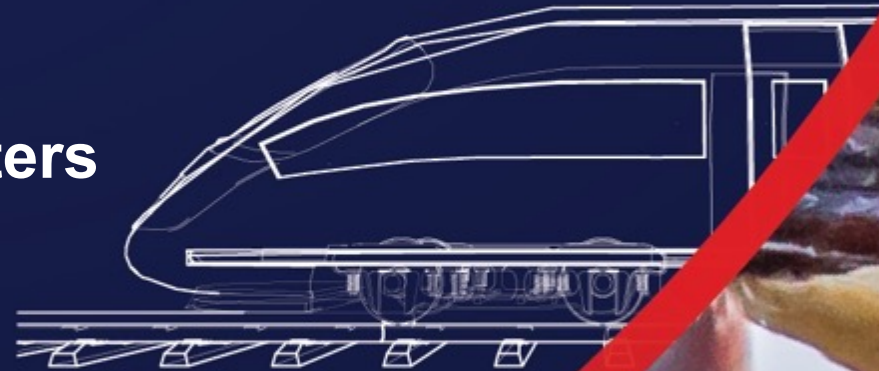
184

678

Overview

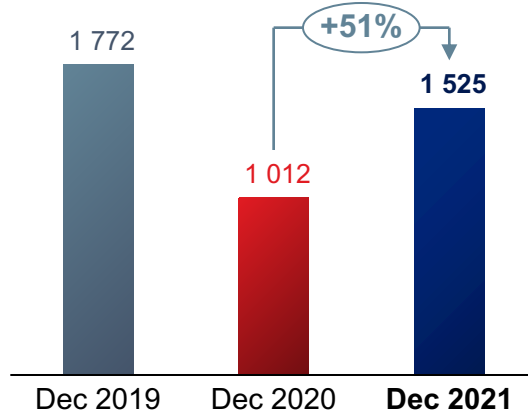
- 1 Financial overview
- 2 Other current topical matters
- 3 Conclusion

Risto Ketola
Group Finance Director

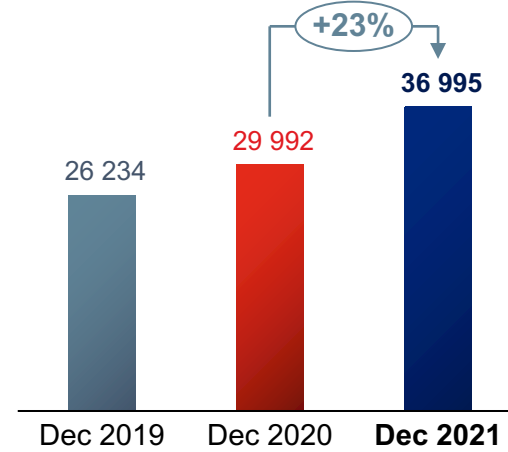


Key financial measures

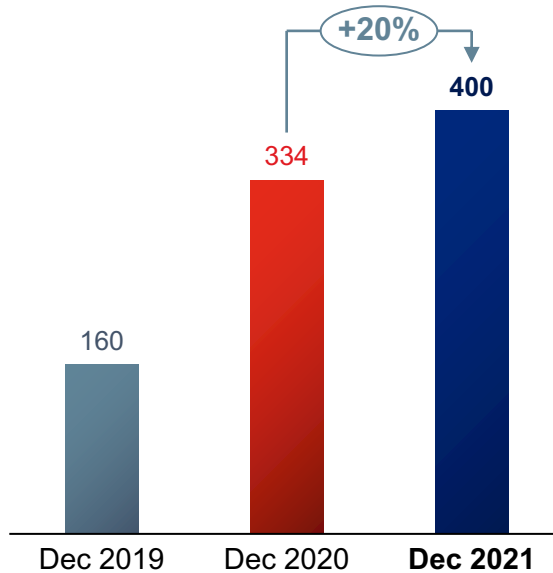
Normalised headline earnings (R'million)



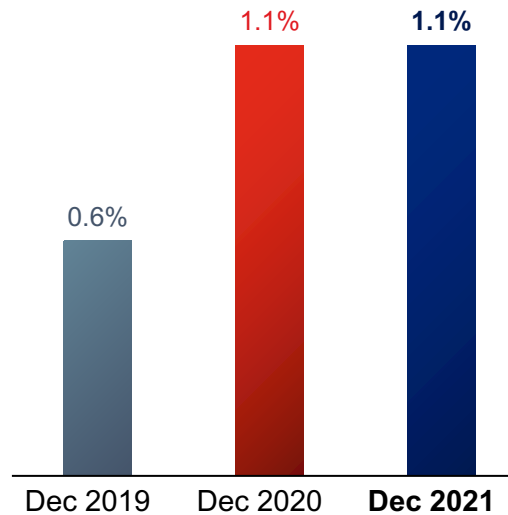
Present value of premiums (R'million)



Value of new business (R'million)

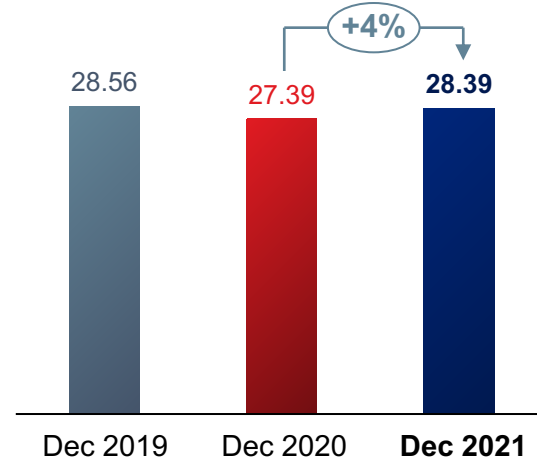


New business margin (%)

