

# AMENDED FINANCIAL RESULTS ANNOUNCEMENT

Amended operating update and condensed consolidated  
interim financial statements for the six months ended  
31 December 2021



# AMENDED OPERATING UPDATE

For the six months ended 31 December 2021



MOMENTUM METROPOLITAN HOLDINGS LIMITED  
 Incorporated in the Republic of South Africa  
 Registration number: 2000/031756/06  
 JSE share code: MTM  
 A2X share code: MTM  
 NSX share code: MMT  
 ISIN code: ZAE000269890  
 (Momentum Metropolitan or the Group)

MOMENTUM METROPOLITAN LIFE LIMITED  
 Incorporated in the Republic of South Africa  
 Registration number: 1904/002186/06  
 Company code: MMIG  
 (Momentum Metropolitan Life)

## AMENDED OPERATIONAL UPDATE FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

### Summary of key metrics

Key metrics	1HF2022	1HF2021	Δ%
Headline earnings per share (cents)	91.4	55.9	64%
Normalised headline earnings per share (cents) <sup>1</sup>	101.7	67.6	50%
Earnings per share (cents)	48.4	62.8	(23)%
Normalised headline earnings (R million)	1 525	1 012	51%
Operating profit (R million) <sup>2, 3</sup>	895	890	1%
Investment return (R million) <sup>3</sup>	630	122	>100%
New business volumes (PVNBP, R million)	36 995	29 992	23%
Value of new business (R million)	400	334	20%
New business margin	1.1%	1.1%	
Diluted embedded value per share (Rand)	28.39	27.39	4%
Return on embedded value (annualised %)	10.8%	13.2%	
Return on equity <sup>4</sup> (%)	15.9%	10.1%	
Dividend per share (cents)	35	25	40%

<sup>1</sup> Normalised headline earnings adjust the JSE definition of headline earnings for the dilutive impact of finance costs related to preference shares that can be converted into ordinary shares of the Group, the impact of treasury shares held by policyholder funds and the iSabelo Trust, the amortisation of intangible assets arising from business combinations, B-BBEE costs and the amortisation of the discount at which the iSabelo Trust acquired the Momentum Metropolitan treasury shares. The adjustment for the impact of treasury shares removes mismatches that are unique to financial institutions that invest in their own securities on behalf of clients.

<sup>2</sup> Operating profit represents the profits (net of tax) that are generated from the Group's operational activities and reflects normalised headline earnings excluding the investment return on shareholder funds.

<sup>3</sup> Operating profit and investment return have been amended to correct an error in the attribution of normalised headline earnings in the Non-life Insurance segment.

<sup>4</sup> Return on equity expresses normalised headline earnings as a percentage of net asset value, adjusted for the items outlined in footnote 1 and the adjusting items to determine headline earnings. Comparatives are reported for the first time.

## MOMENTUM METROPOLITAN DELIVERS DOUBLE-DIGIT SALES GROWTH

### Focus on clients and advisers reaps rewards

#### Overview of financial results

Momentum Metropolitan delivered a solid performance during the six months ended 31 December 2021 (1HF2022). The value of the Group's diversified financial services business model was evident, with strong positive contributions from Momentum Investments, Momentum Corporate and Guardrisk, ensuring that Group results remained resilient, despite some business units being adversely impacted by Covid-19 mortality claims and weather-related claims. The highlight of the reporting period is the strong recovery in headline earnings, as well as strong growth in new business premium volumes. We believe this is due to us maintaining a proactive, external focus on advisers and clients during the pandemic.

We are pleased with Momentum Metropolitan's financial performance considering the significant impact of the third

Covid-19 wave on this set of results. The Group delivered R1 525 million of normalised headline earnings for the six months ended 31 December 2021, 51% higher than the comparative period in the prior year (prior period).

This result includes an operating profit of R895 million<sup>3</sup>, an increase of 1% from the prior period, which was restricted by net mortality losses of R378 million (net of reinsurance and tax) during the six months (after the release of R1 113 million of existing Covid-19 provisions). Operating profit in Momentum Life and Metropolitan Life was further negatively impacted by investment variances as a result of the change in the shape and level of the yield curve at long durations as well as the market implied inflation outlook.

The significant increase in investment returns from R122 million to R630 million<sup>3</sup> resulted from the general recovery of investment markets, fair value gains from the revaluation of the Group's investment in venture capital funds, and foreign exchange gains on foreign currency-based assets.

Normalised headline earnings per share increased by 50% from 67.6 cents to 101.7 cents. Headline earnings per share increased by 64% from 55.9 cents to 91.4 cents whereas earnings per share of 48.4 cents declined from 62.8 cents, 23% lower relative to the prior period. This decline in earnings is largely attributable to a partial write-off of the goodwill recognised on the acquisition of the Alexander Forbes Short-term Insurance business.

The Group's present value of new business premiums (PVNBP) increased to R37 billion, a strong 23% improvement from the prior period. Momentum Investments delivered excellent performance on the Momentum Wealth investment platform business and life annuities. Metropolitan Life continued to deliver significant growth in protection new business, while Momentum Corporate saw strong growth in recurring premium volumes on group risk products. Momentum Metropolitan Africa also saw pleasing new business volume growth.

The Group's value of new business (VNB) grew 20% from the prior period to R400 million, driven by strong new business volumes and good expense management. The new business margin remained stable at 1.1%.

The Group remains well capitalised. The regulatory solvency positions of all the Group's entities remain within their target ranges. For Momentum Metropolitan Life, the Group's main life insurance entity, the Solvency Capital Requirement (SCR) cover improved from 1.73 times SCR at 30 June 2021 to 1.77 times SCR at 31 December 2021. The group SCR cover for Momentum Metropolitan Holdings remained at 1.5 times SCR.

An interim ordinary dividend of 35 cents per ordinary share was declared, representing a 40% increase from the 25 cents per share interim ordinary dividend declared in the prior period. The interim ordinary dividend represents a dividend cover of 2.9 times normalised headline earnings.

Return on equity (ROE) for 1HF2022 was 15.9%, up from 10.1% in the prior period. The improvement follows the Group's financial

performance improvement and is evidence of the benefits of the diversified set of businesses in the Group's corporate portfolio.

Group embedded value per share was R28.39 on 31 December 2021. The return on embedded value per share was an annualised 10.8% for the first half of F2022, assisted by an improvement in operating experience variance and strong investment markets.

#### Reinvent and Grow strategy

The implementation of our Reinvent and Grow strategy commenced in earnest during the first half of F2022. The main elements of the strategy, which will receive our focus, include:

- Mastering digitalisation, which will result in a significant change in the way we interact with clients and advisers, improving both efficiencies and user experience. All our business units have embraced the challenge to rethink products and processes and several digital transformation initiatives are underway. A recent highlight was the roll-out of our VIA adviser engagement platform used in the Momentum retail ecosystem, which will serve as a platform for further

improvements in adviser experience in the future.

- Ensuring that the strategic objectives deliver revenue and efficiency improvements that will contribute to our objective of improving the Group's return on equity to between 18% and 20% by F2024.
- Achieving above-average growth from Non-life Insurance, which will be an important contributor to achieving our financial objectives. New business volumes in Momentum Insure were put under pressure, as a result of executing a merger in the midst of the Covid-19 pandemic. We are confident that the mitigating actions put in place will support the business in getting back on a growth path.
- Launching several initiatives across the Group to create alternative distribution opportunities that are better suited for digital-native consumers.
- Refreshing our existing distribution channels, including consolidating on the recent improvements in the Metropolitan Life agency channel to ensure that we develop these into sustainable competitive advantages.

## CONSOLIDATED GROUP FINANCIAL PERFORMANCE

### Group financial performance

The normalised headline earnings of the Group increased by 51% to R1 525 million, and include an increase of 1% in operating profit<sup>3</sup>, and a substantial increase in investment returns.

The following table outlines the contribution from operating profit and investment return to normalised headline earnings per business unit:

R million	1HF2022			1HF2021			Δ%		
	Operating profit	Investment return	Normalised headline earnings	Operating profit	Investment return	Normalised headline earnings	Operating profit	Investment return	Normalised headline earnings
Momentum Life	(44)	74	30	274	58	332	<(100)%	28%	(91)%
Momentum Investments	438	51	489	460	(20)	440	(5)%	>100%	11%
Metropolitan Life	232	36	268	298	30	328	(22)%	20%	(18)%
Momentum Corporate	302	68	370	(236)	24	(212)	>100%	>100%	>100%
Momentum Metropolitan Health	93	1	94	90	(4)	86	3%	>100%	9%
Non-life Insurance <sup>3</sup>	233	70	303	241	17	258	(3)%	>100%	17%
Momentum Metropolitan Africa	(30)	37	7	190	114	304	<(100)%	(68)%	(98)%
<b>Normalised headline earnings from operating business units<sup>3</sup></b>	<b>1 224</b>	<b>337</b>	<b>1 561</b>	<b>1 317</b>	<b>219</b>	<b>1 536</b>	<b>(7)%</b>	<b>54%</b>	<b>2%</b>
New Initiatives	(300)	1	(299)	(258)	1	(257)	(16)%	0%	(16)%
Shareholders segment	(29)	292	263	(169)	(98)	(267)	83%	>100%	>100%
<b>Normalised headline earnings<sup>3</sup></b>	<b>895</b>	<b>630</b>	<b>1 525</b>	<b>890</b>	<b>122</b>	<b>1 012</b>	<b>1%</b>	<b>&gt;100%</b>	<b>51%</b>

### Operating profit

Operating profit increased by 1% year-on-year to R895 million<sup>3</sup>, mainly restricted by net mortality losses of R378 million (net of reinsurance, releases from existing Covid-19 provisions, and tax) in the life insurance businesses. Momentum Life and Momentum Metropolitan Africa were most severely impacted by Covid-19 related claims. Operating profit in Momentum Life and Metropolitan Life was further impacted by negative investment variances, resulting from changes in the shape (flatter curve)

and level (decline at long durations) of the yield curve and an increase in market implied inflation. Operating profit in Momentum Investments was impacted by the ongoing implementation expenses incurred to replace the current legacy investment platform in Momentum Wealth. Momentum Corporate benefited from materially improved underwriting results. Non-life Insurance benefited from excellent underlying operational growth in Guardrisk, offset by the negative impact from weather-related claims in Momentum Insure.

### Investment return

Investment returns improved from R122 million to R630 million<sup>3</sup>. This growth includes the impact from a recovery in investment markets and the recognition of the net asset value gain on a cell recently taken over by Guardrisk. The significant growth in the Shareholders segment's investment return was also due to fair value gains from the revaluation of the Group's investment in venture capital funds and foreign exchange gains on the Group's foreign assets.

## IMPACT OF THE COVID-19 PANDEMIC ON THE GROUP

The Covid-19 pandemic continued to impact the Group's results during the first half of F2022, as discussed in the sections below. The overall change in the Group's specific Covid-19 provision (net of tax) is shown below:

### Impact of provision release on normalised headline earnings

R million	Mortality	Morbidity	Non-life insurance claims	Terminations	Total
Provision at 30 June 2021	1 854	71	54	50	2 029
<b>Release of provisions</b>	<b>(1 113)</b>	<b>(35)</b>	<b>(30)</b>	<b>(12)</b>	<b>(1 190)</b>
Momentum Life	(568)	(17)	-	-	(585)
Momentum Investments <sup>5</sup>	20	-	-	-	20
Metropolitan Life	(87)	-	-	(12)	(99)
Momentum Corporate	(439)	(18)	-	-	(457)
Momentum Metropolitan Africa	(39)	-	-	-	(39)
Non-life Insurance	-	-	(30)	-	(30)
<b>Provision at 31 December 2021</b>	<b>741</b>	<b>36</b>	<b>24</b>	<b>38</b>	<b>839</b>

<sup>5</sup> The release of provisions includes an increase in annuity technical provisions in Momentum Investments.

The total provisions available at the start of F2022 amounted to R2 029 million (net of tax). During the first half of F2022, the provision was reduced by R1 190 million, leaving R839 million (net of tax) in provisions.

Following a sufficiency assessment, no new provisions were created at 31 December 2021. The sufficiency of the existing provisions will be reassessed again in June 2022.

### Mortality experience

In South Africa, the third wave of the pandemic, driven by the Delta variant, reached its peak during the first quarter of F2022 and the Group experienced much elevated mortality claims. The provisions against Covid-19 related experience previously created, were enough to offset the impact of excess claims in Metropolitan Life and Momentum Corporate. However, Momentum Life and Momentum Metropolitan Africa

continued to experience net mortality losses even after provision releases. During the first quarter, the Group's South African life insurance businesses paid R4.6 billion in mortality claims (gross of reinsurance and tax), representing three times the pre-pandemic quarterly average. The Group reported net mortality losses of R327 million.

The fourth wave, driven by the Omicron variant, was underway by 31 December 2021,

the end of the reporting period. Across all businesses, the claims experience from this wave is significantly less severe than the third wave. For the second quarter of F2022, the South African life insurance businesses paid R2.4 billion in gross mortality claims. The Group saw net mortality losses of R51 million, bringing the total net mortality losses for the first half of F2022 to R378 million.

The table below shows the contribution from each of the Group's businesses to the net mortality losses of R378 million for the first half of F2022.

R million	Momentum Life	Momentum Investments	Metropolitan Life	Momentum Corporate	Momentum Metropolitan Africa	Total
Mortality experience variance	(903)	(35)	(137)	(513)	(133)	(1 721)
Annuity experience variance	-	137	51	37	5	230
Change in annuity technical reserves	-	(20)	-	-	-	(20)
Covid-19 provision release	568	-	87	439	39	1 133
<b>Net mortality losses</b>	<b>(335)</b>	<b>82</b>	<b>1</b>	<b>(37)</b>	<b>(89)</b>	<b>(378)</b>

#### Business interruption insurance

By 31 December 2021, Guardrisk had settled most of its business interruption claims, with only 52 claims outstanding that have an estimated gross value of R152 million. Up to 31 December 2021, Momentum Insure had

35 business interruption claims with an estimated gross value of R33 million outstanding. In both Guardrisk and Momentum Insure, many of these claims have indemnity periods that have not yet run their course.

The remaining provision against business interruption claims is seen as sufficient to absorb the impact of the outstanding claims in Guardrisk and Momentum Insure.

### INVESTMENT VARIANCE

Investment variances are included in operating profit and are shown below net of tax. The table below sets out the investment variance by business unit and reflects the various offsetting impacts experienced over the period.

R million	1QF2022	2QF2022	1HF2022	1QF2021	2QF2021	1HF2021	Δ%
Momentum Life	40	(240)	(200)	34	(213)	(179)	(12)%
Momentum Investments	10	9	19	23	65	88	(78)%
Metropolitan Life	(57)	(2)	(59)	4	17	21	<(100)%
Momentum Corporate	(21)	56	35	25	26	51	(31)%
Momentum Metropolitan Africa	(11)	59	48	31	43	74	(35)%
Shareholders segment	16	24	40	-	-	-	
<b>Total investment variance</b>	<b>(23)</b>	<b>(94)</b>	<b>(117)</b>	<b>117</b>	<b>(62)</b>	<b>55</b>	<b>&lt;(100)%</b>

The movement in total investment variance was mainly impacted by the change in the shape and level of the yield curve at long durations, and the increase in market implied inflation.

In Momentum Life, the protection business is sensitive to changes in the yield curve at long durations. The lower yields after the 13-year

point on the yield curve resulted in worsening investment variances. This negative impact was somewhat offset by an improvement in the investment variances on the savings and traditional business that improved in line with the equity market recovery.

The negative investment variance in Metropolitan Life is mainly related to yield

curve movements resulting from the increase in expected inflation.

The positive investment variances in Momentum Investments and Momentum Corporate are mainly attributable to improved markets and the hedging in place for products with participation features.

### CONSOLIDATED GROUP NEW BUSINESS PERFORMANCE

Key metrics	1HF2022	1HF2021	Δ%
Recurring premiums (R million)	2 299	1 791	28%
Single premiums (R million)	26 684	21 597	24%
PVNBP (R million)	36 995	29 992	23%
Value of new business (R million)	400	334	20%
New business margin	1.1%	1.1%	

The table below shows the PVNBP by business unit for each quarter of 1HF2022:

R million	1QF2022	2QF2022	1HF2022	1HF2021	Δ%
Momentum Life	1 736	1 759	3 495	3 609	(3)%
Momentum Investments	11 059	11 891	22 950	18 746	22%
Metropolitan Life	1 730	1 826	3 556	2 551	39%
Momentum Corporate	1 520	3391	4 911	3 582	37%
Momentum Metropolitan Africa	1 202	881	2 083	1 504	38%
<b>Total PVNBP</b>	<b>17 247</b>	<b>19 748</b>	<b>36 995</b>	<b>29 992</b>	<b>23%</b>

The Group's PVNBP for the six months was R37.0 billion, an improvement of 23% from the prior period. Momentum Life saw lower protection new business volumes, this was slightly offset by improved volumes on long-term savings business. Momentum Investments delivered solid growth in structured products, annuities, and on Momentum Wealth's investment platform business. Metropolitan Life saw good growth in annuity single premiums and recurring premium protection new business, most

notably in the higher-margin funeral product range. Momentum Corporate delivered pleasing new business volume growth in recurring premium group risk products together with good growth in annuities. Momentum Metropolitan Africa also saw pleasing new business volume growth, driven by corporate savings new business in Lesotho and Botswana, together with strong retail annuity and protection business sales in Namibia.

The 20% improvement in VNB to R400 million was driven by strong new business volumes and good expense management across the Group. The Group's new business margin was 1.1%.

## EMBEDDED VALUE

Embedded value earnings (R million)	1HF2022	1HF2021	Δ%
Embedded value at the start of the period	41 328	38 524	
Change in embedded value before capital flows	2 177	2 457	(11)%
Embedded value earnings from operations (covered business)	1 291	1 048	23%
Embedded value earnings attributable to investment markets	760	838	(9)%
Embedded value profit from non-covered businesses	126	571	(78)%
Capital flows	(183)	(143)	(28)%
<b>Embedded value at the end of the period</b>	<b>43 322</b>	<b>40 838</b>	<b>6%</b>
Return on embedded value (ROEV) <sup>6</sup>	10.8%	13.2%	
ROEV on covered business <sup>6</sup>	14.2%	12.7%	
ROEV on non-covered business <sup>6</sup>	2.2%	14.8%	
<b>ROEV per share<sup>6</sup></b>	<b>11.0%</b>	<b>13.6%</b>	

<sup>6</sup>Annualised ROEV is reported for interim reporting periods.

The growth in the Group's embedded value results for the six months ended 31 December 2021 was mainly attributable to embedded value earnings from covered operations. This was driven by improved investment returns, growth in the value of new business, and ongoing positive expense variances, which were observed across all South African covered businesses, contributing R82 million to embedded value profit. Despite the release of some of

the existing Covid-19 provisions, mortality and morbidity experience in Momentum Life continued to impact embedded value profits negatively by R368 million. Negative termination experience from the correction of system issues in the Metropolitan Life book reduced embedded value profit by R77 million.

Embedded value profit from non-covered business was satisfactory across several

operations, including fair value gains related to the Group's venture capital investments. The exception to this was Momentum Insure, where a slower growth trajectory than was anticipated at the acquisition of the Alexander Forbes Short-term Insurance business led to a R708 million downward adjustment to the goodwill held. A similar reduction was applied to the carry value of this business within the Group's embedded value.

## SEGMENTAL PERFORMANCE

### Momentum Life

R million	1HF2022	1HF2021	Δ%
Operating (loss)/profit	(44)	274	<(100)%
Investment return	74	58	28%
<b>Normalised headline earnings</b>	<b>30</b>	<b>332</b>	<b>(91)%</b>
Recurring premium new business	495	520	(5)%
Single premium new business	1 034	997	4%
PVNBP	3 495	3 609	(3)%
Value of new business	5	46	(89)%
New business margin	0.1%	1.3%	

#### Normalised headline earnings

Momentum Life normalised headline earnings declined from R332 million to R30 million. This includes a decline in operating profit from a profit of R274 million to a loss of R44 million, mainly because of the severe impact of the third wave of Covid-19 on mortality claims experience, resulting in net mortality losses of R335 million. While gross claims halved in the second quarter of F2022, they remained well above the pre-pandemic levels relative to the first quarter.