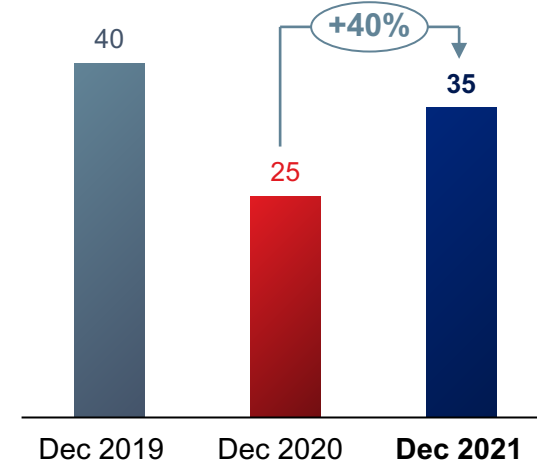


Key financial measures

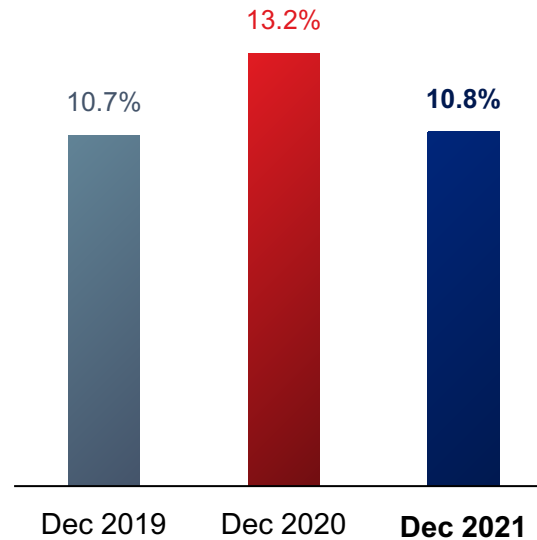
Diluted embedded value per share (R)



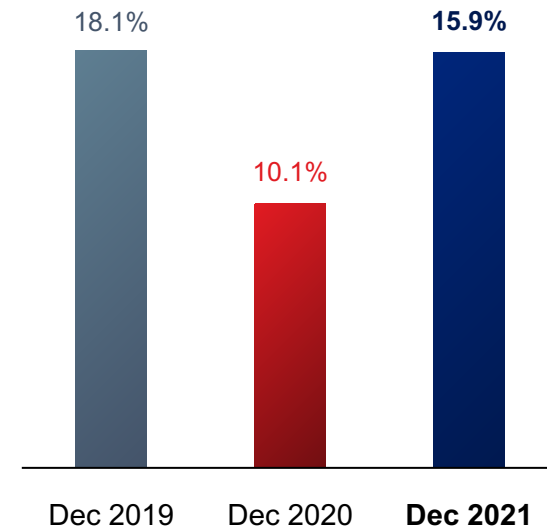
Dividend per ordinary share (cents)



Return on embedded value (%)

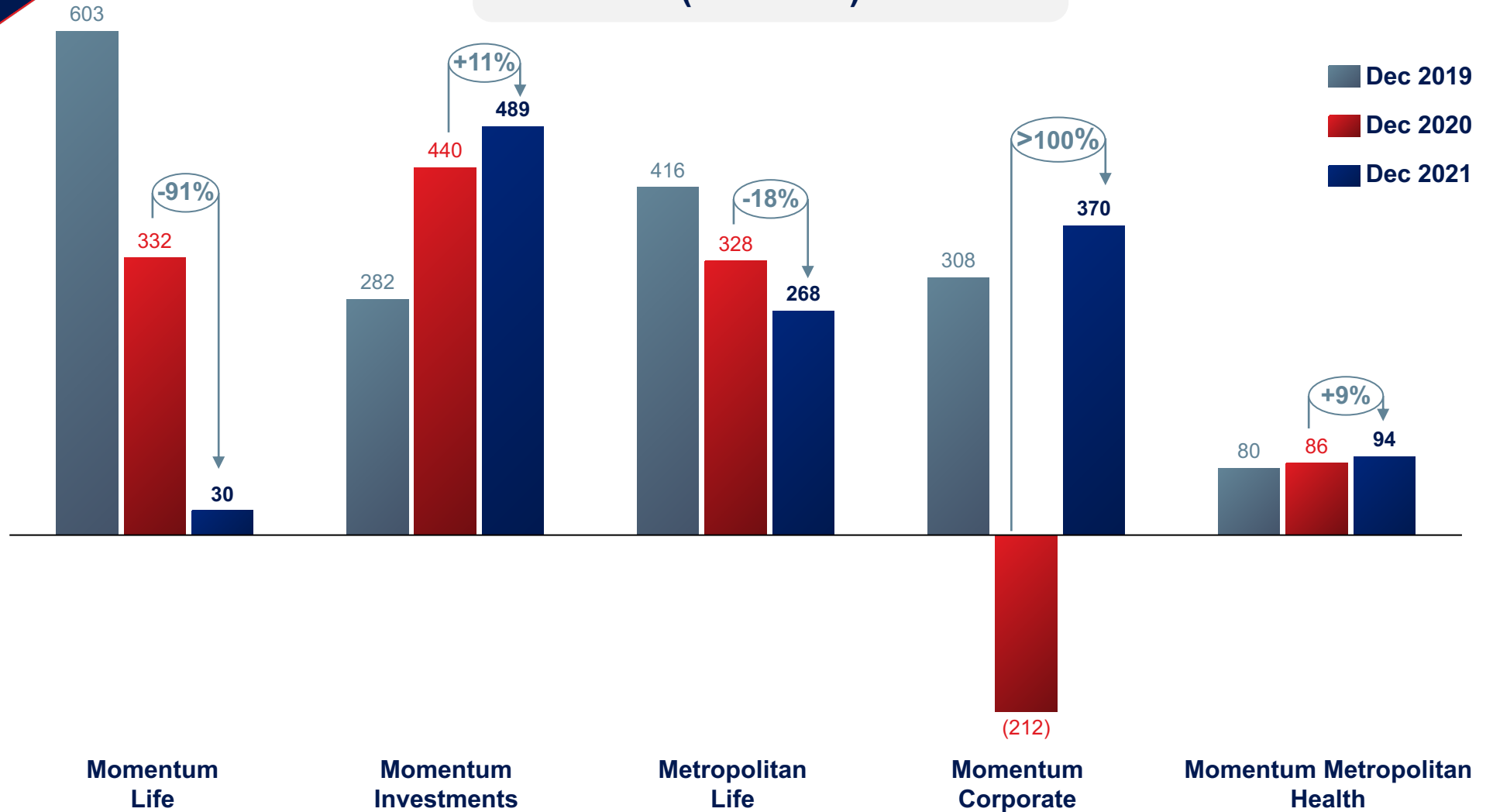


Return on equity (%)



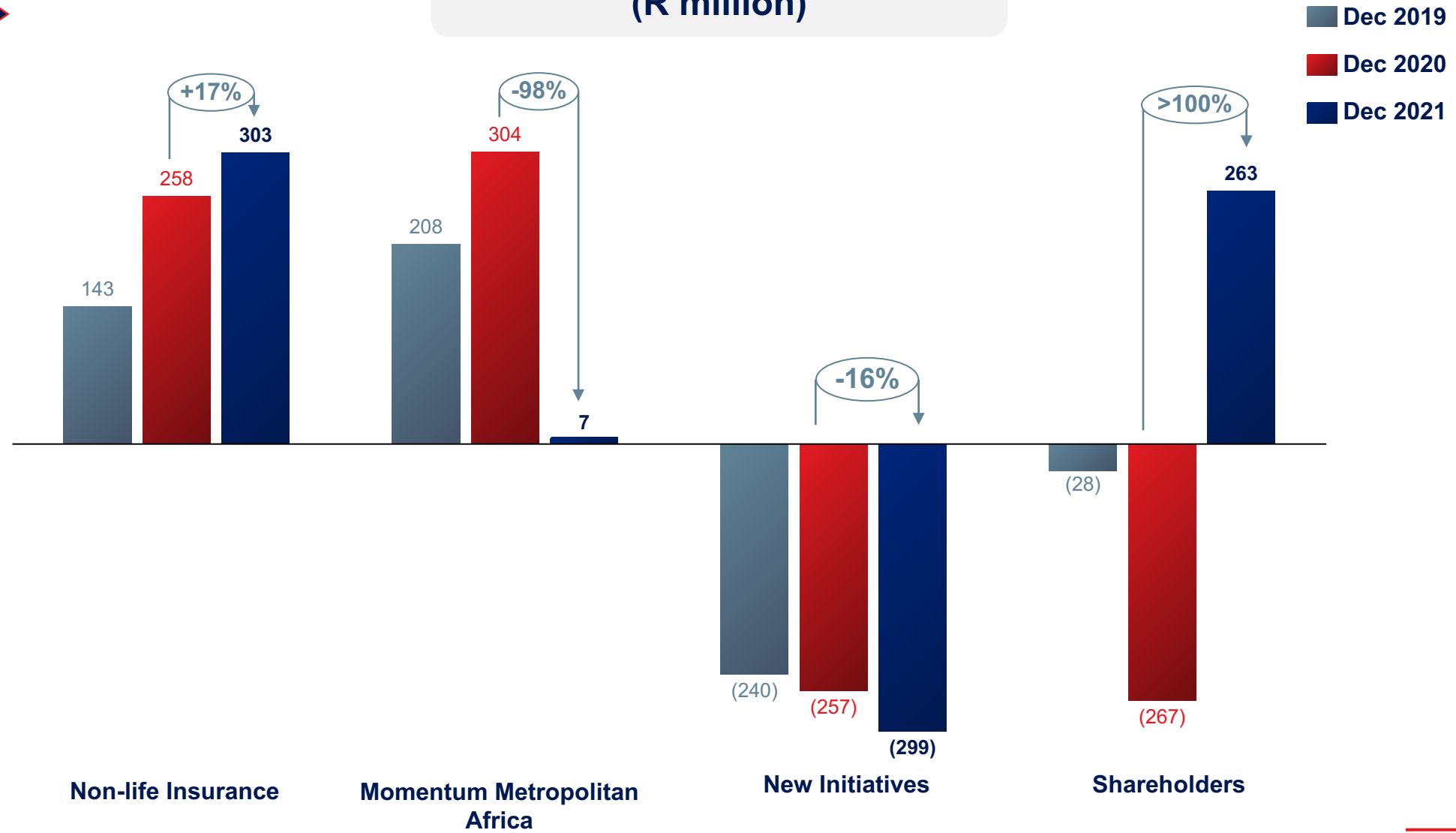
**Mature
businesses**

**Normalised headline earnings
(R'million)**



Growing
businesses

Normalised headline earnings (R'million)