Yield curve shifts at the longer durations, to which the protection business is particularly

sensitive, impacted earnings negatively with investment variances worsening by R21 million from the prior period to negative R200 million. This was somewhat offset by an improvement in the investment variances on the savings and traditional business, in line with the equity market recovery.

Morbidity experience worsened slightly, due to a catch-up of critical illness claims, following a period of lower-than-expected claims during the initial period of Covid-19 lockdown conditions. This was offset by a positive expense variance and better than expected persistency experience.

#### New business

Momentum Life's PVNBP declined by 3% year-on-year to R3.5 billion, primarily driven by lower protection new business volumes. New business volumes in long-term savings business improved.

Value of new business declined from R46 million to R5 million. This was mainly attributable to the lower protection new business volumes, economic assumption changes related to yield curve movements, and the shift in the new business mix towards more long-term savings business. As a result, new business margin declined to 0.1%.

### Momentum Investments

R million	1HF2022	1HF2021	Δ%
Operating profit	438	460	(5)%
Investment return	51	(20)	>100%
<b>Normalised headline earnings</b>	<b>489</b>	<b>440</b>	<b>11%</b>
Recurring premium new business	110	88	25%
Single premium new business	22 505	18 414	22%
PVNBP	22 950	18 746	22%
Value of new business	232	144	61%
New business margin	1.0%	0.8%	

#### Normalised headline earnings

Normalised headline earnings increased 11% to R489 million. The operating profit decline of 5% to R438 million was mainly attributable to implementation expenses of replacing Momentum Wealth's legacy investment platform. Operating profits from annuities and structured products declined marginally due to lower credit spreads and the impact of yield curve movements. The investment management businesses in South Africa and the United Kingdom (UK) saw an increase in asset-based fee income

due to the combination of favourable market movements, positive net client cashflows, and the inclusion of the results of Seneca Investment Managers for a full six months (compared to one month in the prior period).

#### New business

PVNBP for Momentum Investments improved 22% to R23.0 billion, driven by strong new business volumes on guaranteed annuities and on the Momentum Wealth investment platform.

The value of new business increased significantly from R144 million to R232 million, benefiting from the increase in new business volumes, a change in new business mix towards higher margin annuities, and excellent expense management. These contributed to the improvement in the new business margin to 1.0%.



## Assets under management and administration

R billion	1HF2022	1HF2021	Δ%
On-balance sheet Momentum Wealth	138	115	20%
Off-balance sheet Momentum Wealth	79	63	25%
Non-covered business (investment management)	546	454	20%
<b>Assets under management and administration</b>	<b>763</b>	<b>632</b>	<b>21%</b>

Assets under management on the Momentum Wealth investment platform business and on the non-covered investment management business increased by 22% and 20%, respectively. This was supported by positive market movements, strong growth

in new business inflows, and lower outflows. The acquisition of Seneca Investment Managers in the UK also contributed R16 billion to the growth in institutional assets under management.

## Metropolitan Life

R million	1HF2022	1HF2021	Δ%
Operating profit	232	298	(22)%
Investment return	36	30	20%
<b>Normalised headline earnings</b>	<b>268</b>	<b>328</b>	<b>(18)%</b>
Recurring premium new business	876	667	31%
Single premium new business	815	592	38%
PVNBP	3 556	2 551	39%
Value of new business	152	117	30%
New business margin	4.3%	4.6%	

### Normalised headline earnings

Metropolitan Life's normalised headline earnings declined by 18% to R268 million. Operating profit declined by 22% to R232 million, mainly impacted by a negative investment variance and deterioration in persistency experience. The R69 million negative persistency experiences primarily related to the correction of system and operational issues, mainly related to the migration of the administration system, rather than deterioration in collection experience.

Operating profit was further negatively affected by investment variances of negative

R59 million, mainly related to an increase in market implied inflation (i.e. due to the real curve declining more than the nominal curve).

Mortality experience was better than expected in the Covid-19 reserve modelling and a zero-mortality experience variance was recorded for the first half, after the release of R87 million of the Covid-19 provision.

### New business

Metropolitan Life continued to see strong new business growth. PVNBP increased by 39% to R3.6 billion compared to the prior period. This includes a 45% growth in protection

new business. Adviser productivity continued to exceed pre-pandemic levels, benefiting from a more experienced sales force, digital enablement and adoption, and the launch of new client solutions.

VNB growth of 30% to R152 million was largely attributable to the increased sales in higher margin protection, annuity and structured single premium new business. This resulted in a new business margin of 4.3%. The decline in the new business margin from 4.6% to 4.3% was mainly attributable to actuarial assumption changes (on 30 June 2021) and expense growth.

## Momentum Corporate

R million	1HF2022	1HF2021	Δ%
Operating profit/(loss)	302	(236)	>100%
Investment returns	68	24	>100%
<b>Total normalised headline earnings</b>	<b>370</b>	<b>(212)</b>	<b>&gt;100%</b>
Recurring premium new business	581	300	94%
Single premium new business	1 299	1 109	17%
PVNBP	4 911	3 582	37%
Value of new business	6	19	(68)%
New business margin	0.1%	0.5%	

### Normalised headline earnings

Momentum Corporate's normalised headline earnings increased from a loss of R212 million in the prior period to a profit of R370 million in the current period. The turnaround in operating profit from a loss of R236 million to a profit of R302 million was aided by strong earnings growth in the disability business, with income disability benefiting from ongoing focused claims management and the re-pricing programme that has taken place over the last three years, mortality experience variance on income disability claims in payment, and better return-to-work experience.

Mortality claims experience improved from a loss of R102 million in the prior period to a loss of R37 million, in the current period after the release of R439 million (net of tax) of the Covid-19 provision. Expenses continued to be well-managed.

### New business

Momentum Corporate's PVNBP of R4.9 billion increased by 37% compared to the prior period. This was largely due to a strong 94% growth in recurring premium volumes on group risk products, including the onboarding of a large client for protection business in

the second quarter. Single premium volumes increased by 17%, driven by improved annuity sales.

The VNB decline from R19 million to R6 million is attributable to the new business mix being more weighted toward lower margin products and smaller FundsAtWork schemes which carry relatively higher expenses. This translated to a new business margin of 0.1%.

## Momentum Metropolitan Health

R million	1HF2022	1HF2021	Δ%
Operating profit	93	90	3%
Investment returns	1	(4)	>100%
<b>Normalised headline earnings</b>	<b>94</b>	<b>86</b>	<b>9%</b>

### Normalised headline earnings

Momentum Metropolitan Health's normalised headline earnings of R94 million were 9% higher than the prior period. This result was mainly driven by fee income generated from continued growth in the low cost product (Health4Me) and public sector membership, as well as lower Health4Me claims and prudent expense management.

During the period Momentum Metropolitan Health completed a Broad-based black

economic empowerment (B-BBEE) transaction with strategic partners, which led to a change in the Group's shareholding in Momentum Health Solutions (from 100% to 73%) and Metropolitan Health Corporate (from 51% to 71%). Through this transaction, the National Education, Health and Allied Workers' Union (NEHAWU) Investment Holdings (the investment company of NEHAWU), POPCRU Group of Companies (the investment company of the Police and Prisons Civil Rights Union) and black

business leaders were introduced as shareholders in both entities. This transaction became effective on 10 December 2021.

### Membership

Membership grew by 6% year-on-year, which was mainly attributable to the continued growth of the public sector and Health4Me membership. Organic membership growth in the corporate and mining segments remains tightly linked to general economic growth and was thus subdued.

## Non-life Insurance

R million	1HF2022	1HF2021	Δ%
Guardrisk	295	171	73%
Momentum Insure	8	87	(91)%
<b>Normalised headline earnings</b>	<b>303</b>	<b>258</b>	<b>17%</b>
Operating profit <sup>3</sup>	233	241	(3)%
Investment return <sup>3</sup>	70	17	>100%

### Normalised headline earnings

The normalised headline earnings for Non-life Insurance improved by 17% to R303 million. Investment returns on shareholder assets increased sharply due to the recognition of the net asset value of a cell recently taken over at a discount to net asset value. This investment return increase was slightly offset by the 3% decrease in operating profit resulting from a decline in Momentum Insure's normalised headline earnings.

### Guardrisk

Guardrisk's normalised headline earnings increased by 73% relative to the prior period, to R295 million. Operating profit growth was aided by increased management fees from the mining rehabilitation and the life divisions and pleasing growth in underwriting profits of 53%. Investment return benefited from the recognition of the value of a cell that was recently taken over at a discount to its net asset value, increasing normalised headline

earnings by R55 million. Guardrisk's industry and product diversification across the cells continues to offset the impact that Covid 19 had in some of its areas.

R million	1HF2022	1HF2021	Δ%
Gross written premium <sup>7</sup>	1 970	1 659	19%
Net earned premium	778	782	(1)%
Claims incurred	(354)	(428)	(17)%
Acquisition cost	(226)	(225)	0%
<b>GGI underwriting profit<sup>8</sup></b>	<b>198</b>	<b>129</b>	<b>53%</b>

<sup>7</sup> Gross written premiums are disclosed for the first time. In previous reporting periods gross earned premium was disclosed.

<sup>8</sup> The underwriting profit in this table is the total for GGI, a division of Guardrisk Insurance Company Limited. This amount differs from the underwriting fees that are disclosed in the Non-life Insurance segmental income statement in the Condensed Financial Statements for the six months ended 31 December 2021.

### Momentum Insure

From 1 July 2021, results are reported for Momentum Insure as a single business, following the license consolidation and completion of the first phase of the integration of the two previous businesses.

Normalised headline earnings in Momentum Insure declined from R87 million to R8 million. This was driven by severe weather-related claims due to the heavy rainfall over the second quarter.

The performance of the direct face-to-face sales force acquired from Alexander Forbes in 2019 was negatively impacted by Covid-19. The weaker general economy over the past 18 months and the complexities with the integration of all the different sales channels on a single line of business system resulted in new business volumes across all channels not achieving the targets expected. Future new business is not expected to fully recover

the gap created, which has necessitated a R708 million downward adjustment to the goodwill recognised as part of the acquisition of the Alexander Forbes Short-term Insurance business.

Persistency experience improved against the prior period and remained well within appetite.

Key ratios	1HF2022	1HF2021	Δ%
Net earned premium (R million)	1 374	737	87%
Claims ratio	68.4%	62.3%	

The prior period benefited from lower motor claims under stricter lockdown conditions. In contrast, the current period claims ratio of 68.4% was weakened by exceptionally wet

weather in the summer rainfall areas during the second quarter. The rainfall was scattered and persistent resulting in continuous losses and no meaningful aggregation that could be

claimable from the catastrophe reinsurance protection.

### Momentum Metropolitan Africa

R million	1HF2022	1HF2021	Δ%
Namibia	28	151	(81)%
Botswana	(2)	54	<(100)%
Lesotho	73	125	(42)%
Ghana	9	56	(84)%
Other countries	(14)	(14)	0%
Centre costs	(87)	(68)	(28)%
<b>Normalised headline earnings</b>	<b>7</b>	<b>304</b>	<b>(98)%</b>
Operating (loss)/profit	(30)	190	<(100)%
Investment return	37	114	(68)%
Recurring premium new business	237	216	10%
Single premium new business	1 031	485	113%
PVNBP	2 083	1 504	38%
Value of new business	5	8	(38)%
New business margin	0.2%	0.5%	

### Normalised headline earnings

Normalised headline earnings declined from R304 million to R7 million mainly due to significantly higher mortality and morbidity claims in both Namibia and Botswana during the first quarter, negative economic assumption changes in Namibia and the non-repeat of a prior period positive one-off operating assumption change in Lesotho. Investment return declined partially due to a lower asset base, following remittances made to the Group.

Net mortality losses amounted to R89 million (net of reinsurance and tax), after releasing Covid-19 provisions of R39 million.

The decline in normalised headline earnings in Namibia was mainly driven by an increase in mortality claims as well as negative economic assumption changes. This was slightly offset by improved persistency experience variance.

Botswana's decline was largely due to mortality losses in the corporate business, a lower contribution from the credit life business and high claims experience in the health business.

Lesotho's normalised headline earnings deterioration resulted from the non-repeat of a positive one-off operating assumption change in the prior period and increased claims experience in the health insurance business. This was partially offset by positive persistency experience in the life business, as well as investment variances on savings business that recovered in line with the market recovery.

In Ghana, the decline was mainly due to the negative impact of an expense assumption change and high claims experience in the health business.

The increase in central costs is driven by a few one-off expenses, including withholding

tax on remittances from the country entities to the Group.

The Group has successfully completed its exit from Eswatini, Nigeria, Mauritius, Tanzania and Zambia. We also continue to investigate the most effective option to exit the businesses in Kenya.

### New business

PVNB for Momentum Metropolitan Africa improved by 38% to R2.1 billion. This is attributable to strong corporate new business growth in Namibia, Lesotho and Botswana and solid growth in the retail savings and annuity business in Namibia and Botswana.

The VNB decline was largely due to a shift in new business mix away from protection products towards savings products in Lesotho. This was partially offset by the increase corporate business volumes in Namibia and Botswana. Overall, the new business margin was 0.2%.

### New Initiatives

New Initiatives includes Aditya Birla Health Insurance (a health insurance joint venture with Aditya Birla Capital in India), Multiply Money (a bundled transactional banking and savings solution), the operating expenses of Exponential Ventures, as well as other local start-up operations. The remaining minority holding in aYo, a mobile insurance business in selected African countries, was exited during the first quarter of F2022.

R million	1HF2022	1HF2021	Δ%
Aditya Birla Health Insurance <sup>9</sup>	(240)	(145)	(66)%
aYo	(1)	(68)	99%
Other <sup>10</sup>	(58)	(44)	(32)%
<b>Normalised headline earnings</b>	<b>(299)</b>	<b>(257)</b>	<b>(16)%</b>

<sup>9</sup> Results for the India investment are reported with a three-month lag. Results include support costs incurred by Momentum Metropolitan outside of the joint venture.

<sup>10</sup> "Other" includes Exponential Ventures, Multiply Money and Momentum Consult.

### Aditya Birla Health Insurance

Gross written premiums (GWP) increased by 30% to R1.6 billion, with strong growth in both retail and group business. ABHI's operational performance was negatively impacted by the sharp increase in the number and average size of Covid-19 related claims between 1 April 2021 to 30 September 2021<sup>9</sup>.

ABHI continues to build scale and differentiation while maintaining a focus on expense management. ABHI sustained

its focus on offering extensive end-to-end digital service, supporting channel growth, and diversifying its business. The business has maintained its growth trajectory and is performing broadly in accordance with the business case despite the negative impact of Covid-19 related claims.

### aYo

The share of losses has declined following the strategic decision to sell our remaining stake in aYo to MTN. The disposal transaction

was finalised in September 2021.

### Other

The largest other new initiative is Multiply Money. This initiative bundles a low-cost transactional facility with a savings account that offers competitive interest rates, without restrictive requirements such as minimum balances and lock-in periods. The rewards from Momentum Multiply and voluntary deposits made by clients can be deposited into the savings account.

## Shareholders segment

R million	1HF2022	1HF2021	Δ%
Operating loss	(29)	(169)	83%
Investment return	292	(98)	>100%
Investment income	(17)	26	<(100)%
Fair value gains/(losses)	309	(124)	>100%
<b>Normalised headline earnings</b>	<b>263</b>	<b>(267)</b>	<b>&gt;100%</b>

The Shareholders segment's normalised headline earnings of R263 million represent a significant improvement on the prior period.

Operating profits improved from a loss of R169 million to a loss of R29 million, mainly resulting from foreign exchange gains recognised in the UK holding entity and

the impact from the restructuring of lease arrangements on the Group's owner-occupied properties.

Investment return increased from a loss of R98 million in the prior period to positive earnings of R292 million. This was driven by a fair value gain of R228 million from

the revaluation of the Group's investment in venture capital funds, and R72 million of foreign currency gains on venture capital investments.

## SOLVENCY AND CAPITAL MANAGEMENT

### Regulatory solo solvency position of the Group's insurance entities

The solo SCR for the Group's regulated insurance entities were as follows:

Regulatory solvency position as at 31 December 2021	Momentum Metropolitan Life	Guardrisk Insurance	Guardrisk Life	Momentum Insure
<b>R million</b>				
Eligible own funds (pre dividend)	29 042	3 074	3 795	1 052
SCR	16 380	2 406	3 280	664
<b>SCR cover (times)</b>	<b>1.77</b>	<b>1.28</b>	<b>1.16</b>	<b>1.58</b>

Regulatory solvency position as at 30 June 2021	Momentum Metropolitan Life	Guardrisk Insurance	Guardrisk Life	MSTI	Momentum Insurance
<b>R million</b>					
Eligible own funds (pre dividend)	28 030	2 781	3 789	538	470
SCR	16 169	2 460	3 333	309	279
<b>SCR cover (times)</b>	<b>1.73</b>	<b>1.13</b>	<b>1.14</b>	<b>1.74</b>	<b>1.69</b>

Momentum Metropolitan Life has adopted a target range for regulatory solvency cover of 1.6 to 2.0 times the SCR. The regulatory solvency position of Momentum Metropolitan Life improved from 1.73 times SCR at 30 June 2021 to 1.77 times SCR at 31 December 2021. This improvement was predominantly due to an increase in own funds, reflecting good investment experience and new business over the period. While significant Covid-19 mortality claims were observed in the third wave, this adverse experience was largely offset by Covid-19 provision releases resulting in a small net negative impact on the solvency ratio. The increase in own funds was offset by a slight increase in the SCR. A reduction in market risk (mainly due to lower equity risk following good market performance and higher funding levels) was offset by the impact of lower long duration yields on underwriting risks.

The SCR cover for Guardrisk Insurance increased from 1.13 times SCR to

1.28 times SCR, supported by the implementation of revised reinsurance cover for the underwritten business. The SCR cover for Guardrisk Life increased from 1.14 times SCR to 1.16 times SCR due to strengthening cell solvency and improving claims experience. In both entities, the solvency position remains above the risk appetite thresholds of 1.05 times SCR.

The SCR cover for Momentum Insure was 1.58 times SCR at 31 December 2021. On 1 July 2021, all existing Momentum Insurance business was transferred to Momentum Insure. The SCR cover reduced mainly due to weaker claims experience over the quarter ended 31 December 2021 due to severe weather-related claims experience.

### Regulatory group solvency position for Momentum Metropolitan Holdings

The group solvency position continues to be calculated in line with the provisions of the Comprehensive Parallel Run. The

group solvency position is determined by aggregating the results of all the underlying entities under the regulatory framework, after the elimination of intra-group arrangements.

Momentum Metropolitan Holdings group has adopted a target range for regulatory solvency cover of 1.4 to 1.7 times the SCR. As at 31 December 2021, Momentum Metropolitan Holdings group SCR cover remained broadly unchanged at 1.5 times SCR. The group SCR cover is also impacted by the restrictions applied to the own funds of cell captive insurers, and if Guardrisk were excluded from the result, the SCR cover would increase to 1.6 times SCR at 31 December 2021.

## Capital deployment

Momentum Metropolitan allocates capital to support value creation within the businesses. This is underpinned by the appropriate return on capital targets linked to the Group hurdle rate framework and its strategic objectives.

The following strategic investments and disposals were made during the period:

Areas of capital deployment	R million
Momentum Investments	145
Momentum Corporate	13
Momentum Metropolitan Africa	(10)
New Initiatives	(25)
Shareholders segment	52
<b>Total</b>	<b>175</b>

During the six months ended 31 December 2021, capital was deployed to Momentum Investments to support the funding of Momentum Wealth's investment platform upgrade and the deferred payment on a recent asset management acquisition in the UK. In New Initiatives, R292 million was deployed to ABHI (our health insurance joint venture in India) and R187 million was received from the disposal of the Group's minority interest in the aYo business. The deployment in the Shareholders segment relates to the renovation of the Group's owner-occupied properties.