23% year-on-year increase in sales

Year-on-year growth

Metropolitan Life
+39%

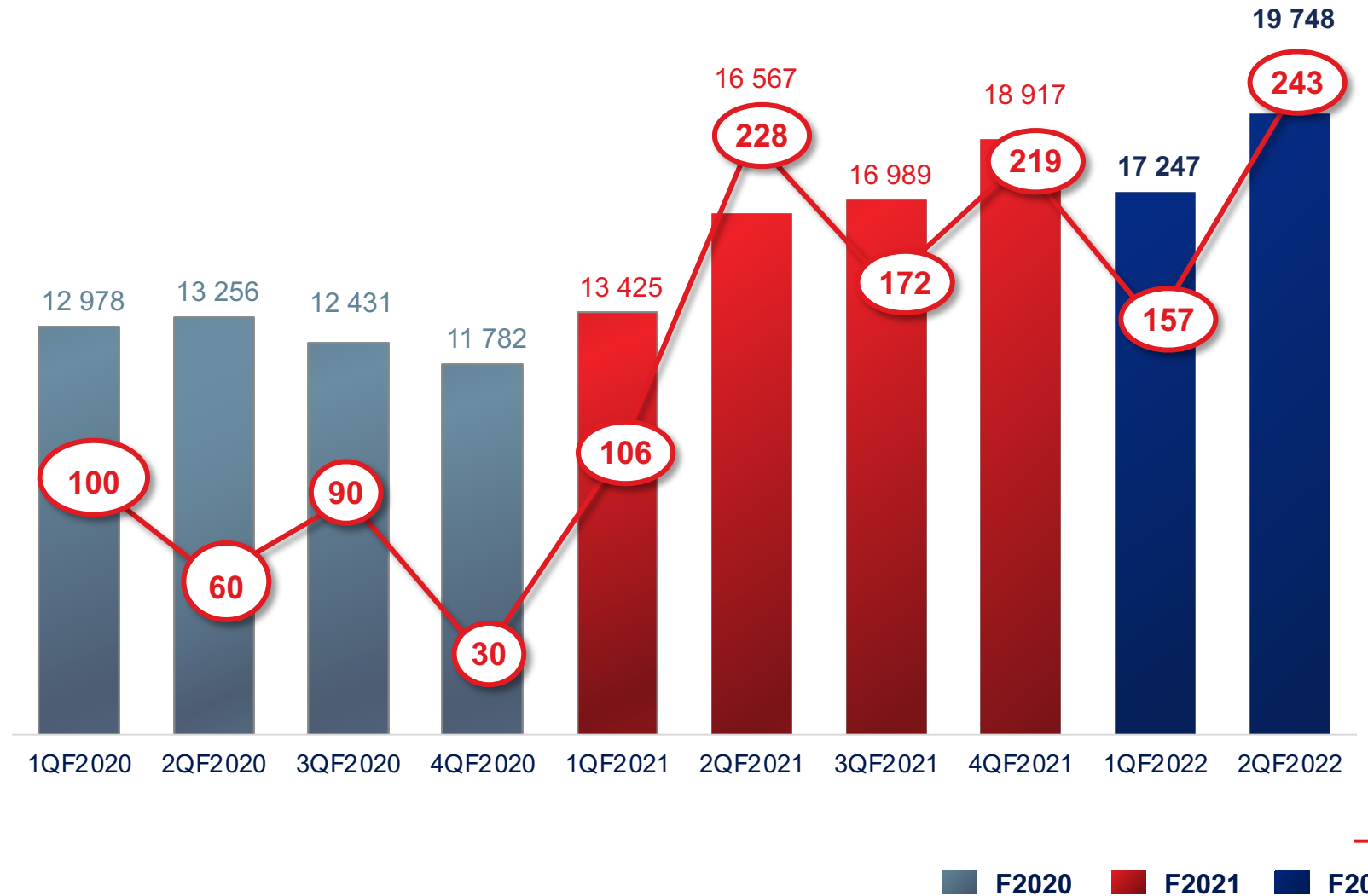
Momentum Metropolitan Africa
+38%

Momentum Corporate
+37%

Momentum Investments
+22%

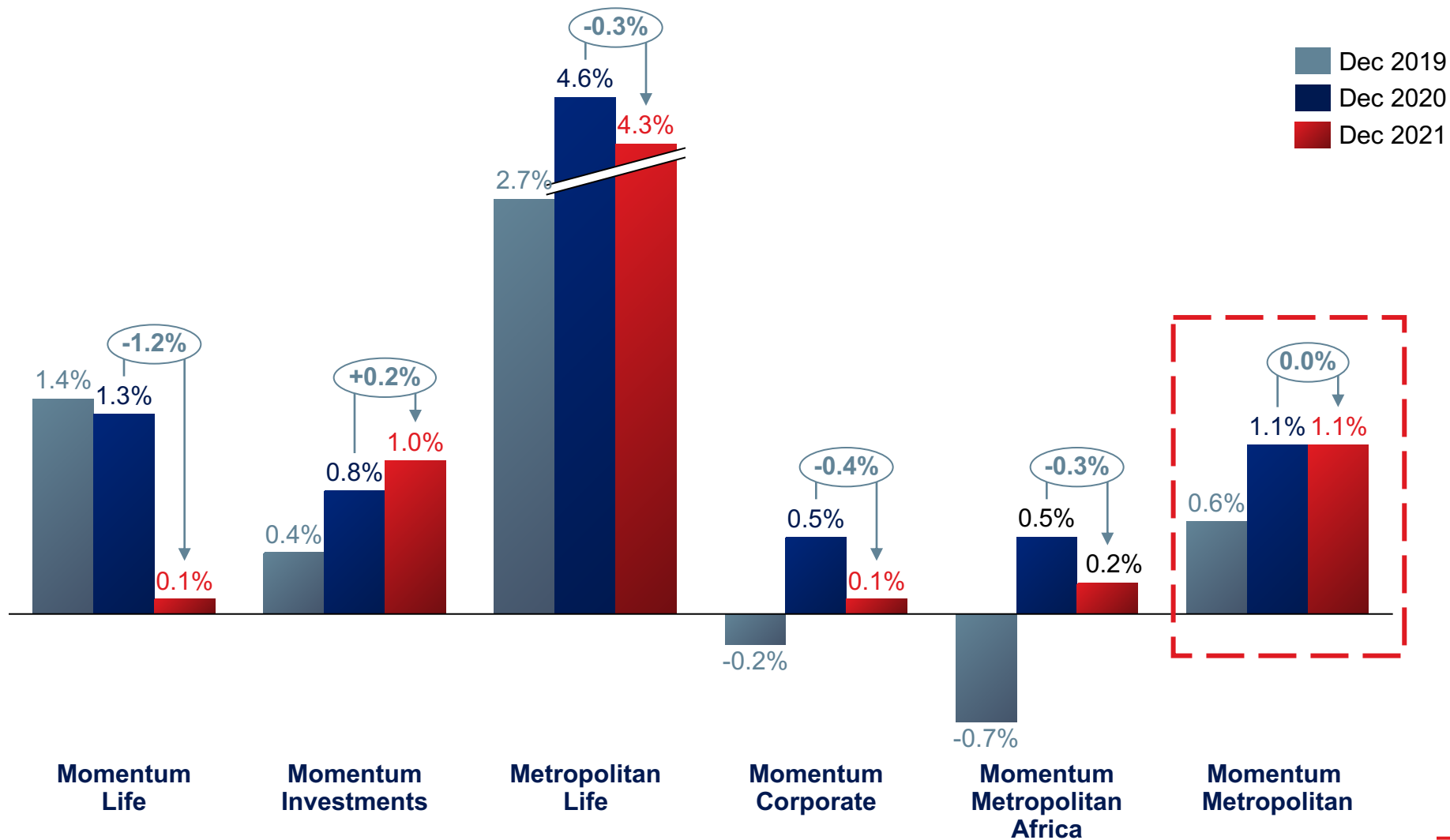
Momentum Life
-3%

PVNB and value of new business (R'million)



New business margin in line with prior period

New business margin (%)