### Dividends

Momentum Metropolitan declared an interim ordinary dividend of 35 cents per ordinary share in respect of the six months ended 31 December 2021, a 40% increase from the 25 cents per share interim ordinary dividend declared in the prior period. The interim ordinary dividend represents a dividend cover of 2.9 times normalised headline earnings. The pay-out is within the target dividend cover range of 2.0 to 3.0 times normalised headline earnings.

### OUTLOOK

We are satisfied with the underlying operational performance of the Group, and we are encouraged by the growth in new business volumes. The sales growth speaks to our improved ability to meet adviser and client needs.

Looking ahead, we remain cautious about the pace of economic recovery across our operations, as disposable income remains under pressure because of depressed economic activity and the impact of international political turbulence. The timing and magnitude of future Covid-19 waves also remain uncertain. We foresee an ongoing hybrid way of work, and our spatial planning suggests long-term cost savings from reduced need for office space. However, we are also looking forward to connecting in a physical office environment with our employees, to the extent that Covid-19 allows. We want to get optimal productivity back on track – particularly in areas such as client service where delivery suffered due to people working from home.

We are navigating through this challenging period with strong solvency and liquidity positions and a strong governance framework around capital allocation decisions. This financial strength enables our portfolio of businesses to focus on delivering on the strategic objectives under their control and not be constrained by any external shocks that might arise in due course. This allows us to remain focused on delivering the objectives of our Reinvent and Grow strategy, especially the various digital transformation-related initiatives that are receiving increased attention.

While earnings could remain volatile, in some of the Group's businesses, the benefits of a diversified corporate portfolio are clear. We continue to estimate that in the absence of extraneous shocks, the underlying level of normalised headline earnings for the Group is around R800 million to R900 million per quarter. We also believe that the Reinvent and Grow financial targets for F2024 (normalised headline earnings of R4.6 billion to R5.0 billion and ROE of 18% to 20%) remain realistic, despite the modest macroeconomic backdrop.

8 March 2022  
CENTURION

*The information in this commentary, including the financial information on which the outlook is based, has not been reviewed and reported on by Momentum Metropolitan's external auditors.*

### Equity sponsor

Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

### Debt sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)

# AMENDED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Amended unaudited results for the six months  
ended **31 December 2021**



# MOMENTUM METROPOLITAN

## Amended condensed consolidated interim financial statements for the six months ended 31 December

### CONTENTS

17	Directors' statement
20	Condensed consolidated statement of financial position
21	Condensed consolidated income statement
22	Consolidated statement of comprehensive income
23	Consolidated statement of changes in equity
24	Condensed consolidated statement of cash flows
25	Notes to the condensed consolidated interim financial statements
62	Embedded value information
73	Additional information
76	Stock exchange performance
77	Administration



## DIRECTORS' STATEMENT

---

The Board is pleased to present the unaudited condensed interim results of Momentum Metropolitan Holdings Ltd (MMH or the Company) and its subsidiaries (collectively Momentum Metropolitan or the Group) for the period ended 31 December 2021. The preparation of the Group's results was supervised by the Group Finance Director, Risto Ketola (FIA, FASSA, CFA Charterholder).

### Corporate events

#### Acquisitions

On 30 November 2020, the Group, through its wholly owned subsidiary, Momentum Global Investment Management Ltd (MGIM), acquired 100% of the shares in Seneca Investment Managers Ltd (Seneca) for £8.22 million in cash and £5 million contingent consideration. The initial accounting for the Seneca acquisition was provisionally determined and was presented as preliminary at 31 December 2020. The accounting was finalised at 30 June 2021 and the December 2020 period has been restated accordingly.

On 9 December 2020, the Group, through its 70% owned subsidiary, Momentum Short-term Insurance (Namibia) Ltd, acquired 100% in Alexander Forbes Insurance Company Namibia Ltd (AFIN). AFIN has since been renamed to Momentum Insurance (Namibia). The initial accounting for the AFIN acquisition was provisionally determined and was presented as preliminary at 31 December 2020 and 30 June 2021. The acquisition accounting has been finalised and has resulted in a revision of the purchase consideration from N\$40 million in cash and N\$10 million contingent consideration to N\$32 million in cash. The comparative periods have been restated accordingly.

#### Held for sale

Sales agreements were entered into for the sale of three properties during the prior financial year and were thus classified as held for sale. Of the three properties, two have been sold during the current period. The third property is still on track to be sold this financial year.

On 1 September 2021, the Group sold its 25% shareholding in aYo Holdings Ltd, as well as the related intellectual property, for \$20 million.

#### Other

The Group entered into a Broad-based black economic empowerment (B-BBEE) transaction with strategic partners during the current period in order to establish and enhance relationships that will encourage business and health value penetration in the government, public and private sector. The Group provided preference share funding to facilitate the transaction. The strategic restructuring resulted in a change of the Group's holdings in respect of two subsidiaries Metropolitan Health Corporate (Pty) Ltd (51% to 71%) and Momentum Health Solutions (Pty) Ltd (100% to 73%). No IFRS 2 Share-based payment expense has been recognised in respect of this transaction as all terms of the transaction are considered to be market related.

### Basis of preparation of financial information

These condensed consolidated interim financial statements have been prepared in accordance with the following:

- International Accounting Standard (IAS) 34 – Interim financial reporting;
- South African Institute of Chartered Accountants Financial Reporting Guides (as issued by the Accounting Practices Committee);
- Financial Pronouncements (as issued by the Financial Reporting Standards Council);
- JSE Listings Requirements; and
- South African Companies Act, 71 of 2008, as amended.

The accounting policies applied in the preparation of these financial statements are in terms of International Financial Reporting Standards (IFRS) and are consistent with those adopted in the June 2021 period except as described below and for specific restatements being listed in note 12. Critical judgements and accounting estimates are disclosed in detail in the Group's Annual Financial Statements (AFS) for the year ended 30 June 2021, including changes in estimates that are an integral part of the insurance business. The Group is exposed to financial and insurance risks, details of which are also provided in the Group's Integrated Report and AFS.

### New and revised standards effective for the period ended 31 December 2021 and relevant to the Group

The following new and amended standards became effective for the first time in the current period and had no impact on the Group's earnings or net asset value (NAV):

- Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

### Solvency assessment and going concern

In South Africa, the third wave of the pandemic, driven by the Delta variant, reached its peak during the first quarter of F2022 and the Group experienced elevated mortality. The provisions against Covid-19 related experience that were previously created, was enough to offset the impact of excess claims in Metropolitan Life and Momentum Corporate, however Momentum Life and Momentum Metropolitan Africa continued to experience net mortality losses after provision releases. During the first quarter, the Group's South African life insurance businesses paid R4.6 billion in mortality claims (gross of reinsurance and tax) and the Group reported net mortality losses of R327 million.

The fourth wave, driven by the Omicron variant, was underway by 31 December 2021. Although the peak was reached towards the end of December 2021, indications until the end of January 2022 are that the claims experience from this wave will be significantly less severe than the third wave across all businesses. For the second quarter of F2022, the South African life insurance businesses paid R2.4 billion in gross mortality claims and the Group saw net mortality losses of R51 million, bringing the total net mortality losses for the first half of F2022 to R378 million.

The total provisions available at the start of F2022 amounted to R2.0 billion (net of tax). During the first half of F2022, the provision was reduced by R1.2 billion. Following a sufficiency assessment, no new provisions were created at 31 December 2021. The sufficiency of the existing provisions will be reassessed in June 2022. Uncertainty still remains over long-term impacts that Covid-19 may have on the Group. Future mortality experience remains highly uncertain and is sensitive to variants of the virus and the pace of the vaccination programme. The Group remains profitable, with robust levels of capital and liquidity and a strong regulatory solvency position. The Board, through the Audit Committee and Actuarial Committee, has received reports and updates on the operational and financial performance. The Board is satisfied of the Group's solvency, taking into account its ability to withstand impacts from the continuously evolving environment, and its ability to continue as a going concern.

### Changes to the directorate, secretary and directors' shareholding

On 25 November 2021, Sello Moloko resigned as Board member and Chair and on the same date Peter Cooper was appointed as Interim Board Chair. Fatima Daniels (Jakoet) and Frans Truter retired from the Board on the same date.

All transactions in listed shares of the Company involving directors and prescribed officers were disclosed on the Stock Exchange News Service (SENS).

### Changes to the Group Executive Committee

Resignations	Role	Date
Zureida Ebrahim	CEO: Client engagement solutions	31 October 2021

## Contingent liabilities and capital commitments

The Group is party to legal proceedings and appropriate provisions are made when losses are expected to materialise. The Group is not aware of capital commitments at 31 December 2021 that were not in the ordinary course of business.

## Events after the reporting period

On 23 February 2022, the Minister of Finance announced that the corporate income tax rate will be reduced from 28% to 27%, effective for years of assessment ending on or after 31 March 2023. This decrease does not affect the amounts of current or deferred income taxes recognised by the Group as at 31 December 2021. However, this change will decrease the Group's future current tax and deferred tax accordingly. The various business units and functions within the Group will perform a detailed analysis in regards to the various direct and indirect impacts of the change in tax rate to 27%.

No other material events occurred between the reporting date and the date of approval of these results.

## Interim dividend declaration

### Ordinary shares

- On 7 March 2022, a gross interim ordinary dividend of 35 cents per ordinary share was declared by the Board.
- The dividend is payable out of income reserves to all holders of ordinary shares recorded in the register of the Company at the close of business on Friday, 1 April 2022, and will be paid on Monday, 4 April 2022.
- The dividend will be subject to local dividend withholding tax at a rate of 20% unless the shareholder is exempt from paying dividend tax or is entitled to a reduced rate.
- This will result in a net interim dividend of 28 cents per ordinary share for those shareholders who are not exempt from paying dividend tax.
- The last day to trade cum dividend will be Tuesday, 29 March 2022.
- The shares will trade ex dividend from the start of business on Wednesday, 30 March 2022.
- Share certificates may not be dematerialised or rematerialised between Wednesday, 30 March 2022 and Friday, 1 April 2022, both days inclusive.
- The number of ordinary shares at the declaration date was 1 497 475 356.
- MMH's income tax number is 975 2050 147.

### Preference shares

- Dividends of R18.5 million (31.12.2020: R18.5 million; 30.06.2021: R18.5 million) (132 cents per share p.a.) were declared on the unlisted A3 MMH preference shares as determined by the Company's Memorandum of Incorporation.

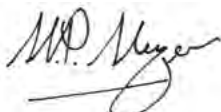
## The Board of directors' responsibility

The preparation of these results is the responsibility of the Board of directors. The condensed consolidated interim financial statements have not been reviewed or audited by the external auditors. A printed version of the SENS announcement may be requested from the office of the Group Company Secretary, Gcobisa Tyusha, tel: +27 12 673 1931 or [gcobisa.tyusha@mmltd.co.za](mailto:gcobisa.tyusha@mmltd.co.za).

Signed on behalf of the Board



**Peter Cooper**  
Interim Chair



**Hillie Meyer**  
Group Chief Executive

Centurion  
7 March 2022

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2021

	Notes	31.12.2021 Rm	Restated 31.12.2020 <sup>1</sup> Rm	Restated 30.06.2021 <sup>1</sup> Rm
<b>Assets</b>				
Intangible assets		9 051	10 338	9 939
Owner-occupied properties		3 029	3 120	3 033
Fixed assets		418	411	403
Investment properties		8 952	9 562	8 938
Properties under development		158	137	163
Investments in associates and joint ventures		1 278	1 172	1 156
Employee benefit assets		449	684	697
Financial assets at fair value through profit and loss (FVPL)	11	505 324	445 900	465 823
Financial assets at amortised cost	11	7 707	6 431	9 593
Reinsurance contract assets		7 528	6 744	6 819
Deferred income tax		756	790	756
Insurance and other receivables		7 193	6 223	6 354
Current income tax assets		140	173	456
Assets relating to disposal groups held for sale		77	118	171
Cash and cash equivalents	11	38 551	28 913	38 642
<b>Total assets</b>		<b>590 611</b>	<b>520 716</b>	<b>552 943</b>
<b>Equity</b>				
Equity attributable to owners of the parent		22 205	22 961	21 575
Non-controlling interests		368	387	348
<b>Total equity</b>		<b>22 573</b>	<b>23 348</b>	<b>21 923</b>
<b>Liabilities</b>				
Insurance contract liabilities				
Long-term insurance contracts	2	133 535	120 721	128 889
Non-life insurance contracts	2	14 408	12 489	13 495
Investment contracts	2	342 625	291 837	311 785
– with discretionary participation features (DPF)	11	3 055	18 516	19 222
– designated at FVPL	11	339 570	273 321	292 563
Financial liabilities at FVPL	11	47 916	45 491	47 410
Financial liabilities at amortised cost	11	4 385	4 679	4 182
Reinsurance contract liabilities		2 295	2 266	2 347
Deferred income tax		2 918	2 754	2 730
Employee benefit obligations		927	775	1 145
Other payables		18 686	15 974	18 829
Provisions		45	72	38
Current income tax liabilities		298	231	170
Liabilities relating to disposal groups held for sale		–	79	–
<b>Total liabilities</b>		<b>568 038</b>	<b>497 368</b>	<b>531 020</b>
<b>Total equity and liabilities</b>		<b>590 611</b>	<b>520 716</b>	<b>552 943</b>

<sup>1</sup>Refer to note 12 for more information on the restatements.

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the period ended 31 December 2021

	Notes	6 mths to 31.12.2021 Rm	Restated 6 mths to 31.12.2020 <sup>1</sup> Rm	12 mths to 30.06.2021 Rm
Net insurance premiums	2	18 916	17 454	36 832
Fee income	2, 2.3	4 486	4 245	8 911
Investment income		12 004	10 895	21 102
Net realised and unrealised fair value gains		31 074	6 444	40 233
<b>Net income</b>		<b>66 480</b>	<b>39 038</b>	<b>107 078</b>
Net insurance benefits and claims	2	16 258	14 879	31 141
Change in actuarial liabilities and related reinsurance		1 564	4 823	12 770
Change in long-term insurance contract liabilities		4 156	5 431	12 808
Change in non-life insurance contract liabilities		(74)	(87)	(77)
Change in investment contracts with DPF liabilities		(1 622)	55	763
Change in reinsurance assets		(265)	(206)	(140)
Change in reinsurance liabilities		(631)	(370)	(584)
Fair value adjustments on investment contract liabilities		30 603	14 084	34 188
Fair value adjustments on collective investment scheme (CIS) liabilities		2 343	(8 810)	2 816
Depreciation, amortisation and impairment expenses	2	1 215	622	1 273
Employee benefit expenses	2	3 384	3 112	6 511
Sales remuneration	2	3 805	3 494	6 989
Other expenses	2	3 770	3 755	7 402
<b>Expenses</b>		<b>62 942</b>	<b>35 959</b>	<b>103 090</b>
<b>Results of operations</b>		<b>3 538</b>	<b>3 079</b>	<b>3 988</b>
Share of loss of associates and joint ventures		(209)	(166)	(237)
Finance costs	6	(442)	(468)	(909)
<b>Profit before tax</b>		<b>2 887</b>	<b>2 445</b>	<b>2 842</b>
Income tax expense		(2 122)	(1 478)	(2 298)
<b>Earnings for the period</b>		<b>765</b>	<b>967</b>	<b>544</b>
<b>Attributable to:</b>				
Owners of the parent		697	909	451
Non-controlling interests		68	58	93
		<b>765</b>	<b>967</b>	<b>544</b>
Basic earnings per ordinary share (cents)	1	48.4	62.8	31.3
Diluted earnings per ordinary share (cents)	1	48.4	62.8	31.3

<sup>1</sup>Refer to note 12 for more information on the restatements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 December 2021

	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
Earnings for the period	765	967	544
Other comprehensive income/(loss), net of tax <sup>1</sup>	106	(470)	(738)
Items that may subsequently be reclassified to income	275	(285)	(469)
Exchange differences on translating foreign operations <sup>2</sup>	209	(275)	(381)
Share of other comprehensive income/(loss) of associates	66	(10)	(88)
Items that will not be reclassified to income	(169)	(185)	(269)
Own credit losses on financial liabilities designated at FVPL	(14)	(82)	(90)
Land and building revaluation	(173)	61	22
Remeasurements of post-employee benefit funds	(11)	(157)	(179)
Income tax relating to items that will not be reclassified	29	(7)	(22)
<b>Total comprehensive income/(loss) for the period</b>	<b>871</b>	497	(194)
<b>Total comprehensive income/(loss) attributable to:</b>			
Owners of the parent	800	449	(275)
Non-controlling interests	71	48	81
	<b>871</b>	497	(194)

<sup>1</sup> Included within other comprehensive income is nil (31.12.2020: negative R7 million; 30.06.2021: nil) relating to disposal groups held for sale at the end of the respective period.

<sup>2</sup> The movement is primarily caused by the weakening of the ZAR against the GBP, BWP, GHS, KES and USD. In the prior periods, the ZAR strengthened against these currencies.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2021

	Notes	6 mths to 31.12.2021 Rm	Restated 6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>Changes in share capital</b>				
Balance at beginning and end		9	9	9
<b>Changes in share premium</b>				
Balance at beginning		12 728	13 161	13 161
Net movement in treasury shares held on behalf of contract holders		9	41	(142)
Increase in treasury shares held by subsidiary for employees		–	(124)	(291)
Balance at end		12 737	13 078	12 728
<b>Changes in other reserves</b>				
Balance at beginning		1 469	2 257	2 315
Change in accounting policy		–	58	–
Restated opening balance		1 469	2 315	2 315
Total comprehensive income/(loss)		117	(378)	(636)
Equity-settled share-based payments		12	–	46
Transfer to retained earnings		(45)	(156)	(256)
Balance at end	9	1 553	1 781	1 469
<b>Changes in retained earnings</b>				
Balance at beginning		7 369	7 166	7 108
Change in accounting policy		–	(58)	–
Restated opening balance		7 369	7 108	7 108
Total comprehensive income		683	827	361
Dividend declared		(212)	–	(365)
Transactions with non-controlling interests		21	2	9
Transfer from other reserves		45	156	256
Balance at end		7 906	8 093	7 369
<b>Equity attributable to owners of the parent</b>				
		22 205	22 961	21 575
<b>Changes in non-controlling interests</b>				
Balance at beginning		348	410	410
Total comprehensive income		71	48	81
Dividend paid		(30)	(65)	(109)
Transactions with owners		(21)	12	7
Sale of subsidiary		–	(18)	(41)
Balance at end		368	387	348
<b>Total equity</b>		<b>22 573</b>	<b>23 348</b>	<b>21 923</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2021

	6 mths to 31.12.2021 Rm	Restated 6 mths to 31.12.2020 <sup>1</sup> Rm	Restated 12 mths to 30.06.2021 <sup>1</sup> Rm
<b>Cash flow from operating activities</b>			
Cash utilised in operations	(7 175)	(7 983)	(6 971)
Interest and dividends received	11 227	10 131	19 683
Income tax paid	(1 448)	(1 422)	(2 588)
Interest paid	(417)	(449)	(897)
<b>Net cash inflow from operating activities</b>	<b>2 187</b>	<b>277</b>	<b>9 227</b>
<b>Cash flow from investing activities</b>			
Net investments in subsidiaries	–	260	201
Net investments in associates and joint ventures <sup>2</sup>	(70)	(319)	(457)
Net loan repayments/(advances) by related parties	76	(27)	(29)
Net purchases of owner-occupied properties	(240)	(120)	(222)
Net purchases of fixed assets	(109)	(126)	(222)
Net purchases of computer software	(24)	(23)	(72)
Dividends from associates	28	4	16
<b>Net cash outflow from investing activities</b>	<b>(339)</b>	<b>(351)</b>	<b>(785)</b>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings	6 973	6 136	8 716
Repayment of borrowings	(9 335)	(7 553)	(8 140)
Dividends paid to equity holders	(212)	–	(365)
Dividends paid to non-controlling interest shareholders	(30)	(65)	(109)
Net purchases of treasury shares held on behalf of contract holders	9	41	(142)
Net purchases of treasury shares held by subsidiary for employees	–	(124)	(291)
Transactions with non-controlling interest shareholders	–	14	21
<b>Net cash outflow from financing activities</b>	<b>(2 595)</b>	<b>(1 551)</b>	<b>(310)</b>
<b>Net cash flow</b>	<b>(747)</b>	<b>(1 625)</b>	<b>8 132</b>
Cash resources and funds on deposit at beginning	38 642	31 621	31 621
Foreign currency translation	656	(1 063)	(1 111)
<b>Cash resources and funds on deposit at end</b>	<b>38 551</b>	<b>28 933</b>	<b>38 642</b>
<b>Made up as follows:</b>			
Cash and cash equivalents	38 551	28 913	38 642
Assets relating to disposal groups held for sale	–	20	–
	<b>38 551</b>	<b>28 933</b>	<b>38 642</b>

<sup>1</sup> Refer to note 12 for more information on the restatements.

<sup>2</sup> Net investments in associates and joint ventures consist of capital contributions of negative R292 million and sales of positive R222 million.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### NOTE 1

#### EARNINGS

Normalised headline earnings adjust the JSE definition of headline earnings for the dilutive impact of finance costs related to preference shares that can be converted into ordinary shares of the Group, the impact of treasury shares held by policyholder funds and the iSabelo Trust, the amortisation of intangible assets arising from business combinations and B-BBEE costs. Additionally, the iSabelo special purpose vehicle, which houses preference shares issued as part of the employee share ownership scheme's funding arrangement is deemed to be external from the Group and the discount at which the iSabelo Trust acquired the MMH treasury shares is amortised over a period of 10 years and recognised as a reduction to normalised headline earnings.

EARNINGS	Basic earnings			Diluted earnings		
	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>attributable to owners of the parent</b>						
<b>Earnings – equity holders of the Group</b>	<b>697</b>	909	451	<b>697</b>	909	451
Finance costs – convertible preference shares <sup>1</sup>				–	–	–
<b>Diluted earnings</b>				<b>697</b>	909	451
Adjustments within equity-accounted earnings	<b>16</b>	–	28	<b>16</b>	–	28
Loss on dilution of joint venture	–	–	5	–	–	5
Intangible asset impairments <sup>2</sup>	<b>716</b>	9	117	<b>716</b>	9	117
Tax on intangible asset impairments	<b>(2)</b>	(2)	(40)	<b>(2)</b>	(2)	(40)
Gain on sale of associate <sup>3</sup>	<b>(179)</b>	–	–	<b>(179)</b>	–	–
Gain on sale of subsidiary <sup>4</sup>	–	(167)	(150)	–	(167)	(150)
FCTR reversal on sale of foreign subsidiary	–	(4)	(17)	–	(4)	(17)
Investment in associates impairments <sup>5</sup>	–	61	38	–	61	38
Impairment of owner-occupied property below cost <sup>6</sup>	<b>34</b>	3	116	<b>34</b>	3	116
Tax on impairment of owner-occupied property below cost <sup>6</sup>	<b>34</b>	–	(103)	<b>34</b>	–	(103)
<b>Headline earnings<sup>7</sup></b>	<b>1 316</b>	809	445	<b>1 316</b>	809	445
B-BBEE costs				–	–	25
Adjustments for iSabelo				<b>32</b>	–	40
Adjustments for MMH shares held by policyholder funds				<b>(15)</b>	(42)	54
Amortisation of intangible assets relating to business combinations				<b>173</b>	226	406
Finance costs – convertible preference shares <sup>1</sup>				<b>19</b>	19	37
<b>Normalised headline earnings<sup>8</sup></b>				<b>1 525</b>	1 012	1 007

<sup>1</sup> The finance costs relating to the KTH preference shares are anti-dilutive in the current as well as prior periods and it accordingly is only taken into account in the calculation of normalised headline earnings for these periods.

<sup>2</sup> The current period impairments relate mainly to:

– Goodwill recognised as part of the acquisition of the Alexander Forbes Short-term Insurance business (Non-life Insurance segment). The recoverable amount (R1 961 million) of the cash-generating unit (Momentum Insure) is determined based on value-in-use calculations with reference to directors' valuations (DVs). The impairment is due to a revision of the 5-year forecast which reflects a more subdued medium-term growth outlook. The remaining goodwill balance after the impairment is R478 million.

The June 2021 period impairments related mainly to:

– Value of in-force business acquired in Shareholders due to a decrease in the asset values that back these liabilities.

– The reversal of impairments relating to computer software in Momentum Metropolitan Africa due to a higher recoverable amount.

<sup>3</sup> Relates to the sale of aYo Holdings Ltd as well as the related intellectual property sold as part of the disposal.

<sup>4</sup> The December 2020 and June 2021 periods related mainly to the sale of the controlling interest in Methealth Namibia Administrators (Pty) Ltd (MHNA) as well as the sale of Metropolitan Life Zambia Ltd and Metropolitan Health Zambia Ltd. Additionally in June 2021 it also includes the sale of Metropolitan Tanzania Life Assurance Company Ltd and Metropolitan Tanzania Insurance Company Ltd in the Momentum Metropolitan Africa segment.

<sup>5</sup> Related to the impairment of RMI Investment Managers Affiliates 2 (Pty) Ltd due to a decline in value of this associate.

<sup>6</sup> The impairment in the current and June 2021 periods mainly relates to the impairment of the Marc, Tower 2. The impairment can largely be attributed to the decline in market rental rates for office property in Sandton in recent years, as well as considering the weak property market outlook as a result of the Covid-19 pandemic. The tax on impairment in the current period relates to a decrease in the deferred tax asset raised in the prior year as a portion of the deductible temporary differences can no longer be recognised.

<sup>7</sup> Headline earnings consist of operating profit, investment return, investment variances and basis and other changes. The long-term insurance industry exemption which allows that net realised and unrealised fair value gains on investment properties not being excluded from headline earnings has been applied.

<sup>8</sup> Refer to note 2 for an analysis of normalised headline earnings per segment.

**NOTE 1 CONTINUED**

**EARNINGS PER SHARE (cents)  
attributable to owners of the parent**

	6 mths to 31.12.2021	6 mths to 31.12.2020	12 mths to 30.06.2021
<b>Basic</b>			
Earnings	48.4	62.8	31.3
Headline earnings	91.4	55.9	30.9
Weighted average number of shares (million) <sup>1</sup>	1 440	1 448	1 439
Basic number of shares in issue (million)	1 425	1 443	1 423
<b>Diluted<sup>2</sup></b>			
Normalised headline earnings	101.7	67.6	67.1
Weighted average number of shares (million) <sup>3</sup>	1 500	1 498	1 500
Diluted number of shares in issue (million)	1 526	1 491	1 526
Earnings	48.4	62.8	31.3
Headline earnings	91.4	55.9	30.9
Weighted average number of shares (million) <sup>1</sup>	1 440	1 448	1 439

<sup>1</sup> For basic and diluted earnings and headline earnings per share, treasury shares held on behalf of contract holders as well as those held by a subsidiary on behalf of employees are deemed to be cancelled.

<sup>2</sup> On a diluted basis, the KTH preference shares are anti-dilutive in the current and prior periods. For diluted earnings and headline earnings, these preference shares are therefore ignored in accordance with IAS 33. Normalised headline earnings treats the preference shares as if they were ordinary equity. This treatment is consistent with how the preference shares are treated when dilutive.

<sup>3</sup> For normalised headline earnings per share, treasury shares held on behalf of contract holders as well as those held by a subsidiary on behalf of employees are deemed to be issued.

**NOTE 2**

**SEGMENTAL REPORT**

The Group's reporting view reflects the following segments:

- **Momentum Life:** Momentum Life includes protection and savings products focused on the middle and affluent client segments, as well as Multiply, a wellness focused client engagement platform.
- **Momentum Investments:** Momentum Investments consists of the Momentum Wealth platform business, local and offshore asset management operations, retail annuities and guaranteed investments, as well as Eris Properties.
- **Metropolitan Life:** Metropolitan Life focuses on the lower and middle income retail market segment, with a range of protection, savings and annuity products.
- **Momentum Corporate:** Momentum Corporate offers group risk, annuities, pension savings and umbrella fund (FundsAtWork) products.
- **Momentum Metropolitan Health:** Provides healthcare solutions to individuals, corporates and the public sector within a range of structures and products.
- **Non-life Insurance:** Non-life Insurance comprises the retail general insurance offering, Momentum Insure (previously Momentum Short-term Insurance and Momentum Insurance); and the cell captive insurer, Guardrisk.
- **Momentum Metropolitan Africa:** This segment includes the Group's operations within other African countries. This includes life insurance, non-life insurance, health insurance and administration and asset management. Botswana, Lesotho and Namibia contributes most materially to the results of this segment.
- **New Initiatives:** This includes India, aYo, Multiply Money, Exponential Ventures and Momentum Consult.
- **Shareholders:** The Shareholders segment represents the investment return on venture capital fund investments, a proportion of the investment returns from Momentum Metropolitan Life Ltd, less the head office costs not allocated to operating segments (e.g. certain holding company expenses).

The Executive Committee of the Group assesses the performance of the operating segments based on normalised headline earnings.

A reconciliation of earnings to normalised headline earnings is provided in note 1.

Refer to the embedded value report for in depth detail on covered business.

**NOTE 2 CONTINUED**  
**SEGMENTAL REPORT CONTINUED**

	Notes	Momentum Life Rm	Momentum Investments Rm	Momentum Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Momentum Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Segmental total Rm	Reconciling items <sup>1</sup> Rm	Total Rm
<b>6 mths to 31.12.2021</b>													
<b>Revenue</b>													
Net insurance premiums	2.4	4 769	16 964	4 095	7 593	573	6 659	3 049	-	-	43 702	(24 786)	18 916
Recurring premiums		4 551	422	3 306	6 245	573	5 266	2 024	-	-	22 387	(7 728)	14 659
Single premiums		218	16 542	789	1 348	-	1 393	1 025	-	-	21 315	(17 058)	4 257
Fee income	2.3, 2.4	587	1 838	55	642	1 117	865	99	51	265	5 519	(1 033)	4 486
Fee income		567	1 450	55	642	1 091	865	99	35	-	4 804	(318)	4 486
Intergroup fee income		20	388	-	-	26	-	-	16	265	715	(715)	-
<b>Expenses</b>													
Net payments to contract holders		6 412	14 294	3 319	8 333	338	3 047	1 905	-	-	37 648	(21 390)	16 258
External payments		1 634	1 759	1 557	760	1 091	2 945	830	101	351	11 028	1 146	12 174
Other expenses <sup>2</sup>		699	485	752	48	35	1 441	329	16	-	3 805	-	3 805
Sales remuneration		818	905	728	566	866	1 372	385	63	612	6 315	1 340	7 655
Administration expenses		21	163	-	-	2	-	1	-	6	193	521	714
Asset management, direct property and other fee expenses		96	206	77	146	188	132	115	22	(267)	715	(715)	-
Intergroup expenses		30	489	268	370	94	303	7	(299)	263	1 525	-	1 525
<b>Normalised headline earnings</b>													
Operating (loss)/profit <sup>3,4</sup>	2.1	(45)	579	324	424	136	314	(22)	(300)	(21)	1 389	-	1 389
Tax on operating (loss)/profit		1	(141)	(92)	(122)	(43)	(81)	(8)	-	(8)	(494)	-	(494)
Investment return <sup>4</sup>		81	64	39	75	1	75	51	1	346	733	-	733
Tax on investment return		(7)	(13)	(3)	(7)	-	(5)	(14)	-	(54)	(103)	-	(103)
Covered	2.2	47	342	267	368	-	-	66	-	(38)	1 052	-	1 052
Non-covered	2.2	(17)	147	1	2	94	303	(59)	(299)	301	473	-	473
		30	489	268	370	94	303	7	(299)	263	1 525	-	1 525
<b>Basis changes and investment variances<sup>5</sup></b>													
		(201)	19	(60)	36	-	-	(8)	-	40	(174)	-	(174)
<b>Actuarial liabilities</b>		<b>80 448</b>	<b>202 916</b>	<b>38 641</b>	<b>114 866</b>	<b>41</b>	<b>36 274</b>	<b>17 382</b>	<b>-</b>	<b>-</b>	<b>490 568</b>	<b>-</b>	<b>490 568</b>

<sup>1</sup> Reconciling items include investment contract business premiums and claims; intergroup fee income and expenses; direct property (R243 million) and asset management fees for all entities (R278 million), except non-life entities, that are set off against investment income for management reporting purposes but shown as an expense for accounting purposes; asset management fees from cell captive business (R1 075 million); the amortisation of intangible assets relating to business combinations (R238 million); expenses relating to consolidated CISs and other minor adjustments to expenses and fee income.

<sup>2</sup> Other expenses consists of the following line items on the income statement: depreciation, amortisation and impairment expenses, employee benefit expenses, sales remuneration and other expenses.

<sup>3</sup> Operating (loss)/profit is normalised headline earnings gross of tax less investment return.

<sup>4</sup> Operating profit and investment return have been amended to correct an error in the attribution of normalised headline earnings in the Non-Life Insurance segment.

<sup>5</sup> Basis changes and investment variances are included in normalised headline earnings and are net of tax. The reported numbers represent basis changes on in-force business and investment variances that are aligned with embedded value reporting.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS CONTINUED

### NOTE 2 CONTINUED SEGMENTAL REPORT CONTINUED

	Notes	Momentum Life Rm	Momentum Investments Rm	Momentum Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa <sup>1</sup> Rm	New Initiatives Rm	Shareholders Rm	Segmental total Rm	Reconciling items <sup>2</sup> Rm	Total Rm
<b>6 mths to 31.12.2020<sup>3</sup></b>													
<b>Revenue</b>													
Net insurance premiums	2.4	4 573	14 054	3 767	6 994	454	5 168	2 439	-	-	37 449	(19 995)	17 454
Recurring premiums		4 341	368	3 201	5 838	453	4 442	1 950	-	-	20 593	(6 180)	14 413
Single premiums		232	13 686	566	1 156	1	726	489	-	-	16 856	(13 815)	3 041
Fee income		556	1 645	49	487	999	943	152	35	14	4 880	(635)	4 245
Fee income	2.3, 2.4	535	1 358	49	486	990	943	149	31	-	4 541	(296)	4 245
Intergroup fee income		21	287	-	1	9	-	3	4	14	339	(339)	-
<b>Expenses</b>													
Net payments to contract holders		4 979	13 405	3 264	8 804	305	3 417	1 299	-	-	35 473	(20 594)	14 879
External payments		1 606	1 444	1 378	702	968	2 013	867	124	103	9 205	1 778	10 983
Other expenses <sup>4</sup>		687	419	657	43	25	1 291	358	14	-	3 494	-	3 494
Sales remuneration		825	819	692	560	769	631	386	108	413	5 203	1 344	6 547
Administration expenses													
Asset management, direct property and other fee expenses		35	122	-	-	3	-	2	-	7	169	773	942
Intergroup expenses		59	84	29	99	171	91	121	2	(317)	339	(339)	-
<b>Normalised headline earnings</b>													
Operating profit/(loss) <sup>5</sup>	2.1	332	440	328	(212)	86	258	304	(257)	(267)	1 012	-	1 012
Tax on operating profit/(loss)		401	610	415	(325)	116	336	239	(258)	(142)	1 392	-	1 392
Investment return		(127)	(150)	(117)	89	(26)	(95)	(49)	-	(27)	(502)	-	(502)
Tax on investment return		64	(30)	32	26	(5)	19	132	1	(89)	150	-	150
		(6)	10	(2)	(2)	1	(2)	(18)	-	(9)	(28)	-	(28)
Covered	2.2	363	355	328	(208)	-	-	277	-	(109)	1 006	-	1 006
Non-covered	2.2	(31)	85	-	(4)	86	258	27	(257)	(158)	6	-	6
		332	440	328	(212)	86	258	304	(257)	(267)	1 012	-	1 012
<b>Basis changes and investment variances<sup>6</sup></b>													
		(247)	90	(63)	(402)	-	-	100	-	-	(522)	-	(522)
<b>Actuarial liabilities</b>		71 877	173 066	34 809	99 537	38	30 781	14 939	-	-	425 047	-	425 047

<sup>1</sup> Momentum Metropolitan Africa includes amounts received/incurred by companies the Group has decided to exit as at the end of the respective period. Net insurance premiums R198 million; external payments R136 million and administration expenses R116 million.

<sup>2</sup> Reconciling items include investment contract business premiums and claims; intergroup fee income and expenses; direct property (R260 million) and asset management fees for all entities (R513 million), except non-life entities, that are set off against investment income for management reporting purposes but shown as an expense for accounting purposes; asset management fees from cell captive business (R1 021 million); the amortisation of intangible assets relating to business combinations (R312 million); expenses relating to consolidated CISs and other minor adjustments to expenses and fee income.

<sup>3</sup> Refer to note 12 for more information on the restatements.

<sup>4</sup> Other expenses consists of the following line items on the income statement: depreciation, amortisation and impairment expenses, employee benefit expenses, sales remuneration and other expenses.

<sup>5</sup> Operating profit/(loss) is normalised headline earnings gross of tax less investment return.

<sup>6</sup> Basis changes and investment variances are included in normalised headline earnings and are net of tax. The reported numbers represent basis changes on in-force business and investment variances that are aligned with embedded value reporting.

**NOTE 2 CONTINUED**  
**SEGMENTAL REPORT CONTINUED**

	Notes	Momentum Life Rm	Momentum Investments Rm	Momentum Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Momentum Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Segmental total Rm	Reconciling items <sup>1</sup> Rm	Total Rm
<b>Restated 12 mths to 30.06.2021</b>													
<b>Revenue</b>													
Net insurance premiums	2.4	9 516	32 361	7 657	14 864	932	11 509	4 839	-	-	81 678	(44 846)	36 832
Recurring premiums		8 976	766	6 233	12 346	931	9 654	3 867	-	-	42 773	(13 241)	29 532
Single premiums		540	31 595	1 424	2 518	1	1 855	972	-	-	38 905	(31 605)	7 300
Fee income		1 226	3 427	106	1 011	2 123	1 993	224	90	112	10 312	(1 401)	8 911
Fee income	2.3, 2.4	1 182	2 785	106	1 010	2 120	1 995	224	69	-	9 491	(580)	8 911
Intergroup fee income		44	642	-	1	3	(2)	-	21	112	821	(821)	-
<b>Expenses</b>													
Net payments to contract holders		10 718	29 551	6 564	18 102	633	6 843	2 701	-	-	75 112	(43 971)	31 141
External payments		3 451	3 072	2 808	1 497	2 014	4 248	1 536	239	506	19 371	2 804	22 175
Other expenses <sup>2</sup>		1 357	858	1 265	88	45	2 686	658	32	-	6 989	-	6 989
Sales remuneration		1 917	1 704	1 489	1 184	1 625	1 362	656	174	1 100	11 211	2 650	13 861
Administration expenses		67	258	-	-	6	-	2	4	14	351	974	1 325
Asset management, direct property and other fee expenses		110	252	54	225	338	200	220	29	(608)	820	(820)	-
Intergroup expenses		(859)	1 095	435	(552)	213	544	256	(358)	233	1 007	-	1 007
<b>Normalised headline earnings</b>	2.1	(1 346)	1 490	513	(827)	282	699	122	(360)	(219)	354	-	354
Operating (loss)/profit <sup>3</sup>		355	(387)	(146)	220	(68)	(191)	(60)	-	(4)	(281)	-	(281)
Tax on operating (loss)/profit		151	(14)	79	64	(1)	50	248	2	597	1 176	-	1 176
Investment return		(19)	6	(11)	(9)	-	(14)	(54)	-	(141)	(242)	-	(242)
Tax on investment return		(822)	885	433	(547)	-	-	225	-	90	264	-	264
Covered	2.2	(37)	210	2	(5)	213	544	31	(358)	143	743	-	743
Non-covered	2.2	(859)	1 095	435	(552)	213	544	256	(358)	233	1 007	-	1 007
<b>Basis changes and investment variances<sup>4</sup></b>		(1 486)	327	(278)	(774)	-	-	(26)	-	31	(2 206)	-	(2 206)
<b>Actuarial liabilities<sup>5</sup></b>		76 738	185 447	36 608	106 351	35	33 047	15 943	-	-	454 169	-	454 169

<sup>1</sup> Reconciling items include investment contract business premiums and claims; intergroup fee income and expenses; direct property (R468 million) and asset management fees for all entities (R506 million), except non-life entities, that are set off against investment income for management reporting purposes but shown as an expense for accounting purposes; asset management fees from cell captive business (R2 044 million); the amortisation of intangible assets relating to business combinations (R558 million); expenses relating to consolidated CIGS and other minor adjustments to expenses and fee income.