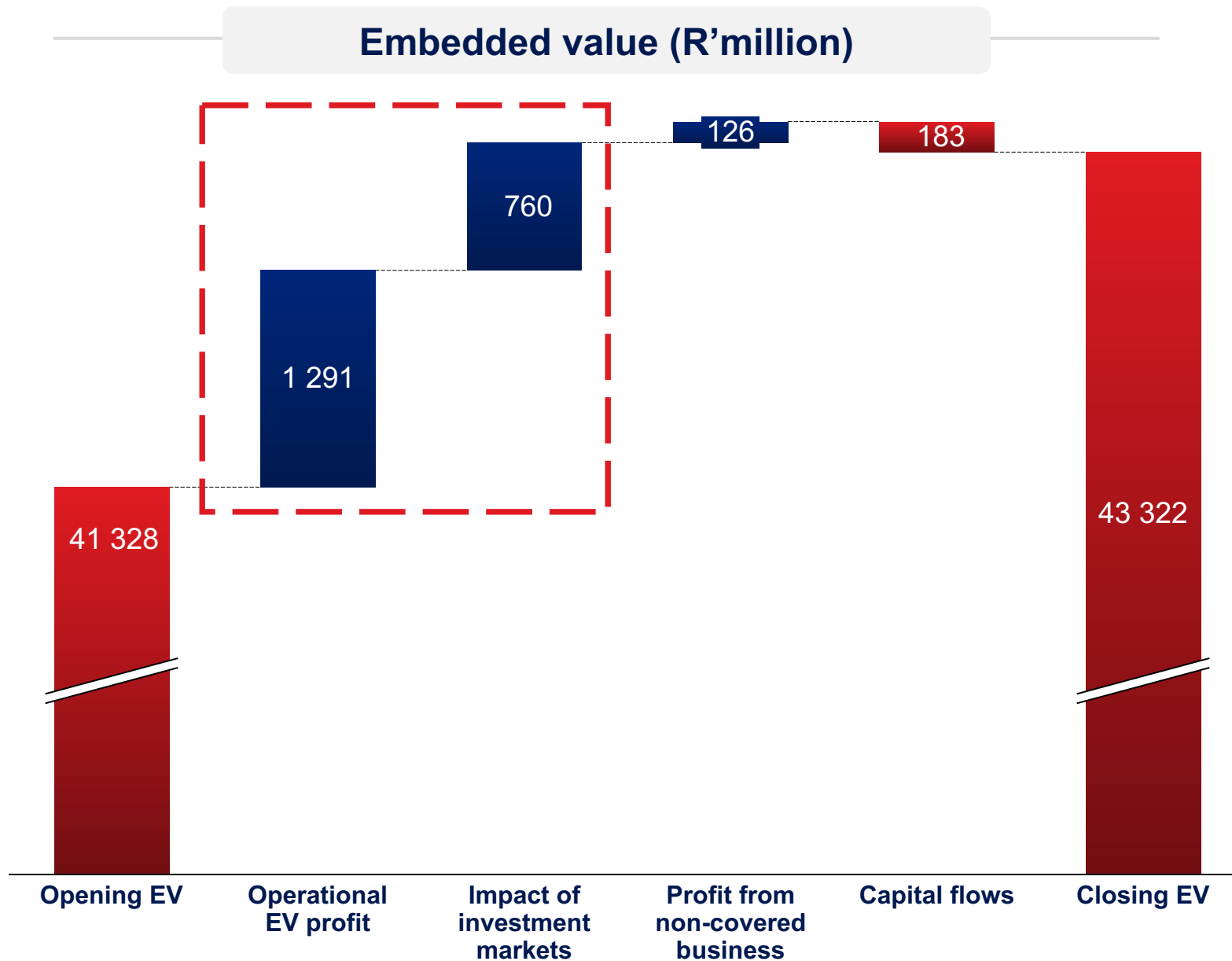


Embedded value per share up 4%

Strong operational EV profit, aided by less severe Covid-19 mortality impact

R28.39
EV per share

10.8%
annualised ROEV per share



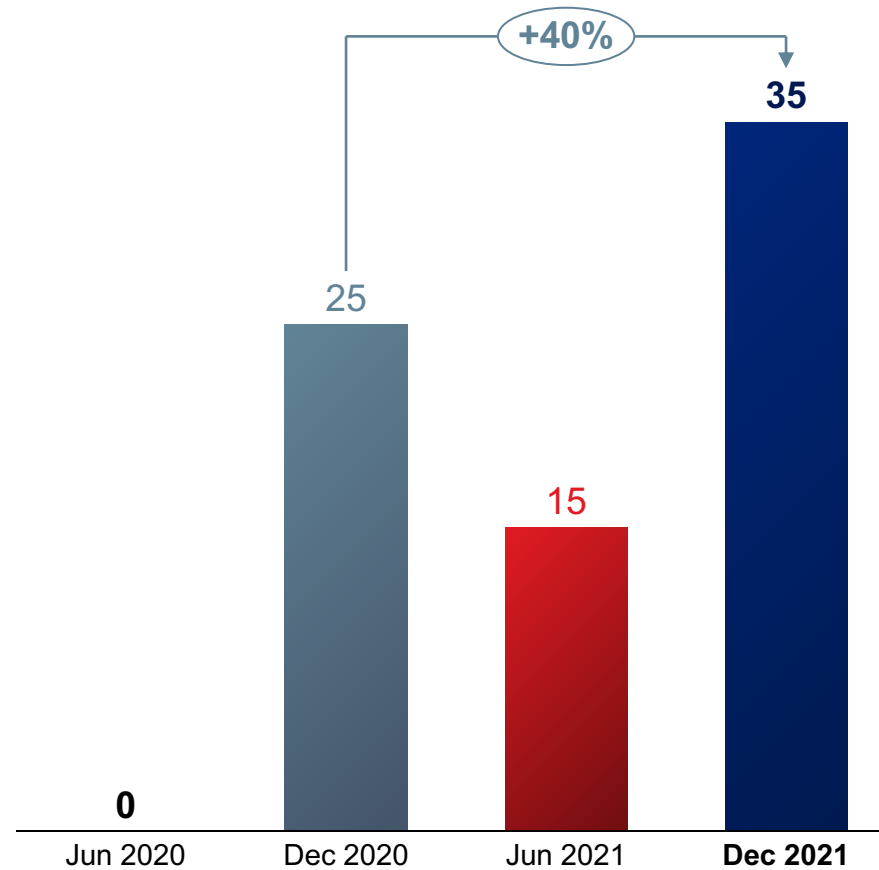
Interim ordinary dividend up to 35 cents per share