<sup>2</sup> Other expenses consists of the following line items on the income statement: depreciation, amortisation and impairment expenses, employee benefit expenses, sales remuneration and other expenses.

<sup>3</sup> Operating (loss)/profit is normalised headline earnings gross of tax less investment return.

<sup>4</sup> Basis changes and investment variances are included in normalised headline earnings and are net of tax. The reported numbers represent basis changes on in-force business and investment variances that are aligned with embedded value reporting.

<sup>5</sup> Refer to note 12 for more information on the restatements.

**NOTE 2.1**

**CHANGE IN NORMALISED HEADLINE EARNINGS**

	Notes	Change %	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
Momentum Life		(91)	30	332	(859)
Momentum Investments		11	489	440	1 095
Metropolitan Life		(18)	268	328	435
Momentum Corporate		>100	370	(212)	(552)
Momentum Metropolitan Health		9	94	86	213
Non-life Insurance		17	303	258	544
Momentum Metropolitan Africa		(98)	7	304	256
<b>Normalised headline earnings from operating segments</b>		<b>2</b>	<b>1 561</b>	<b>1 536</b>	<b>1 132</b>
New Initiatives		(16)	(299)	(257)	(358)
Shareholders		>100	263	(267)	233
<b>Total normalised headline earnings</b>	2	<b>51</b>	<b>1 525</b>	<b>1 012</b>	<b>1 007</b>

**NOTE 2.2**  
**SEGMENTAL ANALYSIS**

	Notes	Momentum Life Rm	Momentum Investments Rm	Momentum Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Total Rm
<b>6 mths to 31.12.2021</b>											
<b>Covered</b>											
Protection		(301)	-	154	255	-	-	(29)	-	-	79
Long-term savings		123	12	66	113	-	-	89	-	-	403
Annuities and structured products		-	287	14	(51)	-	-	18	-	-	268
Traditional		147	-	13	-	-	-	4	-	-	164
Other <sup>1</sup>		8	(1)	(16)	(17)	-	-	(32)	-	6	(52)
Investment return		70	44	36	68	-	-	16	-	(44)	190
<b>Total</b>	2	47	342	267	368	-	-	66	-	(38)	1 052
<b>Non-covered</b>											
Investment and savings	2.2.1	-	140	-	-	-	-	-	-	-	140
Life insurance		-	-	-	-	-	-	(27)	-	-	(27)
Health	2.2.2	-	-	-	-	93	-	9	-	-	102
Momentum Multiply		(18)	-	-	-	-	-	-	-	-	(18)
Non-life insurance	2.2.3	-	-	-	-	-	(6)	5	-	-	(1)
Cell captives <sup>3</sup>	2.2.3	-	-	-	-	-	239	-	-	-	239
Holding company expenses		-	-	-	-	-	-	(65)	-	(91)	(156)
New Initiatives India	2.2.4	-	-	-	-	-	-	-	(240)	-	(240)
New Initiatives aYo		-	-	-	-	-	-	-	(1)	-	(1)
Other <sup>2</sup>		(3)	-	1	2	-	-	(2)	(59)	56	(5)
Investment return <sup>3</sup>		4	7	-	-	1	70	21	1	336	440
<b>Total</b>	2	(17)	147	1	2	94	303	(59)	(299)	301	473
<b>Normalised headline earnings</b>		30	489	268	370	94	303	7	(299)	263	1 525

<sup>1</sup> Included in Other are once-off items that are not linked to a specific product as well as earnings that are not policyholder related.

<sup>2</sup> Included in Other is mainly Multiply Money as well as earnings that are not policyholder related.

<sup>3</sup> Operating profit and investment return have been amended to correct an error in the attribution of normalised headline earnings in the Non-life Insurance segment.

**NOTE 2.2 CONTINUED**  
**SEGMENTAL ANALYSIS CONTINUED**

	Notes	Momentum Life Rm	Momentum Investments Rm	Momentum Metropolitan Life <sup>1</sup> Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Total Rm
<b>Restated 6 mths to 31.12.2020</b>											
<b>Covered</b>											
Protection		158	-	129	(390)	-	-	90	-	-	(13)
Long-term savings		97	86	76	103	-	-	102	-	-	464
Annuities and structured products		-	289	90	56	-	-	15	-	-	450
Traditional		59	-	20	-	-	-	8	-	-	87
Other <sup>2</sup>		(5)	-	(17)	(1)	-	-	3	-	10	(10)
Investment return		54	(20)	30	24	-	-	59	-	(119)	28
<b>Total</b>	2	363	355	328	(208)	-	-	277	-	(109)	1 006
<b>Non-covered</b>											
Investment and savings	2.2.1	-	85	-	-	-	-	-	-	-	85
Life insurance		-	-	-	-	-	-	15	-	-	15
Health	2.2.2	-	-	-	-	90	-	50	-	-	140
Momentum Multiply		(30)	-	-	-	-	-	-	-	-	(30)
Non-life insurance	2.2.3	-	-	-	-	-	66	(13)	-	-	53
Cell captives	2.2.3	-	-	-	-	-	175	-	-	-	175
Holding company expenses		-	-	-	-	-	-	(55)	-	(74)	(129)
New initiatives India	2.2.4	-	-	-	-	-	-	-	(145)	-	(145)
New initiatives aYo		-	-	-	-	-	-	-	(68)	-	(68)
Other <sup>3</sup>		(5)	-	-	(4)	-	-	(25)	(45)	(105)	(184)
Investment return		4	-	-	-	(4)	17	55	1	21	94
<b>Total</b>	2	(31)	85	-	(4)	86	258	27	(257)	(158)	6
<b>Normalised headline earnings</b>		332	440	328	(212)	86	258	304	(257)	(267)	1 012

<sup>1</sup> There has been a revision to the reporting disclosure within covered Metropolitan Life mainly relating to GetUp development expenses as well as the treatment of the expected profit on the income stabilisation reserve. December 2020 has been restated accordingly.

<sup>2</sup> Included in Other are once-off items that are not linked to a specific product as well as earnings that are not policyholder related.

<sup>3</sup> Included in Other is mainly Multiply Money as well as earnings that are not policyholder related.



**NOTE 2.2 CONTINUED**  
**SEGMENTAL ANALYSIS CONTINUED**

	Notes	Momentum Life Rm	Momentum Investments Rm	Metropolitan Life <sup>1</sup> Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Total Rm
<b>Restated</b>											
<b>12 mths to 30.06.2021</b>											
<b>Covered</b>											
Protection		(1 110)	-	78	(997)	-	-	(2)	-	-	(2 031)
Long-term savings		236	107	28	257	-	-	114	-	-	742
Annuities and structured products		-	779	216	175	-	-	26	-	-	1 196
Traditional		(216)	-	81	-	-	-	6	-	-	(129)
Other <sup>2</sup>		146	18	(38)	(36)	-	-	3	-	58	151
Investment return		122	(19)	68	54	-	-	78	-	32	335
<b>Total</b>	2	(822)	885	433	(547)	-	-	225	-	90	264
<b>Non-covered</b>											
Investment and savings	2.2.1	-	199	-	-	-	-	-	-	-	199
Life insurance		-	-	-	-	-	-	(4)	-	-	(4)
Health	2.2.2	-	-	-	-	214	-	82	-	-	296
Momentum Multiply		(40)	-	-	-	-	-	-	-	-	(40)
Non-life insurance	2.2.3	-	-	-	-	-	133	(27)	-	-	106
Cell captives	2.2.3	-	-	-	-	-	375	-	-	-	375
Holding company expenses		-	-	-	-	-	-	(108)	-	(193)	(301)
New Initiatives India	2.2.4	-	-	-	-	-	-	-	(230)	-	(230)
New Initiatives aYo		-	-	-	-	-	-	-	(17)	-	(17)
Other <sup>3</sup>		(7)	-	2	(6)	-	-	(28)	(113)	(88)	(240)
Investment return		10	11	-	1	(1)	36	116	2	424	599
<b>Total</b>	2	(37)	210	2	(5)	213	544	31	(358)	143	743
<b>Normalised headline earnings</b>		(859)	1 095	435	(552)	213	544	256	(358)	233	1 007

<sup>1</sup> There has been a revision to the reporting disclosure within covered Metropolitan Life mainly relating to GetUp development expenses as well as the treatment of the expected profit on the income stabilisation reserve. June 2021 has been restated accordingly.

<sup>2</sup> Included in Other are once-off items that are not linked to a specific product as well as earnings that are not policyholder related.

<sup>3</sup> Included in Other is mainly Multiply Money as well as earnings that are not policyholder related.

**NOTE 2.2.1**
**MOMENTUM INVESTMENTS – NON-COVERED BUSINESS**

	Notes	6 mths to 31.12.2021 Rm	Restated 6 mths to 31.12.2020 <sup>1,2</sup> Rm	Restated 12 mths to 30.06.2021 <sup>2</sup> Rm
<b>Revenue</b>		<b>844</b>	730	1 576
Fee income		817	715	1 522
Investment income		22	16	32
Fair value gains/(losses)		5	(1)	22
<b>Expenses and finance costs</b>		<b>(672)</b>	(625)	(1 306)
Other expenses		(656)	(609)	(1 276)
Finance costs		(16)	(16)	(30)
Share of profit of associates		20	7	17
<b>Profit before tax</b>		<b>192</b>	112	287
Income tax expense		(44)	(26)	(73)
Non-controlling interest		(1)	(1)	(4)
<b>Normalised headline earnings</b>		<b>147</b>	85	210
Operating profit before tax	2.2	184	113	271
Tax on operating profit	2.2	(44)	(28)	(72)
Investment return		7	-	12
Tax on investment return		-	-	(1)
<b>Normalised headline earnings</b>		<b>147</b>	85	210
<b>Assets under management</b>		<b>561 594</b>	471 469	493 002

<sup>1</sup> Refer to note 12 for more information on the restatements.

<sup>2</sup> The Fee income and Other expenses line items were erroneously grossed up for intercompany transactions within the Momentum Investments segment. December 2020 and June 2021 has been restated accordingly.

## NOTE 2.2.2

### HEALTH – NON-COVERED BUSINESS

	Notes	Momentum Metropolitan Health Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>6 mths to 31.12.2021</b>				
<b>Revenue</b>		<b>1 709</b>	<b>279</b>	<b>1 988</b>
Net insurance premiums		573	265	838
Fee income		1 093	1	1 094
Investment income		13	13	26
Intergroup fees		30	–	30
<b>Expenses and finance costs</b>		<b>(1 476)</b>	<b>(266)</b>	<b>(1 742)</b>
Net payments to contract holders		(338)	(199)	(537)
Change in actuarial liabilities		(5)	–	(5)
Other expenses		(1 132)	(67)	(1 199)
Finance costs		(1)	–	(1)
Share of profit of associates		4	12	16
<b>Profit before tax</b>		<b>237</b>	<b>25</b>	<b>262</b>
Income tax expense		(67)	(6)	(73)
Non-controlling interest		(76)	(1)	(77)
<b>Normalised headline earnings</b>		<b>94</b>	<b>18</b>	<b>112</b>
Operating profit before tax	2.2	136	13	149
Tax on operating profit	2.2	(43)	(4)	(47)
Investment return		1	11	12
Tax on investment return		–	(2)	(2)
<b>Normalised headline earnings</b>		<b>94</b>	<b>18</b>	<b>112</b>
<b>Closed schemes</b>		<b>16</b>	<b>18</b>	<b>34</b>
<b>Open scheme</b>		<b>44</b>	<b>–</b>	<b>44</b>
<b>Other</b>		<b>34</b>	<b>–</b>	<b>34</b>
		<b>94</b>	<b>18</b>	<b>112</b>

	Principal members	Lives
Momentum Metropolitan Health principal members	1 183 993	
Momentum Metropolitan Africa lives		391 855

## NOTE 2.2.2 CONTINUED

## HEALTH – NON-COVERED BUSINESS CONTINUED

	Notes	Momentum Metropolitan Health Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>6 mths to 31.12.2020</b>				
<b>Revenue</b>		1 458	382	1 840
Net insurance premiums		454	268	722
Fee income		990	93	1 083
Investment income		1	21	22
Intergroup fees		13	–	13
<b>Expenses and finance costs</b>		(1 295)	(276)	(1 571)
Net payments to contract holders		(305)	(155)	(460)
Change in actuarial liabilities		(4)	(2)	(6)
Other expenses		(985)	(118)	(1 103)
Finance costs		(1)	(1)	(2)
Share of profit of associates		14	–	14
<b>Profit before tax</b>		177	106	283
Income tax expense		(44)	(34)	(78)
Non-controlling interest		(47)	(14)	(61)
<b>Normalised headline earnings</b>		86	58	144
Operating profit before tax	2.2	116	74	190
Tax on operating profit	2.2	(26)	(24)	(50)
Investment return		(5)	11	6
Tax on investment return		1	(3)	(2)
<b>Normalised headline earnings</b>		86	58	144
<b>Closed schemes</b>		23	58	81
<b>Open scheme</b>		31	–	31
<b>Other</b>		32	–	32
		86	58	144
			<b>Principal members</b>	<b>Lives</b>
Momentum Metropolitan Health principal members		1 118 341		
Momentum Metropolitan Africa lives				429 026

**NOTE 2.2.2 CONTINUED**

**HEALTH – NON-COVERED BUSINESS CONTINUED**

	Notes	Momentum Metropolitan Health Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>12 mths to 30.06.2021</b>				
<b>Revenue</b>				
		3 087	634	3 721
Net insurance premiums		932	518	1 450
Fee income		2 121	82	2 203
Investment income		12	34	46
Intergroup fees		22	–	22
<b>Expenses and finance costs</b>				
		(2 698)	(477)	(3 175)
Net payments to contract holders		(633)	(314)	(947)
Change in actuarial liabilities		(7)	(2)	(9)
Other expenses		(2 055)	(160)	(2 215)
Finance costs		(3)	(1)	(4)
Share of profit of associates		13	15	28
<b>Profit before tax</b>				
		402	172	574
Income tax expense		(104)	(44)	(148)
Non-controlling interests		(85)	(22)	(107)
<b>Normalised headline earnings</b>				
		213	106	319
Operating profit before tax	2.2	282	117	399
Tax on operating profit	2.2	(68)	(35)	(103)
Investment return		(1)	24	23
<b>Normalised headline earnings</b>				
		213	106	319
<b>Closed schemes</b>				
		49	106	155
<b>Open scheme</b>				
		75	–	75
<b>Other</b>				
		89	–	89
		213	106	319

	Principal members	Lives
Momentum Metropolitan Health principal members	1 164 241	
Momentum Metropolitan Africa lives		432 663

**NOTE 2.2.3**
**NON-LIFE INSURANCE**

	Notes	Non-life business Rm	Cell captive business Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>6 mths to 31.12.2021</b>					
Net insurance premiums		1 374	–	216	1 590
Fee income		1	566	43	610
Management fees		–	323	–	323
Investment fees		–	40	–	40
Underwriting fees		–	202	–	202
Other fee income		1	1	43	45
Investment income		36	134	16	186
<b>Total income</b>		<b>1 411</b>	<b>700</b>	<b>275</b>	<b>2 386</b>
<b>Expenses and finance costs</b>		<b>(1 408)</b>	<b>(314)</b>	<b>(266)</b>	<b>(1 988)</b>
Net payments to contract holders		(933)	–	(164)	(1 097)
Change in actuarial liabilities		–	–	5	5
Acquisition costs <sup>1</sup>		(135)	–	(39)	(174)
Other expenses		(340)	(306)	(68)	(714)
Finance costs		–	(8)	–	(8)
<b>Profit before tax</b>		<b>3</b>	<b>386</b>	<b>9</b>	<b>398</b>
Income tax expense		5	(91)	–	(86)
Non-controlling interest		–	–	(2)	(2)
<b>Normalised headline earnings</b>		<b>8</b>	<b>295</b>	<b>7</b>	<b>310</b>
Operating (loss)/profit before tax <sup>2</sup>	2.2	(16)	330	5	319
Tax on operating (loss)/profit	2.2	10	(91)	–	(81)
Investment return <sup>2</sup>		19	56	2	77
Tax on investment return		(5)	–	–	(5)
<b>Normalised headline earnings</b>		<b>8</b>	<b>295</b>	<b>7</b>	<b>310</b>
Momentum Insure (including Admin)		8	–	–	8
Guardrisk Group		–	295	–	295
Momentum Insurance (Namibia)		–	–	4	4
Momentum Short-term Insurance (Namibia)		–	–	–	–
Cannon Short-term		–	–	3	3
		<b>8</b>	<b>295</b>	<b>7</b>	<b>310</b>

<sup>1</sup>The acquisition costs relating to the cell captive business are included in underwriting fees.

<sup>2</sup>Operating profit and investment return have been amended to correct an error in the attribution of normalised headline earnings in the Non-life Insurance segment.

**NOTE 2.2.3 CONTINUED**

**NON-LIFE INSURANCE CONTINUED**

	Notes	Non-life business Rm	Cell captive business Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>Restated</b>					
<b>6 mths to 31.12.2020<sup>1,2</sup></b>					
Net insurance premiums		737	–	116	853
Fee income		270	448	20	738
Management fees		–	281	–	281
Investment fees		–	38	–	38
Underwriting fees		–	126	–	126
Other fee income		270	3	20	293
Investment income		38	74	23	135
<b>Total income</b>		1 045	522	159	1 726
<b>Expenses and finance costs</b>		(923)	(289)	(149)	(1 361)
Net payments to contract holders		(455)	–	(63)	(518)
Change in actuarial liabilities		–	–	(6)	(6)
Acquisition costs <sup>3</sup>		(140)	–	(23)	(163)
Other expenses		(328)	(280)	(57)	(665)
Finance costs		–	(9)	–	(9)
<b>Profit before tax</b>		122	233	10	365
Income tax expense		(35)	(62)	–	(97)
Non-controlling interest		–	–	(1)	(1)
<b>Normalised headline earnings</b>		87	171	9	267
Operating profit/(loss) before tax	2.2	98	238	(14)	322
Tax on operating profit/(loss)	2.2	(32)	(63)	1	(94)
Investment return		24	(5)	23	42
Tax on investment return		(3)	1	(1)	(3)
<b>Normalised headline earnings</b>		87	171	9	267
Momentum Short-term Insurance (including Admin)		5	–	–	5
Momentum Insurance		82	–	2	84
Guardrisk Group		–	171	–	171
Momentum Short-term Insurance (Namibia)		–	–	–	–
Cannon Short-term		–	–	7	7
		87	171	9	267

<sup>1</sup>Momentum Insurance acquisition costs were incorrectly shown as Other expenses. December 2020 has been restated accordingly.

<sup>2</sup>Refer to note 12 for more information on the restatements other than footnote 1.

<sup>3</sup>The acquisition costs relating to the cell captive business are included in underwriting fees.