40% increase from 25 cents per share

2.9 times NHE

2.0 to 3.0 times NHE dividend cover target range

Dividend per ordinary share (cents)



Capital cover remains within target levels

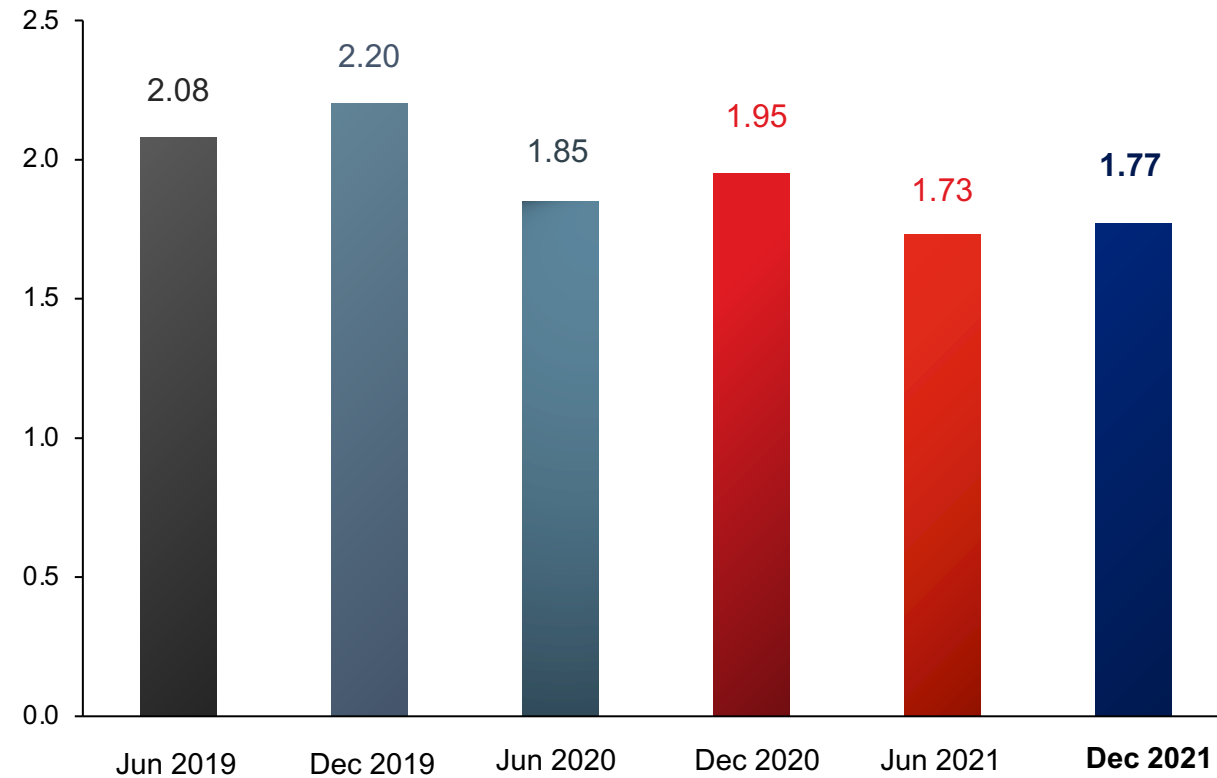
MML cover improved from positive investment experience and strong contribution from new business

Guardrisk Insurance cover increased from **1.13** to **1.28**

Guardrisk Life cover increased from **1.14** to **1.16**

Momentum Insure SCR cover **1.58**

Momentum Metropolitan Life



Other current topical matters

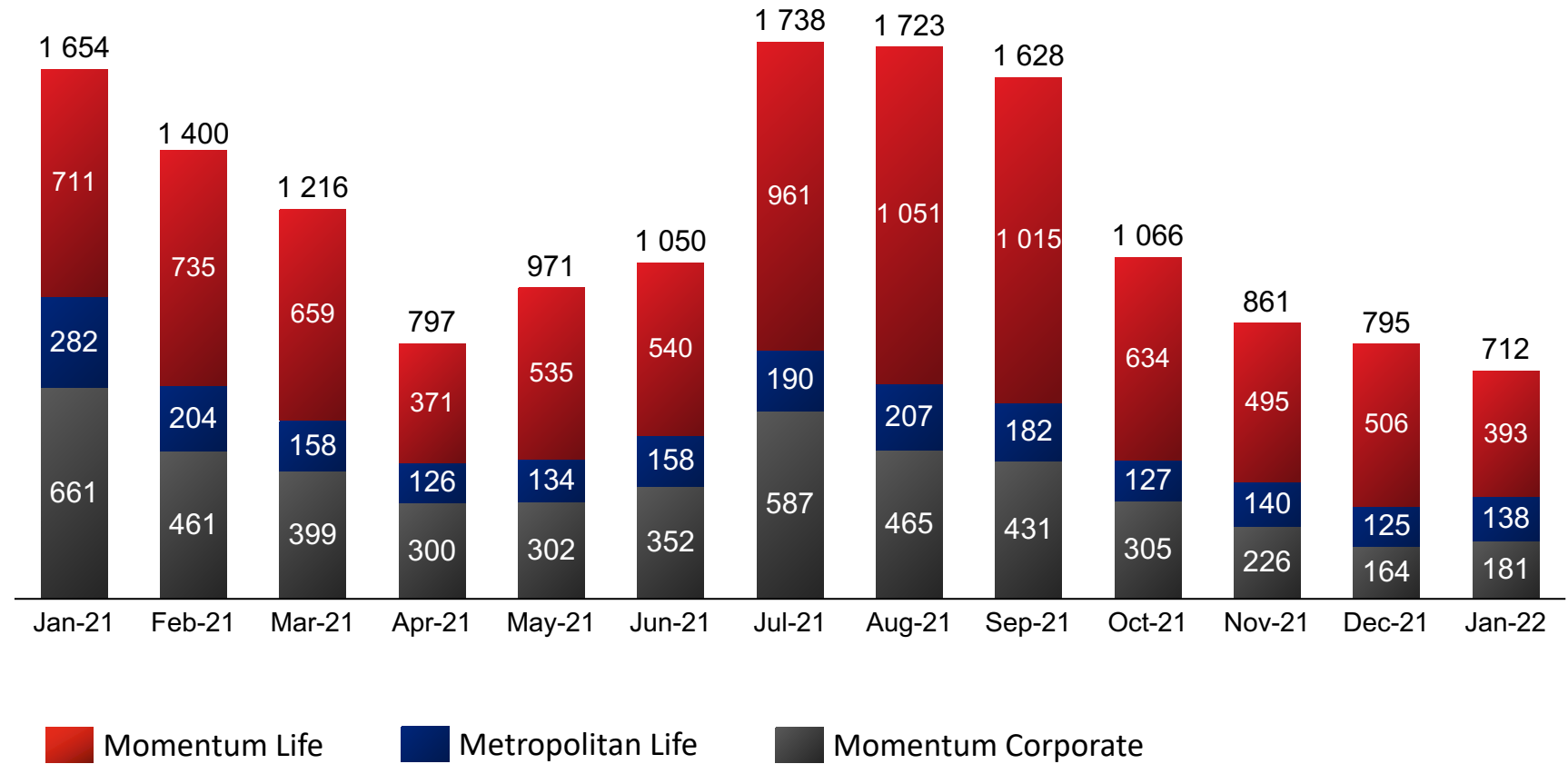
- 1 Mortality claims experience
- 2 Non-covered business valuations
- 3 Venture capital funds