## NOTE 2.2.3 CONTINUED

## NON-LIFE INSURANCE CONTINUED

	Notes	Non-life business Rm	Cell captive business Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>Restated</b>					
<b>12 mths to 30.06.2021<sup>1</sup></b>					
Net insurance premiums		1 495	–	271	1 766
Fee income		537	952	67	1 556
Management fees		–	590	–	590
Investment fees		–	79	–	79
Underwriting fees		–	276	–	276
Other fee income		537	7	67	611
Investment income		69	145	59	273
<b>Total income</b>		<b>2 101</b>	<b>1 097</b>	<b>397</b>	<b>3 595</b>
<b>Expenses and finance costs</b>					
Net payments to contract holders		(926)	–	(139)	(1 065)
Change in actuarial liabilities		–	–	(26)	(26)
Acquisition costs <sup>2</sup>		(270)	–	(52)	(322)
Other expenses		(665)	(572)	(152)	(1 389)
Finance costs		–	(15)	–	(15)
<b>Profit before tax</b>		<b>240</b>	<b>510</b>	<b>28</b>	<b>778</b>
Income tax expense		(74)	(132)	(1)	(207)
Non-controlling interest		–	–	(2)	(2)
<b>Normalised headline earnings</b>		<b>166</b>	<b>378</b>	<b>25</b>	<b>569</b>
Operating profit/(loss) before tax	2.2	193	506	(26)	673
Tax on operating profit/(loss)	2.2	(60)	(131)	(1)	(192)
Investment return		46	3	52	101
Tax on investment return		(13)	–	–	(13)
<b>Normalised headline earnings</b>		<b>166</b>	<b>378</b>	<b>25</b>	<b>569</b>
Momentum Short-term Insurance (including Admin)		2	–	–	2
Momentum Insurance		164	–	–	164
Guardrisk Group		–	378	–	378
Momentum Insurance (Namibia)		–	–	1	1
Momentum Short-term Insurance (Namibia)		–	–	1	1
Cannon Short-term		–	–	23	23
		<b>166</b>	<b>378</b>	<b>25</b>	<b>569</b>

<sup>1</sup>Momentum Insurance acquisition costs were incorrectly shown as Other expenses. June 2021 has been restated accordingly.

<sup>2</sup>The acquisition costs relating to the cell captive business are included in underwriting fees.



## NOTE 2.2.4

### INDIA – NON-COVERED BUSINESS<sup>1</sup>

	Notes	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>Gross written premiums</b>		<b>1 563</b>	1 203	2 710
Net earned premiums		<b>1 032</b>	721	1 765
Fee income		<b>18</b>	13	26
Net incurred claims		<b>(890)</b>	(356)	(883)
Total management expenses		<b>(682)</b>	(664)	(1 393)
Net commission expenses		<b>(40)</b>	(60)	(103)
<b>Underwriting loss</b>		<b>(562)</b>	(346)	(588)
Investment income		<b>68</b>	57	130
<b>Operating loss</b>		<b>(494)</b>	(289)	(458)
Investment income on excess		<b>30</b>	17	46
<b>Loss before and after tax</b>		<b>(464)</b>	(272)	(412)
MMH share of results (49%)		<b>(227)</b>	(133)	(202)
Group support costs		<b>(16)</b>	(12)	(28)
Momentum Metropolitan Services (Pty) Ltd		<b>3</b>	–	–
<b>Normalised headline earnings</b>	2.2	<b>(240)</b>	(145)	(230)
Number of lives		<b>16 196 123</b>	9 539 387	13 414 469

<sup>1</sup>The India results have been reported with a three month lag.

**NOTE 2.3**
**SEGMENT IFRS 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS**

	Notes	Total revenue in scope of IFRS 15					
		Contract admini- stration Rm	Trust and fiduciary services Rm	Health admini- stration Rm	Cell captive commission Rm	Other fee income Rm	Total fee income Rm
<b>6 mths to 31.12.2021</b>							
Momentum Life		472	14	–	–	81	567
Momentum Investments		749	613	–	–	88	1 450
Metropolitan Life		22	–	–	–	33	55
Momentum Corporate		406	213	–	–	23	642
Momentum Metropolitan Health		–	–	1 086	–	5	1 091
Non-life Insurance		44	–	–	780	41	865
Momentum Metropolitan Africa		26	13	–	–	60	99
New Initiatives		–	–	–	–	35	35
<b>Segmental total</b>		<b>1 719</b>	<b>853</b>	<b>1 086</b>	<b>780</b>	<b>366</b>	<b>4 804</b>
Reconciling items		–	(319)	–	–	1	(318)
<b>Total</b>	2	<b>1 719</b>	<b>534</b>	<b>1 086</b>	<b>780</b>	<b>367</b>	<b>4 486</b>
<b>Restated</b>							
<b>6 mths to 31.12.2020<sup>1</sup></b>							
Momentum Life		426	5	–	–	104	535
Momentum Investments		725	573	–	–	60	1 358
Metropolitan Life		18	–	–	–	31	49
Momentum Corporate		252	210	–	–	24	486
Momentum Metropolitan Health		1	–	982	–	7	990
Non-life Insurance		38	–	–	609	296	943
Momentum Metropolitan Africa		19	10	4	–	116	149
New Initiatives		–	–	–	–	31	31
<b>Segmental total</b>		<b>1 479</b>	<b>798</b>	<b>986</b>	<b>609</b>	<b>669</b>	<b>4 541</b>
Reconciling items		–	(297)	–	–	1	(296)
<b>Total</b>	2	<b>1 479</b>	<b>501</b>	<b>986</b>	<b>609</b>	<b>670</b>	<b>4 245</b>
<b>12 mths to 30.06.2021</b>							
Momentum Life		963	19	–	–	200	1 182
Momentum Investments		1 459	1 162	–	–	164	2 785
Metropolitan Life		36	–	–	–	70	106
Momentum Corporate		537	421	–	–	52	1 010
Momentum Metropolitan Health		1	–	2 102	–	17	2 120
Non-life Insurance		96	–	–	1 320	579	1 995
Momentum Metropolitan Africa		24	22	5	3	170	224
New Initiatives		–	–	–	–	69	69
<b>Segmental total</b>		<b>3 116</b>	<b>1 624</b>	<b>2 107</b>	<b>1 323</b>	<b>1 321</b>	<b>9 491</b>
Reconciling items		–	(583)	–	–	3	(580)
<b>Total</b>	2	<b>3 116</b>	<b>1 041</b>	<b>2 107</b>	<b>1 323</b>	<b>1 324</b>	<b>8 911</b>

<sup>1</sup>Refer to note 12 for more information on the restatements.

## NOTE 2.4

### SEGMENT REVENUE PER GEOGRAPHICAL BASIS

	Notes	SA Rm	Non-SA Rm	Total revenue Rm
<b>6 mths to 31.12.2021</b>				
Momentum Life		5 336	–	5 336
Momentum Investments		18 021	393	18 414
Metropolitan Life		4 150	–	4 150
Momentum Corporate		8 235	–	8 235
Momentum Metropolitan Health		1 664	–	1 664
Non-life Insurance		6 609	915	7 524
Momentum Metropolitan Africa		–	3 148	3 148
New Initiatives		35	–	35
<b>Segmental total</b>		<b>44 050</b>	<b>4 456</b>	<b>48 506</b>
Reconciling items		(23 948)	(1 156)	(25 104)
<b>Total</b>	2	<b>20 102</b>	<b>3 300</b>	<b>23 402</b>
<b>Restated</b>				
<b>6 mths to 31.12.2020<sup>1</sup></b>				
Momentum Life		5 108	–	5 108
Momentum Investments		15 057	355	15 412
Metropolitan Life		3 816	–	3 816
Momentum Corporate		7 480	–	7 480
Momentum Metropolitan Health		1 444	–	1 444
Non-life Insurance		5 290	821	6 111
Momentum Metropolitan Africa		–	2 588	2 588
New Initiatives		31	–	31
<b>Segmental total</b>		<b>38 226</b>	<b>3 764</b>	<b>41 990</b>
Reconciling items		(18 946)	(1 345)	(20 291)
<b>Total</b>	2	<b>19 280</b>	<b>2 419</b>	<b>21 699</b>
<b>12 mths to 30.06.2021</b>				
Momentum Life		10 698	–	10 698
Momentum Investments		34 426	720	35 146
Metropolitan Life		7 763	–	7 763
Momentum Corporate		15 874	–	15 874
Momentum Metropolitan Health		3 052	–	3 052
Non-life Insurance		11 873	1 631	13 504
Momentum Metropolitan Africa		–	5 063	5 063
New Initiatives		62	7	69
<b>Segmental total</b>		<b>83 748</b>	<b>7 421</b>	<b>91 169</b>
Reconciling items		(43 071)	(2 355)	(45 426)
<b>Total</b>	2	<b>40 677</b>	<b>5 066</b>	<b>45 743</b>

<sup>1</sup>Refer to note 12 for more information on the restatements.

**NOTE 3**

**NON-CONTROLLING INTERESTS (legal percentages)**

	<b>31.12.2021</b>	<b>31.12.2020</b>	<b>30.06.2021</b>
	%	%	%
Cannon Assurance	33.7	33.7	33.7
Eris Property Group	23.3	23.5	23.1
Metropolitan Health Ghana	15.0	15.0	15.0
Metropolitan Kenya	33.7	33.7	33.7
Momentum Metropolitan Namibia	0.8	0.7	0.8
Momentum Mozambique	33.0	33.0	33.0
Metropolitan Health Corporate <sup>1</sup>	29.5	49.0	49.0
Momentum Short-term Insurance (Namibia)	30.0	30.0	30.0
Momentum Insurance (Namibia)	30.0	30.0	30.0
Momentum Health Solutions <sup>1</sup>	27.0	–	–
<b>Entities sold during period</b>			
Metropolitan Tanzania	–	33.0	–

<sup>1</sup>A strategic restructuring resulted in a change of the non-controlling interest of these subsidiaries.

**NOTE 4**

**BUSINESS COMBINATIONS**

**DECEMBER 2021**

There were no significant business combinations for the 6 months ended December 2021.

**DECEMBER 2020/JUNE 2021**

**Seneca**

On 30 November 2020, the Group, through its wholly owned subsidiary, MGIM, acquired 100% of the shares in Seneca for £8.22 million in cash and £5 million contingent consideration. The contingent consideration is dependant on certain targets being met. If no targets are met, the payment will be nil and if the targets are met, a maximum payment of £5 million will be made. The initial accounting for the Seneca acquisition was provisionally determined and was presented as preliminary at 31 December 2020. The accounting was finalised at 30 June 2021 and the December 2020 period has been restated accordingly.

**AFIN**

On 9 December 2020, the Group, through its 70% owned subsidiary, Momentum Short-term Insurance (Namibia) Ltd, acquired 100% in AFIN. AFIN has since been renamed to Momentum Insurance (Namibia). The initial accounting for the AFIN acquisition was provisionally determined and was presented as preliminary at 31 December 2020 and 30 June 2021. The acquisition accounting has been finalised and has resulted in a revision of the purchase consideration from N\$40 million in cash and N\$10 million contingent consideration to N\$32 million in cash. The comparative periods have been restated accordingly.

**Inniu Underwriting Services (Pty) Ltd**

On 1 June 2021, the Group, through its wholly owned subsidiary, Guardrisk Group (Pty) Ltd, acquired 100% of the shares in Inniu Underwriting Services (Pty) Ltd (Inniu) for R41 million in cash and R19 million contingent consideration.

The acquisitions provide an opportunity for growth, which is the Group's current focus.

## NOTE 4 CONTINUED

### BUSINESS COMBINATIONS CONTINUED

The purchase price consideration, the net assets acquired and any relevant goodwill relating to the above transactions are as follows:

	Seneca Rm	Other Rm	Restated 31.12.2020 <sup>1</sup> Rm	Seneca Rm	Other Rm	Restated 30.06.2021 <sup>1</sup> Rm
<b>Purchase consideration in total</b>	283	32	315	283	92	375
<b>Fair value of net assets</b>						
Intangible assets	138	48	186	138	48	186
Tangible assets	1	143	144	1	150	151
Financial instrument assets	10	92	102	10	92	102
Insurance and other receivables	–	22	22	–	22	22
Cash and cash equivalents <sup>2</sup>	26	503	529	26	511	537
Insurance contract liabilities	–	(763)	(763)	–	(763)	(763)
Other liabilities	(31)	(23)	(54)	(31)	(30)	(61)
<b>Net identifiable assets acquired</b>	144	22	166	144	30	174
Goodwill recognised	139	10	149	139	62	201
Contingent liability payments	(107)	–	(107)	(107)	(19)	(126)
Refund receivable	–	8	8	–	8	8
<b>Purchase consideration in cash<sup>2</sup></b>	176	40	216	176	81	257
Revenue since acquisition	7	12	19	26	78	104
Earnings since acquisition	1	2	3	4	2	6

<sup>1</sup> Refer to note 12 for more information on the restatements.

<sup>2</sup> In the prior period, the acquisition of subsidiaries resulted in a cash outflow of R216 million (30.06.21: R257 million) relating to the purchase consideration in cash and an inflow of R529 million (30.06.21: R537 million) relating to cash and cash equivalents recognized as part of the net assets acquired. This resulted in a net cash inflow of R313 million (31.06.21: R280 million) relating to the purchase of subsidiaries.

In the current period the first contingent consideration payment of R65 million was paid in relation to the acquisition of Seneca. In the prior period, the above acquisitions resulted in a total of R149 million goodwill (30.06.21: R201 million) being recognised, attributable to certain anticipated operating synergies. The goodwill is not deductible for tax purposes. In the prior period, if the acquisitions were made on 1 July 2020, additional revenue of R20 million and profit after tax of R5 million would have been recognised (30.06.21: Revenue of R58 million and loss after tax of R5 million).

## NOTE 5

### GOODWILL

	31.12.2021 Rm	Restated 31.12.2020 <sup>1</sup> Rm	Restated 30.06.2021 <sup>1</sup> Rm
Cost	2 988	2 913	2 965
Accumulated impairment	(1 184)	(476)	(476)
<b>Balance at end</b>	<b>1 804</b>	2 437	2 489
Balance at beginning	2 489	2 288	2 288
Business combinations <sup>2</sup>	–	149	201
Impairment charges <sup>3</sup>	(708)	–	–
Exchange differences	23	–	–
<b>Balance at end</b>	<b>1 804</b>	2 437	2 489

<sup>1</sup> Refer to note 12 for more information on the restatements.

<sup>2</sup> The prior periods mainly related to the acquisition of Seneca.

<sup>3</sup> Goodwill recognised as part of the acquisition of the Alexander Forbes Short-term Insurance business (Non-life Insurance segment), which was subsequently renamed to Momentum Insurance and thereafter integrated into Momentum Insure from 1 July 2021, was impaired in the current period due to a revision of the 5-year forecast which reflects a more subdued medium-term growth outlook. Should the medium-term outlook not be achieved, the remaining goodwill balance may be impaired by a further R478 million.

## NOTE 6

### FINANCE COSTS

	31.12.2021 Rm	31.12.2020 Rm	30.06.2021 Rm
Subordinated debt	168	179	353
Cost of carry positions	114	101	198
Other finance costs	89	117	225
Redeemable preference shares	71	71	133
<b>Total</b>	<b>442</b>	468	909

**NOTE 7**

**SIGNIFICANT RELATED PARTY TRANSACTIONS**

R60 million of the ordinary dividends declared by MMH in September 2021 and R100 million of the ordinary dividends declared in March 2021 (R160 million of the ordinary dividends declared in March 2020) were attributable to RMI.

**NOTE 8**

**DISPOSAL OF SUBSIDIARY**

	31.12.2020 Rm	30.06.2021 Rm
<b>Assets/(liabilities) disposed of:</b>		
Financial assets at FVPL	–	10
Financial assets at amortised cost	–	98
Investment properties	–	178
Cash and cash equivalents	58	84
Other assets	46	75
Long-term insurance contracts	(13)	(30)
Financial liabilities at amortised cost	–	(175)
Other liabilities	(67)	(122)
<b>Net assets sold</b>	24	118
Non-controlling interests disposed of	(18)	(41)
Investment in associate recognised	(168)	(184)
Loan to associate	–	(38)
Profit on sale of subsidiary	167	150
<b>Cash flow from sale of subsidiary</b>	5	5

In the December 2020 and June 2021 periods, the Group disposed of its entire holding in Metropolitan Life Zambia Ltd, Metropolitan Health Zambia Ltd and a portion of its holding in MHNA. Additionally in the June 2021 period, the Group disposed of its entire holding in Metropolitan Tanzania Life Assurance Company Ltd and Metropolitan Tanzania Insurance Company Ltd and a portion of its holding in South African Student Accommodation Impact Investments (Pty) Ltd (SASAI). MHNA and SASAI are now classified as investments in associates as the Group has significant influence over these investments.

**NOTE 9**

**OTHER RESERVES**

	31.12.2021 Rm	Restated 31.12.2020 Rm	30.06.2021 Rm
Land and building revaluation reserve	263	568	409
FCTR	174	58	(106)
Non-distributable reserve	68	82	66
Employee benefit revaluation reserve	20	103	84
Fair value adjustment for preference shares issued by MMH	940	940	940
Equity-settled share-based payment arrangements	88	30	76
<b>Total</b>	<b>1 553</b>	1 781	1 469

During the prior financial year, the Group's accounting policy related to owner-occupied properties was changed. The previous policy stated that any difference between the depreciation charge on the revalued amount of owner-occupied property and the amount which would have been charged under historic cost, would be transferred between the revaluation reserve and retained earnings annually as the property is utilised. The new accounting policy requires that the entire revaluation reserve balance only be transferred to retained earnings upon disposal of the owner-occupied property or when the property is no longer classified as owner-occupied. With this change the financial statements will provide more relevant and reliable information, as it reduces the number of transactions for this reserve recognised through the statement of changes in equity. The change in accounting policy resulted in a transfer of R58 million from retained earnings to the land and buildings revaluation reserve.

## NOTE 10

### DIVIDENDS

	2022	2021
<b>Ordinary listed MMH shares (cents per share)</b>		
Interim – March	35	25
Final – September		15
<b>Total</b>	<b>35</b>	<b>40</b>

### MMH convertible redeemable preference shares (issued to KTH)

The A3 MMH preference shares are redeemable on 30 June 2022 at a redemption value of R9.18 per share unless converted into MMH ordinary shares on a one-for-one basis prior to that date. The ordinary shares were originally issued at a price of R10.18 per share. Dividends are payable on the remaining preference shares at 132 cents per annum (payable March and September). MMH subscribed for a cumulative, redeemable preference share in Off The Shelf Investments 108 (Pty) Ltd (a subsidiary of KTH) which is linked to the A3 preference shares acquired in 2011. The dividends on the Off The Shelf Investments preference share aligns the A3 preference share dividend to the ordinary dividends.

	2022 Rm	2021 Rm
<b>A3 MMH preference share dividends – KTH</b>		
Interim – March	19	19
Final – September		19
<b>Total</b>	<b>19</b>	<b>38</b>

## NOTE 11

### FINANCIAL INSTRUMENTS SUMMARISED BY MEASUREMENT CATEGORY IN TERMS OF IFRS 9

	FVPL				Not in scope of IFRS 9 Rm	Total Rm
	Mandatorily Rm	Designated <sup>1</sup> Rm	Total fair value Rm	Amortised cost Rm		
<b>31.12.2021</b>						
Unit-linked investments	199 476	–	199 476	–	–	199 476
Debt securities	47 638	118 142	165 780	572	–	166 352
Equity securities <sup>2</sup>	111 305	–	111 305	–	–	111 305
Carry positions	–	418	418	–	–	418
Funds on deposit and other money market instruments	10 764	16 149	26 913	322	–	27 235
Derivative financial assets	1 432	–	1 432	–	–	1 432
Financial assets at amortised cost	–	–	–	6 813	–	6 813
Insurance and other receivables (excluding accelerated rental and prepayments)	–	–	–	–	6 510	6 510
Cash and cash equivalents	–	–	–	38 551	–	38 551
<b>Total financial assets</b>	<b>370 615</b>	<b>134 709</b>	<b>505 324</b>	<b>46 258</b>	<b>6 510</b>	<b>558 092</b>
Investment contracts with DPF <sup>3</sup>	–	–	–	–	3 055	3 055
Investment contracts designated at FVPL	–	339 570	339 570	–	–	339 570
CIS liabilities	–	33 229	33 229	–	–	33 229
Subordinated call notes	–	4 392	4 392	–	–	4 392
Carry positions	–	7 229	7 229	–	–	7 229
Preference shares	–	323	323	–	–	323
Derivative financial liabilities	2 573	–	2 573	–	–	2 573
Other borrowings	170	–	170	–	–	170
Financial liabilities at amortised cost	–	–	–	4 186	199	4 385
Other payables (excluding premiums in advance and deferred revenue liability)	–	–	–	9 588	7 039	16 627
<b>Total financial liabilities</b>	<b>2 743</b>	<b>384 743</b>	<b>387 486</b>	<b>13 774</b>	<b>10 293</b>	<b>411 553</b>

<sup>1</sup> Assets designated at fair value mainly consists of policyholder assets which back policyholder liabilities which are carried at FVPL. The amount of change, during the period and cumulatively, in the fair value of financial assets designated at FVPL that is attributable to changes in the credit risk of the financial asset is determined as the change triggered by factors other than changes in the benchmark rate. The impact of the changes in credit risk for the current and prior periods was immaterial.