Mortality claims experience

Third wave
proportionally
more severe for
Momentum Life

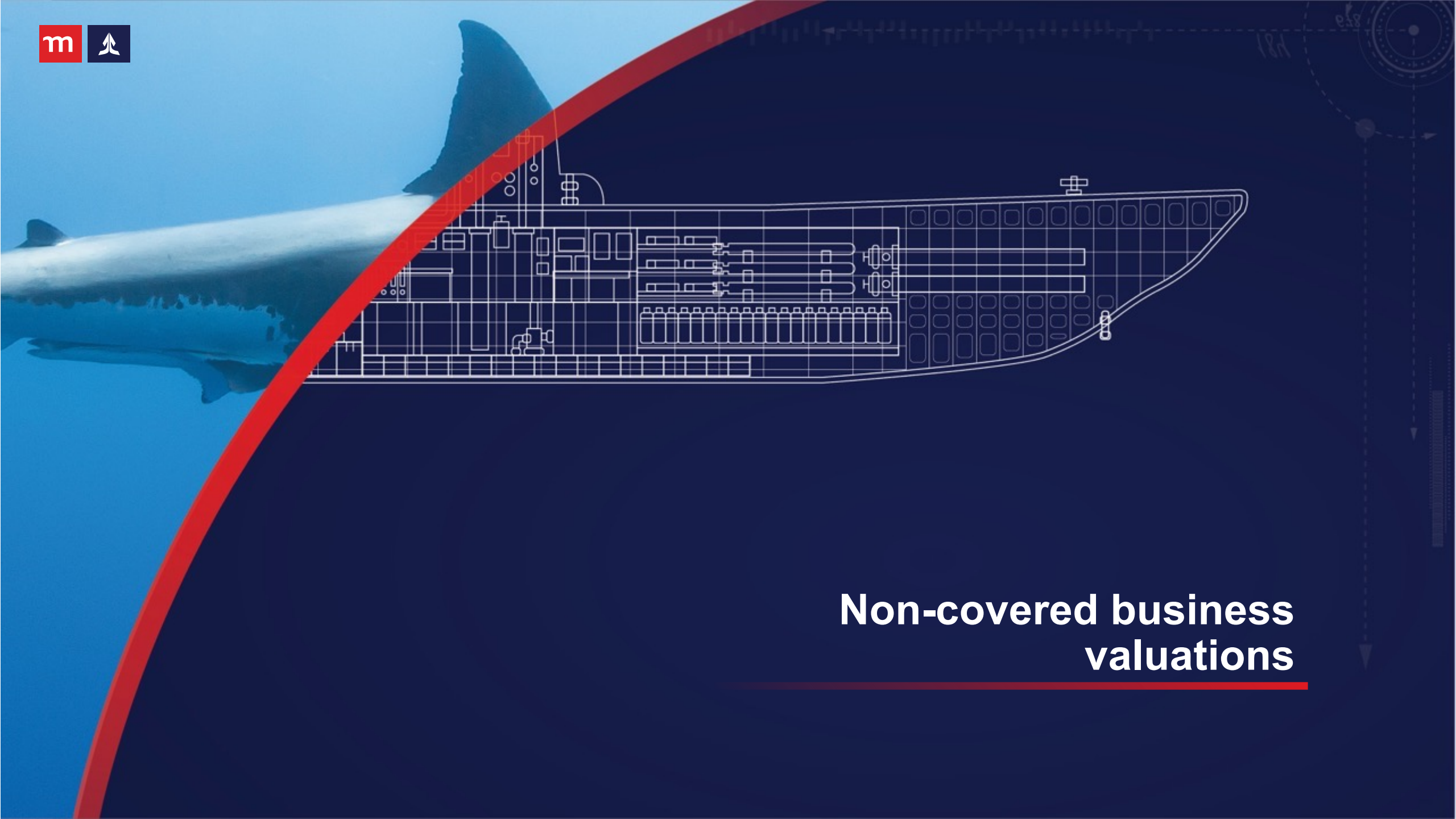
Amount of death claims (gross of reinsurance)
(R'million)



Momentum Metropolitan mortality impact on NHE

Mortality experience variance

R'million	Momentum Life	Momentum Investments	Metropolitan Life	Momentum Corporate	Total
Excess mortality – Protection	(903)	(35)	(137)	(513)	(1 588)
Excess mortality – Annuities	-	137	51	37	225
Excess mortality	(903)	102	(86)	(476)	(1 363)
Reduction to annuitants reserve	-	(20)	-	-	(20)
Covid-19 provisions utilised	568	-	87	439	1 094
NHE impact	(335)	82	1	(37)	(289)
Covid-19 provisions as % of 1H2022 experience	18%	-	185%	57%	



Non-covered business valuations

Non-covered business valuations recovery continues

Momentum Investments RoEV
+17.6%

Guardrisk RoEV
+17.1%

Momentum Metropolitan Health RoEV
+19.0%

Momentum Insure RoEV
-47.2%

Non-covered valuation as % of total EV

Non-covered subsidiaries	Valuation		EV Earnings		RoEV	
	1HF2021	1HF2022	1HF2021	1HF2022	1HF2021	1HF2022
Established Businesses	9 353	10 404	900	(22)	21.8%	(0.4)%
New Initiatives	1 746	1 933	(33)	22	(4.5)%	2.4%
Head office	(2 336)	(785)	(296)	125	(29.6)%	18.5%
Total non-covered	8 763	11 552	571	125	14.8%	2.2%
<i>Excluding Momentum Insure</i>	6 402	9 591	458	854	17.0%	20.4%

Venture capital funds



Investment in venture capital funds

Insights and learnings from participation in investment processes

Expanded the network of start-ups involved in MMH integration efforts, including Comparisure, LifeQ and Root Insurance

Current valuation of close to **R2 billion**

R'million	Investment	Current valuation
4Di Exponential Technology	140	185
Anthemis Exponential Ventures	470	1 593
Anthemis Venture Fund	63	215
Total	673	1 993

Winners

 SOKOWATCH

LifeQ[®]

Aerobotics

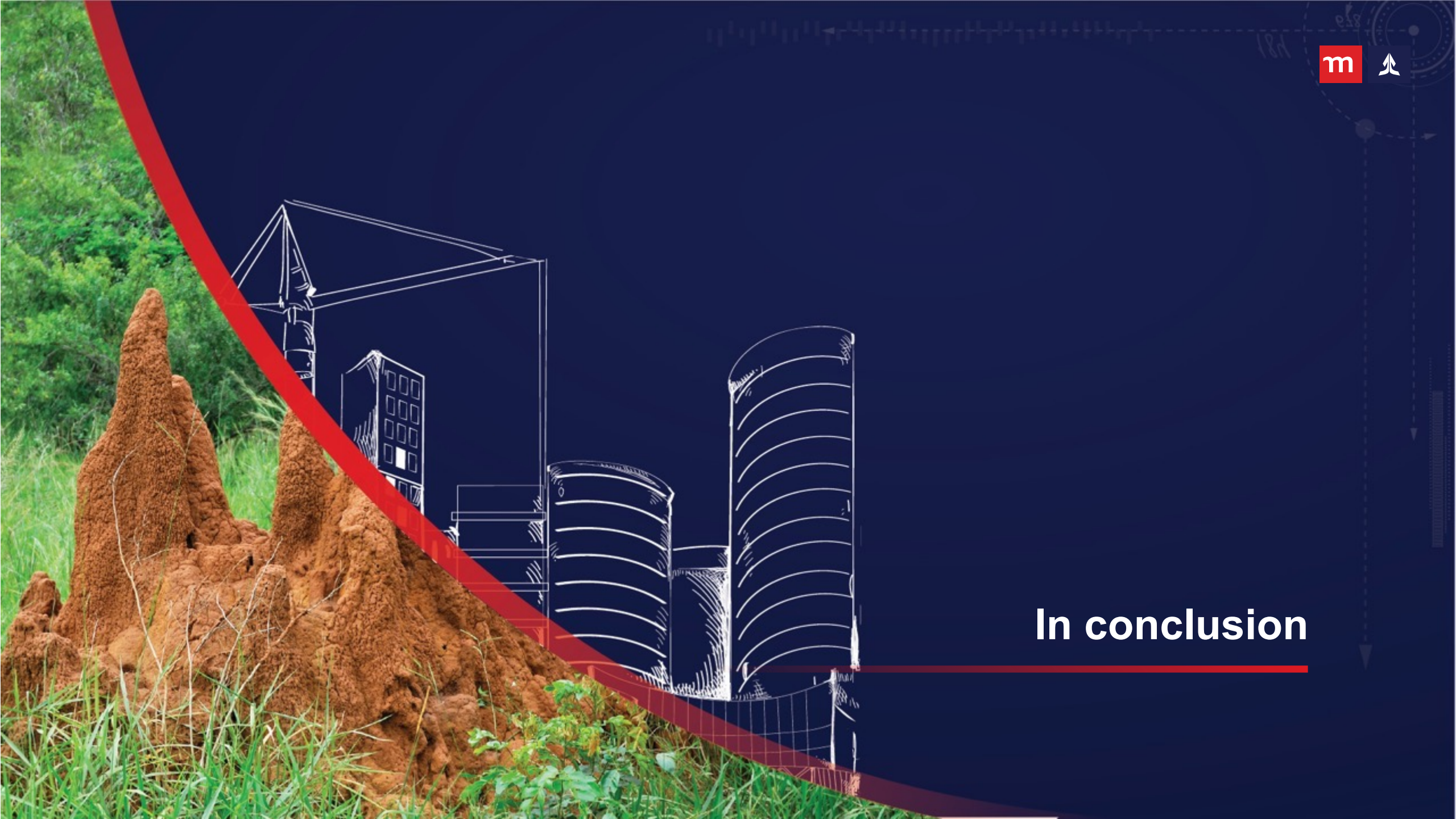
 Happy Money[®]

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In conclusion

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1

Mood / energy / spirit in the team much better than 12 months ago

In conclusion

1

Mood / energy / spirit in the team much better than 12 months ago

2

Need to leverage off our culture and ensure ongoing collaboration

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Focus on delivery to maintain near 100% buy-in for Reinvent & Grow

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4

My top 3 priority list; (1) Myriad sales (2) Insure GWP and (3) Africa

In conclusion

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Mood / energy / spirit in the team much better than 12 months ago

2

Need to leverage off our culture and ensure ongoing collaboration

3

Focus on delivery to maintain near 100% buy-in for Reinvent & Grow

4

My top 3 priority list; (1) Myriad sales (2) Insure GWP and (3) Africa

5

Employee resilience and commitment need to be applauded



Thank you