<sup>2</sup> Equity securities are classified as FVPL at inception.

<sup>3</sup> As a result of an update to legislation, namely Financial Sector Conduct Authority (FSCA) Standard 5 of 2020, certain investment contracts that were previously classified as investment contracts with DPF were reclassified to investment contracts designated at FVPL. The update in the legislation resulted in a modification to the contract which resulted in the derecognition of investment contracts with DPF and recognition of investment contracts designated at FVPL.

NOTE 11 CONTINUED

FINANCIAL INSTRUMENTS SUMMARISED BY MEASUREMENT CATEGORY IN TERMS OF IFRS 9 CONTINUED

	FVPL				Not in scope of IFRS 9 Rm	Total Rm
	Mandatorily Rm	Designated <sup>1</sup> Rm	Total fair value Rm	Amortised cost Rm		
<b>Restated</b>						
<b>31.12.2020<sup>2</sup></b>						
Unit-linked investments	162 098	–	162 098	–	–	162 098
Debt securities	44 204	107 669	151 873	468	–	152 341
Equity securities <sup>3</sup>	96 195	–	96 195	–	–	96 195
Carry positions	–	611	611	–	–	611
Funds on deposit and other money market instruments	14 688	15 997	30 685	141	–	30 826
Derivative financial assets	4 438	–	4 438	–	–	4 438
Financial assets at amortised cost	–	–	–	5 822	–	5 822
Insurance and other receivables (excluding accelerated rental and prepayments)	–	–	–	–	5 586	5 586
Cash and cash equivalents	–	–	–	28 913	–	28 913
<b>Total financial assets</b>	<b>321 623</b>	<b>124 277</b>	<b>445 900</b>	<b>35 344</b>	<b>5 586</b>	<b>486 830</b>
Investment contracts with DPF	–	–	–	–	18 516	18 516
Investment contracts designated at FVPL	–	273 321	273 321	–	–	273 321
CIS liabilities	–	27 593	27 593	–	–	27 593
Subordinated call notes	–	4 513	4 513	–	–	4 513
Carry positions	–	6 197	6 197	–	–	6 197
Preference shares	–	350	350	–	–	350
Derivative financial liabilities	6 639	–	6 639	–	–	6 639
Other borrowings	199	–	199	–	–	199
Financial liabilities at amortised cost	–	–	–	4 414	265	4 679
Other payables (excluding premiums in advance and deferred revenue liability)	–	–	–	8 117	6 135	14 252
<b>Total financial liabilities</b>	<b>6 838</b>	<b>311 974</b>	<b>318 812</b>	<b>12 531</b>	<b>24 916</b>	<b>356 259</b>
<b>Restated</b>						
<b>30.06.2021<sup>2</sup></b>						
Unit-linked investments	178 147	–	178 147	–	–	178 147
Debt securities	44 027	112 450	156 477	512	–	156 989
Equity securities <sup>3</sup>	103 987	–	103 987	–	–	103 987
Carry positions	–	2 232	2 232	–	–	2 232
Funds on deposit and other money market instruments	10 591	12 243	22 834	311	–	23 145
Derivative financial assets	2 146	–	2 146	–	–	2 146
Financial assets at amortised cost	–	–	–	8 770	–	8 770
Insurance and other receivables (excluding accelerated rental and prepayments)	–	–	–	–	5 727	5 727
Cash and cash equivalents	–	–	–	38 642	–	38 642
<b>Total financial assets</b>	<b>338 898</b>	<b>126 925</b>	<b>465 823</b>	<b>48 235</b>	<b>5 727</b>	<b>519 785</b>
Investment contracts with DPF	–	–	–	–	19 222	19 222
Investment contracts designated at FVPL	–	292 563	292 563	–	–	292 563
CIS liabilities	–	29 372	29 372	–	–	29 372
Subordinated call notes	–	4 429	4 429	–	–	4 429
Carry positions	–	9 657	9 657	–	–	9 657
Preference shares	–	357	357	–	–	357
Derivative financial liabilities	3 374	–	3 374	–	–	3 374
Other borrowings	221	–	221	–	–	221
Financial liabilities at amortised cost	–	–	–	3 962	220	4 182
Other payables (excluding premiums in advance and deferred revenue liability)	–	–	–	10 229	6 872	17 101
<b>Total financial liabilities</b>	<b>3 595</b>	<b>336 378</b>	<b>339 973</b>	<b>14 191</b>	<b>26 314</b>	<b>380 478</b>

<sup>1</sup> Assets designated at fair value mainly consists of policyholder assets which back policyholder liabilities which are carried at FVPL. The amount of change, during the period and cumulatively, in the fair value of financial assets designated at FVPL that is attributable to changes in the credit risk of the financial asset is determined as the change triggered by factors other than changes in the benchmark rate.

<sup>2</sup> Refer to note 12 for more information on the restatements.

<sup>3</sup> Equity securities are classified as FVPL at inception.



## NOTE 11.1

### FINANCIAL INSTRUMENTS FAIR VALUE HIERARCHY

The different valuation method levels have been defined as follows:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2:** Input other than quoted prices included within level 1 that is observable for the asset or liability, either directly (ie, prices) or indirectly (ie, derived from prices)
- **Level 3:** Input for the asset or liability that is not based on observable market data (unobservable input)

### FINANCIAL ASSETS

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
<b>31.12.2021</b>				
Securities at FVPL	<b>362 909</b>	<b>136 705</b>	<b>5 710</b>	<b>505 324</b>
Unit-linked investments				
CISs <sup>1</sup>				
Local unlisted or listed quoted	119 157	1 247	–	120 404
Local unlisted unquoted	–	17	–	17
Foreign unlisted or listed quoted	60 939	256	53	61 248
Foreign unlisted unquoted	–	2 580	341	2 921
Other unit-linked investments				
Local unlisted or listed quoted	3 511	19	–	3 530
Local unlisted unquoted	–	7 801	2 749	10 550
Foreign unlisted or listed quoted	215	263	22	500
Foreign unlisted unquoted	–	17	289	306
Debt securities				
Stock and loans to government and other public bodies				
Local listed	66 848	11 258	1	78 107
Foreign listed	1 887	3 394	2	5 283
Unlisted	–	3 405	1 349	4 754
Other debt instruments				
Local listed	–	40 592	80	40 672
Foreign listed	–	2 789	64	2 853
Unlisted	–	33 856	255	34 111
Equity securities				
Local listed	70 524	3	1	70 528
Foreign listed	39 773	598	155	40 526
Unlisted	–	94	157	251
Funds on deposit and other money market instruments	–	26 908	5	26 913
Carry positions	–	418	–	418
Derivative financial assets – held for trading	55	1 190	187	1 432
	<b>362 909</b>	<b>136 705</b>	<b>5 710</b>	<b>505 324</b>

<sup>1</sup> CISs are classified as level 1 when there is an active market of transactions between investors and CISs based on a published price.

There were no significant transfers between level 1 and 2 assets for both the current and prior periods.

## NOTE 11.1 CONTINUED

## FINANCIAL INSTRUMENTS FAIR VALUE HIERARCHY CONTINUED

## FINANCIAL ASSETS CONTINUED

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
<b>Restated 31.12.2020<sup>1</sup></b>				
Securities at FVPL	299 331	142 090	4 479	445 900
Unit-linked investments				
CISs <sup>2</sup>				
Local unlisted or listed quoted <sup>3</sup>	106 030	908	–	106 938
Local unlisted unquoted <sup>3</sup>	–	16	–	16
Foreign unlisted or listed quoted	39 766	194	30	39 990
Foreign unlisted unquoted	–	1 748	302	2 050
Other unit-linked investments				
Local unlisted or listed quoted	3 035	11	–	3 046
Local unlisted unquoted	–	7 193	2 239	9 432
Foreign unlisted or listed quoted	368	38	–	406
Foreign unlisted unquoted	–	27	193	220
Debt securities				
Stock and loans to government and other public bodies				
Local listed	52 531	12 476	–	65 007
Foreign listed <sup>4</sup>	1 997	3 246	2	5 245
Unlisted	–	3 976	520	4 496
Other debt instruments				
Local listed <sup>5</sup>	–	38 416	128	38 544
Foreign listed <sup>4,6</sup>	–	2 689	64	2 753
Unlisted	–	35 081	747	35 828
Equity securities				
Local listed	63 900	3	2	63 905
Foreign listed	31 499	526	129	32 154
Unlisted	–	18	118	136
Funds on deposit and other money market instruments	–	30 680	5	30 685
Carry positions	–	611	–	611
Derivative financial assets – held for trading	205	4 233	–	4 438
	299 331	142 090	4 479	445 900

<sup>1</sup> Refer to note 12 for more information on the restatements other than footnotes 3, 4 and 5.

<sup>2</sup> CISs are classified as level 1 when there is an active market of transactions between investors and CISs based on a published price.

<sup>3</sup> R16 million level 2 local unlisted or listed quoted CISs were reclassified to level 2 local unlisted unquoted CISs as through further interrogation it was deemed more appropriate.

<sup>4</sup> It was deemed more appropriate that level 2 foreign listed other debt instruments of R473 million be classified as level 1 foreign listed stock and loans to government and other public bodies.

<sup>5</sup> It was deemed more appropriate that local listed other debt instruments of R110 million included in level 2 be included in level 3.

<sup>6</sup> It was deemed more appropriate that foreign listed other debt instruments of R174 million included in level 1 be included in level 2.

**NOTE 11.1 CONTINUED**

**FINANCIAL INSTRUMENTS FAIR VALUE HIERARCHY CONTINUED**

**FINANCIAL ASSETS CONTINUED**

	<b>Level 1 Rm</b>	<b>Level 2 Rm</b>	<b>Level 3 Rm</b>	<b>Total Rm</b>
<b>Restated 30.06.2021<sup>1</sup></b>				
Securities at FVPL	330 731	129 678	5 414	465 823
Unit-linked investments				
CISs <sup>2</sup>				
Local unlisted or listed quoted <sup>3</sup>	111 470	1 182	–	112 652
Local unlisted unquoted	–	17	–	17
Foreign unlisted or listed quoted	49 114	159	58	49 331
Foreign unlisted unquoted	–	2 093	263	2 356
Other unit-linked investments				
Local unlisted or listed quoted	3 330	19	–	3 349
Local unlisted unquoted	–	7 542	2 460	10 002
Foreign unlisted or listed quoted	180	–	54	234
Foreign unlisted unquoted	–	16	190	206
Debt securities				
Stock and loans to government and other public bodies				
Local listed	61 608	11 111	820	73 539
Foreign listed	1 775	3 220	2	4 997
Unlisted <sup>4</sup>	–	3 578	672	4 250
Other debt instruments				
Local listed <sup>5</sup>	–	40 101	103	40 204
Foreign listed	–	2 484	64	2 548
Unlisted <sup>4</sup>	–	30 628	311	30 939
Equity securities				
Local listed	68 478	3	1	68 482
Foreign listed	34 738	517	128	35 383
Unlisted	–	17	105	122
Funds on deposit and other money market instruments	–	22 829	5	22 834
Carry positions	–	2 232	–	2 232
Derivative financial assets – held for trading	38	1 930	178	2 146
	330 731	129 678	5 414	465 823

<sup>1</sup> Refer to note 12 for more information on the restatements other than footnotes 3, 4 and 5.

<sup>2</sup> CISs are classified as level 1 when there is an active market of transactions between investors and CISs based on a published price.

<sup>3</sup> R280 million level 1 local unlisted or listed quoted CISs were reclassified to level 2 local unlisted or listed quoted CISs as through further interrogation it was deemed more appropriate.

<sup>4</sup> It was deemed more appropriate that unlisted other debt instruments of R153 million included in level 2 be classified as unlisted stock and loans to government and other public bodies included in level 3.

<sup>5</sup> It was deemed more appropriate that local listed other debt instruments of R94 million included in level 2 be included in level 3.

NOTE 11.1 CONTINUED

FINANCIAL INSTRUMENTS FAIR VALUE HIERARCHY CONTINUED

FINANCIAL LIABILITIES

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
<b>31.12.2021</b>				
Investment contracts designated at FVPL	–	339 274	296	339 570
Financial liabilities at FVPL	33 229	14 202	485	47 916
CIS liabilities	33 203	–	26	33 229
Subordinated call notes	–	4 392	–	4 392
Carry positions	–	7 229	–	7 229
Preference shares	–	15	308	323
Derivative financial liabilities – held for trading	26	2 547	–	2 573
Other borrowings	–	19	151	170
	<b>33 229</b>	<b>353 476</b>	<b>781</b>	<b>387 486</b>
<b>Restated</b>				
<b>31.12.2020<sup>1</sup></b>				
Investment contracts designated at FVPL	–	273 298	23	273 321
Financial liabilities at FVPL	27 590	17 372	529	45 491
CIS liabilities <sup>2</sup>	27 583	–	10	27 593
Subordinated call notes	–	4 513	–	4 513
Carry positions	–	6 197	–	6 197
Preference shares	–	30	320	350
Derivative financial liabilities – held for trading	7	6 632	–	6 639
Other borrowings	–	–	199	199
	27 590	290 670	552	318 812
<b>Restated</b>				
<b>31.06.2021<sup>1</sup></b>				
Investment contracts designated at FVPL	–	292 540	23	292 563
Financial liabilities at FVPL	29 355	17 523	532	47 410
CIS liabilities	29 354	–	18	29 372
Subordinated call notes	–	4 429	–	4 429
Carry positions	–	9 657	–	9 657
Preference shares	–	44	313	357
Derivative financial liabilities – held for trading	1	3 373	–	3 374
Other borrowings	–	20	201	221
	29 355	310 063	555	339 973

<sup>1</sup> Refer to note 12 for more information on the restatements other than footnote 2.

<sup>2</sup> It was deemed more appropriate that CIS liabilities of R2 444 million included in level 2 be included in level 1.

There were no significant transfers between level 1 and level 2 liabilities for both the current and prior periods.

## NOTE 11.2

### FAIR VALUE OF LEVEL 3 FINANCIAL ASSETS

	At FVPL					Total Rm
	Unit-linked investments Rm	Debt securities Rm	Equity securities Rm	Funds on deposit and other money market instruments Rm	Derivative financial assets Rm	
<b>6 mths to 31.12.2021</b>						
Opening balance	3 025	1 972	234	5	178	5 414
Total gains in net realised and unrealised fair value gains in the income statement						
Realised gains/(losses)	28	54	(35)	–	–	47
Unrealised gains/(losses)	374	(49)	39	–	–	364
Foreign exchange adjustments	4	–	6	–	16	26
Accrued interest in investment income in the income statement	(1)	38	–	–	–	37
Purchases	214	293	126	–	–	633
Sales	(190)	(520)	(84)	–	–	(794)
Settlements	–	(43)	–	–	(7)	(50)
Transfers into level 3 from level 2 <sup>1</sup>	–	6	80	–	–	86
Transfers out to level 2 <sup>2</sup>	–	–	(53)	–	–	(53)
Closing balance	3 454	1 751	313	5	187	5 710
<b>Restated</b>						
<b>6 mths to 31.12.2020<sup>3</sup></b>						
Opening balance	2 667	1 166	296	5	–	4 134
Total gains/(losses) in net realised and unrealised fair value gains in the income statement						
Realised (losses)/gains	(9)	6	(3)	–	–	(6)
Unrealised gains/(losses)	16	46	(61)	–	–	1
Foreign exchange adjustments <sup>4</sup>	–	(11)	–	–	–	(11)
Accrued interest in investment income in the income statement	2	5	–	–	–	7
Purchases	372	657	44	–	–	1 073
Sales	(304)	(421)	–	–	–	(725)
Settlements	(7)	(51)	–	–	–	(58)
Transfers into level 3 from level 1 <sup>1</sup>	27	64	16	–	–	107
Transfers out to level 2 <sup>2</sup>	–	–	(43)	–	–	(43)
Closing balance	2 764	1 461	249	5	–	4 479

<sup>1</sup> Transfers into level 3 equity securities and debt securities relates mainly to assets with stale prices in the current and prior period. Transfers into level 3 unit-linked investments in the prior period related mainly to a change in the observability of inputs.

<sup>2</sup> Transfers out to level 2 relates mainly to assets with inputs to valuation techniques that are no longer stale.

<sup>3</sup> Level 2 debt securities were reclassified to level 3 debt securities as through further interrogation it was deemed more appropriate.

<sup>4</sup> Foreign exchange adjustments related to the consolidation of foreign subsidiaries were incorrectly included within the unrealised gains/(losses) line item. December 2020 has been restated accordingly.

## NOTE 11.2 CONTINUED

## FAIR VALUE OF LEVEL 3 FINANCIAL ASSETS CONTINUED

	At FVPL					Total Rm
	Unit-linked investments Rm	Debt securities Rm	Equity securities Rm	Funds on deposit and other money market instruments Rm	Derivative financial assets Rm	
<b>Restated 12 mths to 30.06.2021<sup>1</sup></b>						
Opening balance	2 667	1 166	296	5	–	4 134
Transfer to assets relating to disposal groups held for sale	(10)	–	–	–	–	(10)
Transfer from other asset classes	–	–	–	–	4	4
Total gains/(losses) in net realised and unrealised fair value gains in the income statement						
Realised (losses)/gains	(35)	6	(6)	–	–	(35)
Unrealised gains/(losses)	109	(211)	(74)	–	181	5
Foreign exchange adjustments	(4)	–	(19)	–	(7)	(30)
Accrued interest in investment income in the income statement	–	47	–	–	–	47
Purchases	626	1 280	42	–	–	1 948
Sales	(343)	(862)	(1)	–	–	(1 206)
Settlements	(10)	(279)	–	–	–	(289)
Transfers into level 3 from level 1 <sup>2</sup>	–	–	1	–	–	1
Transfers into level 3 from level 2 <sup>2</sup>	25	825	33	–	–	883
Transfers out to level 2 <sup>3</sup>	–	–	(38)	–	–	(38)
Closing balance	3 025	1 972	234	5	178	5 414

<sup>1</sup> Level 2 debt securities were reclassified to level 3 debt securities as through further interrogation it was deemed more appropriate.

<sup>2</sup> Transfers into level 3 equity securities and unit-linked investments relates mainly to assets with stale prices. Debt securities of R759 million were transferred from level 2 to level 3 in June 2021 as a result of fair value adjustments processed due to recoverability and credit risk. The remaining debt securities which were transferred in June 2021 related to instruments with stale prices.

<sup>3</sup> Transfers out to level 2 relates mainly to assets with inputs to valuation techniques that are no longer stale.

Transfers in and out of level 3 are deemed to have occurred at inception of reporting period at fair value.

**NOTE 11.2 CONTINUED**

**SENSITIVITY OF SIGNIFICANT LEVEL 3 FINANCIAL ASSETS MEASURED AT FAIR VALUE TO CHANGES IN KEY ASSUMPTIONS**

	At FVPL	
	Unit-linked investments Rm	Debt securities Rm
<b>31.12.2021</b>		
<b>Carrying amount</b>	<b>3 454</b>	<b>1 751</b>
<b>Assumption change</b>	<b>10% increase/ (decrease) in unit price</b>	<b>1% increase/ (decrease) in discount rates</b>
Effect of increase in assumption	345	85
Effect of decrease in assumption	(345)	42
<b>Restated 31.12.2020<sup>1</sup></b>		
<b>Carrying amount</b>	2 764	1 461
<b>Assumption change</b>	10% increase (decrease) in unit price	1% increase/ (decrease) in discount rates
Effect of increase in assumption	276	15
Effect of decrease in assumption	(276)	(25)
<b>Restated 30.06.2021<sup>1</sup></b>		
<b>Carrying amount</b>	3 025	1 972
<b>Assumption change</b>	10% increase/ (decrease) in unit price	1% increase/ (decrease) in discount rates
Effect of increase in assumption	303	36
Effect of decrease in assumption	(303)	(46)

<sup>1</sup> Level 2 debt securities were reclassified to level 3 debt securities as through further interrogation it was deemed more appropriate.

**NOTE 11.3**
**RECONCILIATION OF THE FAIR VALUE OF LEVEL 3 FINANCIAL LIABILITIES**

	At FVPL				
	Investment contracts designated at FVPL Rm	CIS liabilities Rm	Preference shares Rm	Other borrowings Rm	Total Rm
<b>6 mths to 31.12.2021</b>					
Opening balance	23	18	313	201	555
Total losses/(gains) in net realised and unrealised fair value gains in the income statement					
Unrealised losses/(gains)	1	(4)	1	(9)	(11)
Total gains in other comprehensive income	-	(3)	-	-	(3)
Issues	-	15	-	17	32
Settlements	-	-	(6)	(65)	(71)
Reclassification of investment contract liabilities <sup>1</sup>	272	-	-	-	272
Exchange differences	-	-	-	7	7
Closing balance	296	26	308	151	781
<b>Restated</b>					
<b>6 mths to 31.12.2020<sup>2</sup></b>					
Opening balance	26	22	-	110	158
Total gains in net realised and unrealised fair value gains in the income statement					
Unrealised gains	(3)	-	-	(16)	(19)
Issues	-	-	320	105	425
Settlements	-	(12)	-	-	(12)
Closing balance	23	10	320	199	552
<b>12 mths to 30.06.2021</b>					
Opening balance	26	22	-	110	158
Total (gains)/losses in net realised and unrealised fair value gains in the income statement					
Unrealised (gains)/losses	(3)	(7)	6	(8)	(12)
Issues	-	3	323	104	430
Settlements	-	-	(16)	-	(16)
Exchange differences	-	-	-	(5)	(5)
Closing balance	23	18	313	201	555

<sup>1</sup> As a result of an update to legislation, namely FSCA Standard 5 of 2020, certain investment contracts that were previously classified as investment contracts with DPF were reclassified to investment contracts designated at FVPL. The update in the legislation resulted in a modification to the contract which resulted in the derecognition of investment contracts with DPF and recognition of investment contracts designated at FVPL.

<sup>2</sup> Refer to note 12 for more information on the restatements.

Sensitivity: Increasing/decreasing the investment return by 10% would decrease/increase the carrying amount of level 3 investment contract designated at FVPL liabilities by R30 million and R30 million (31.12.20: R2 million and R2 million; 30.06.21: R2 million and R2 million), respectively.



## NOTE 11.4

### VALUATION TECHNIQUES

#### Group's valuation processes

The Group's in-house valuation experts perform the valuations of financial assets required for financial reporting purposes. Discussions of valuation processes and results are held at least bi-annually, in line with the Group's bi-annual reporting dates.

#### Critical accounting estimates and judgements

For venture capital fund investments that are classified as unit-linked investments, the Group applies the International Private Equity and Venture Capital (IPEV) valuation guidelines, which have been prepared with the goal that the derived fair value measurements are compliant with IFRS. The IPEV guidelines allow for adjustments post the valuation date for uncertainty related to time elapsing between the measurement dates of the fund manager and the investor, changes in market dynamics or other economic conditions, and facts or circumstances that may impact the valuation of start-up businesses. Management applies judgement if an adjustment is needed for any of these reasons.

The following are the methods and assumptions for determining the fair value when a valuation technique is used in respect of instruments classified as level 2.

<b>Instrument</b>	<b>Valuation basis</b>	<b>Main assumptions</b>
<b>Equities and similar securities</b>		
- Listed, local and foreign	Discounted cash flow (DCF), earnings multiple, published prices	Cost of capital, earnings multiple, consumer price index, budgets, cash flow forecasts
<b>Stock and loans to other public bodies</b>		
- Listed, local	Published yield of benchmark bond  Published price quotation	Nominal bond curve, swap curve, credit spread, real bond curve, inflation curve  Nominal bond curve, swap curve, credit spread, real bond curve, inflation curve
- Listed, foreign	Published price quotation	Nominal bond curve, credit spread
- Unlisted	DCF	Nominal bond curve, swap curve, real bond curve, consumer price index, credit spread
<b>Other debt securities</b>		
- Listed, local	Published prices, DCF	Nominal bond curve, real bond curve, swap curve, consumer price index, credit spread, currency rates
- Listed, foreign	Published prices, DCF	Nominal bond curve, credit spread and currency rates
- Unlisted	DCF  DCF, Black-scholes model	Nominal bond curve, swap curve, real bond curve, consumer price index, credit spread, currency rates  Yield curves, discount rates, volatilities
<b>Funds on deposit and other money market instruments</b>		
- Listed	DCF  Published prices  Published yield of benchmark bond	Money market curve  Money market curve, credit spread  Money market curve, credit spread
- Unlisted	DCF	Money market curve, nominal bond curve, swap curve, credit spread, inflation curve
<b>Unit-linked investments</b>	Adjusted NAV or NAV	Underlying asset and liability values
<b>Derivative assets and liabilities</b>	Black-scholes model (European options), binomial tree (American/Bermudan options), DCF	Nominal bond curve, swap curve, real bond curve, consumer price index, credit spread, volatility, forward equity, currency rates
<b>Subordinated call notes (Liability)</b>	Published yield quotations	Nominal bond curve, real bond curve
<b>Carry position assets and liabilities</b>	DCF	Nominal bond curve, repo rates
<b>Investment contracts designated at FVPL</b>	Asset and liability matching method	Asset value

There were no significant changes in the valuation methods applied since the prior period.

**NOTE 11.4 CONTINUED**

**VALUATION TECHNIQUES CONTINUED**

Information about fair value measurements using significant unobservable inputs for instruments classified as level 3

Financial assets	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
<b>Securities at FVPL</b>				
Equity securities				
– Foreign listed	Published prices	Adjustments for low liquidity or inactivity	Liquidity discount: 0% to 30%	Adjustments would result in lower fair value
– Unlisted	NAV	Underlying property valuations impacted by capitalisation rates, vacancy rates and potential capitalisation of project costs	Could vary significantly based on the value of the underlying properties <sup>1</sup>	The higher the capitalisation rate the lower the value of the property and the fair value. The higher the vacancy rate the lower the value of the property and the fair value <sup>1</sup>
	Adjusted NAV or NAV	Price per unit	Could vary significantly based on the assets and liabilities held by the investee <sup>1</sup>	The higher the NAV, the greater the fair value <sup>1</sup>
	DCF	Discount rate	Multiple unobservable inputs <sup>1</sup>	The higher the discount rate, the lower the fair value of the assets
<b>Debt securities</b>				
Stock and loans to government and other public bodies				
– Unlisted	DCF	Discount rate	8% to 11% (31.12.2020: 8.00% to 11.00%; 30.06.2021: 8.00% to 11.00%)	The higher the discount rate, the lower the fair value of the assets
	Published prices	Adjustments for recoverability and credit risk determined by collection rates of performing and non-performing loans.	Multiple unobservable inputs <sup>1</sup>	Adjustments would result in lower fair value
<b>Other debt instruments</b>				
– Unlisted	DCF, Black-scholes model	Discount rate, volatilities, yield curve	Multiple unobservable inputs <sup>1</sup>	Could vary significantly based on multiple inputs <sup>1</sup>
	DCF	Discount rate	8.72% to 10.03% (31.12.2020: 8.01% to 9.05%; 30.06.2021: 8.32% to 9.69%); 5.28% to 11.38% (31.12.2020: 4.99% to 11.14%; 30.06.2021: 5.00% to 11.19%); 7.98% to 12.83% (30.06.21: 7.75% to 12.58%); 10.16% (30.06.21: 15.03%)	The higher the discount rate, the lower the fair value of the assets
	Last quoted price multiplied by number of units held	Price per unit	78c (31.12.2020: 78c; 30.06.2021: 78c)	The higher the price per unit, the higher the fair value
<b>Unit-linked investments</b>				
CISs				
– Foreign unlisted unquoted	Unit price of underlying assets/liabilities multiplied by number of units held	Price per unit	Could vary significantly based on the assets and liabilities held by the investee <sup>1</sup>	The higher the NAV, the greater the fair value <sup>1</sup>

<sup>1</sup> Quantitative information is not readily available as quantitative unobservable inputs are not developed by the Group.

## NOTE 11.4 CONTINUED

### VALUATION TECHNIQUES CONTINUED

Information about fair value measurements using significant unobservable inputs for instruments classified as level 3 continued

Financial assets continued	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
<b>Securities at FVPL</b> continued				
Unit-linked investments continued				
Other unit-linked investments	Adjusted NAV or NAV	Price per unit	Could vary significantly due to range of holdings <sup>1</sup>	The higher the price per unit, the higher the fair value <sup>1</sup>
– Local unlisted unquoted	Adjusted NAV or NAV	Underlying investment valuations impacted by funding rounds, market dynamics, economic conditions and internal business metrics. Management applies judgement if an adjustment is required due to changes in market dynamics, economic conditions and internal business metrics.	Could vary significantly due to range of holdings <sup>1</sup>	The fair value varies based on any changes to the underlying investment valuations and judgemental adjustments applied by management
– Foreign unlisted unquoted	Adjusted NAV or NAV	Price per unit	Could vary significantly due to range of holdings <sup>1</sup>	The higher the price per unit, the higher the fair value <sup>1</sup>
	Adjusted NAV or NAV	Underlying investment valuations impacted by funding rounds, market dynamics, economic conditions and internal business metrics. Management applies judgement if an adjustment is required due to changes in market dynamics, economic conditions and internal business metrics.	Could vary significantly due to range of holdings <sup>1</sup>	The fair value varies based on any changes to the underlying investment valuations and judgemental adjustments applied by management
Derivative financial assets	Adjusted NAV or NAV	Underlying investment valuations impacted by funding rounds, market dynamics, economic conditions and internal business metrics.	Could vary significantly due to range of inputs <sup>1</sup>	The fair value varies based on any changes to the underlying investment valuations and judgemental adjustments applied by management
<b>Financial liabilities</b>				
<b>Financial liabilities at FVPL</b>				
Other borrowings	DCF	AUM growth rate	2.75% to 3.25% (31.12.2020: not applicable; 30.06.2021: 2.75% to 3.25%)	The higher the rate, the higher the fair value
Preference shares	DCF	Discount rate	12.47% to 15.03% (31.12.2020: not applicable; 30.06.2021: 12.22%)	The higher the discount rate, the lower the fair value of the liability

<sup>1</sup> Quantitative information is not readily available as quantitative unobservable inputs are not developed by the Group.

There were no significant changes in the valuation methods applied since the prior period.

**NOTE 12  
RESTATEMENTS**

The following restatements were made to the consolidated statement of financial position, income statement and statement of cash flows for the following periods:

Statement of financial position as at 31.12.2020	Before restatement Rm	Investment contract correction <sup>1</sup> Rm	Reinsurance commission <sup>2</sup> Rm	Contract administration fees <sup>3</sup> Rm	IFRS 15 <sup>4</sup> Rm	Fees correction <sup>5</sup> Rm	Interest rate swaps <sup>6</sup> Rm	Unsettled trades <sup>7</sup> Rm	Financial reinsurance contracts <sup>8</sup> Rm	CIS consolidation <sup>9</sup> Rm	AFIN <sup>10</sup> Rm	Seneca <sup>11</sup> Rm	After restatement Rm
Intangible assets	10 234	-	-	-	-	-	-	-	-	-	56	48	10 338
Financial assets at FVPL	446 238	-	-	-	-	-	(459)	611	-	-	(490)	-	445 900
Financial assets at amortised cost	7 047	-	-	-	-	-	-	(611)	-	-	(5)	-	6 431
Reinsurance contract assets	6 611	-	-	-	-	-	-	-	-	-	133	-	6 744
Insurance and other receivables	6 268	-	-	-	-	-	-	-	-	-	(45)	-	6 223
Current income tax assets	171	-	-	-	-	-	-	-	-	-	2	-	173
Cash and cash equivalents	28 646	(227)	-	-	-	-	-	-	-	-	494	-	28 913
Insurance contract liabilities	(12 352)	-	-	-	-	-	-	-	-	-	(137)	-	(12 489)
Non-life insurance contracts	(12 352)	-	-	-	-	-	-	-	-	-	(137)	-	(12 489)
Investment contracts	(273 548)	227	-	-	-	-	-	-	-	-	-	-	(273 321)
- designated at FVPL	(44 728)	-	-	-	-	-	(120)	(588)	-	-	10	(65)	(45 491)
Financial liabilities at FVPL	(4 666)	-	-	-	-	-	-	-	-	-	(13)	-	(4 679)
Financial liabilities at amortised cost	(2 763)	-	-	-	-	-	-	-	-	-	(8)	17	(2 754)
Deferred income tax	(778)	-	-	-	-	-	-	-	-	-	3	-	(775)
Employee benefit obligations	(17 141)	-	-	-	-	-	579	588	-	-	-	-	(15 974)
Other payables	(17 141)	-	-	-	-	-	579	588	-	-	-	-	(15 974)
<b>as at 30.06.2021</b>													
Intangible assets	9 888	-	-	-	-	-	-	-	-	-	51	-	9 939
Fixed assets	404	-	-	-	-	-	-	-	-	-	(1)	-	403
Financial assets at FVPL	466 280	-	-	-	-	-	-	-	-	-	(457)	-	465 823
Financial assets at amortised cost	9 598	-	-	-	-	-	-	-	-	-	(5)	-	9 593
Reinsurance contract assets	6 717	-	-	-	-	-	-	-	-	-	102	-	6 819
Insurance and other receivables	6 406	-	-	-	-	-	-	-	-	-	(52)	-	6 354
Cash and cash equivalents	38 121	-	-	-	-	-	-	-	-	-	521	-	38 642
Insurance contract liabilities	(13 349)	-	-	-	-	-	-	-	-	-	(146)	-	(13 495)
Non-life insurance contracts	(47 420)	-	-	-	-	-	-	-	-	-	10	-	(47 410)
Financial liabilities at FVPL	(4 164)	-	-	-	-	-	-	-	-	-	(18)	-	(4 182)
Financial liabilities at amortised cost	(2 722)	-	-	-	-	-	-	-	-	-	(8)	-	(2 730)
Deferred income tax	(1 148)	-	-	-	-	-	-	-	-	-	3	-	(1 145)
Employee benefit obligations	(1 148)	-	-	-	-	-	-	-	-	-	3	-	(1 145)

<sup>1</sup> During F2019, assets in a pure linked investment contract portfolio were transferred between administration platforms. Due to an administrative error, a portion of the transferred assets' cash was double counted and resulted in an increase in investment contract liabilities. There was no earnings impact and only the gross assets and gross liabilities were overstated on the statement of financial position. 31 December 2020 has been restated accordingly.

<sup>2</sup> Amounts received relating to non-life insurance reinsurance commission received by Momentum Insurance were incorrectly netted off against reinsurance premiums paid. 31 December 2020 has been restated accordingly.

<sup>3</sup> The method of calculating the fees earned on term-certain annuities, guaranteed endowments and APN110 liabilities has changed in the prior financial year to take mismatches between the asset and liability values to the fair value adjustments on contract holder liabilities line instead. 31 December 2020 has been restated accordingly.

<sup>4</sup> A reassessment of the principles with regards to agent/principal was done on certain fees. It was determined that the Group was acting as an agent instead of a principal. 31 December 2020 has been restated accordingly.

<sup>5</sup> There was a fees correction with regards to the incorrect classification between performance fees, management fees and net realised and unrealised fair value gains/(losses). 31 December 2020 has been restated accordingly.

<sup>6</sup> The receivable and payable position of derivative financial assets and liabilities and interest rate swaps were not netted off on a per instrument basis in prior periods. Each interest rate swap position has subsequently been restated to correctly net off resulting in a reallocation between debt securities and unsettled trades to derivative financial assets and liabilities. 31 December 2020 has been restated accordingly.

<sup>7</sup> Carry position assets and liabilities were inappropriately reported as unsettled trade assets and liabilities. This resulted in reclassifications between financial assets and liabilities measured at amortised cost to financial assets and liabilities measured at FVPL. 31 December 2020 has been restated accordingly.

<sup>8</sup> Reclassification correction of insurance premiums ceded to reinsurers and change in reinsurance liabilities in relation to the financial reinsurance contracts in Guardrisk Life and Momentum Ability. 31 December 2020 has been restated accordingly.

<sup>9</sup> Fee income correction relating to the elimination of asset management fees received on the CISs being consolidated into the Group. 31 December 2020 has been restated accordingly.

<sup>10</sup> The initial accounting for the AFIN acquisition was provisionally determined and was presented as preliminary at 31 December 2020 and 30 June 2021. The accounting has been finalised and the comparative periods have been restated accordingly.

<sup>11</sup> The initial accounting for the Seneca acquisition was provisionally determined and was presented as preliminary at 31 December 2020. The accounting was finalised at 30 June 2021 and the December 2020 period has been restated accordingly.

**NOTE 12 CONTINUED**  
**RESTATEMENTS CONTINUED**

	Before restatement	Investment contract correction <sup>1</sup>	Reinsurance commission <sup>2</sup>	Contract administration fees <sup>3</sup>	IFRS 15 <sup>4</sup>	Fees correction <sup>5</sup>	Interest rate swaps <sup>6</sup>	Unsettled trades <sup>7</sup>	Financial reinsurance contracts <sup>8</sup>	CIS consolidation <sup>9</sup>	AFIN <sup>10</sup>	Seneca <sup>11</sup>	After restatement
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
<b>Income statement for the 6 mths to 31.12.2020</b>													
Net insurance premiums	18 071	-	(261)	-	-	-	-	-	(356)	-	-	-	17 454
Fee income	4 382	-	261	(302)	(32)	-	-	-	-	(64)	-	-	4 245
Net realised and unrealised fair value gains	6 476	-	-	-	-	(32)	-	-	-	-	-	-	6 444
Change in actuarial liabilities and related reinsurance													
– Change in reinsurance liabilities	14	-	-	-	-	-	-	-	356	-	-	-	370
Fair value adjustments on investment contract liabilities	(14 386)	-	-	302	-	-	-	-	-	-	-	-	(14 084)
Fair value adjustments on CIS liabilities	8 746	-	-	-	-	-	-	-	-	64	-	-	8 810
Other expenses	(3 819)	-	-	-	32	-	-	-	-	-	-	-	(3 755)
<b>Earnings for the year</b>	<b>967</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>967</b>
<b>Statement of cash flows for the 6 mths to 31.12.2020</b>													
Net investments in subsidiaries	(234)	-	-	-	-	-	-	-	-	-	494	-	260
Cash resources and funds on deposit at beginning	31 848	(227)	-	-	-	-	-	-	-	-	-	-	31 621
Cash resources and funds on deposit at end	28 666	(227)	-	-	-	-	-	-	-	-	494	-	28 933
<b>for the 12 mths to 30.06.2021</b>													
Cash utilised in operations	(6 998)	-	-	-	-	-	-	-	-	-	27	-	(6 971)
Net investments in subsidiaries	(293)	-	-	-	-	-	-	-	-	-	494	-	201
Cash resources and funds on deposit at end	38 121	-	-	-	-	-	-	-	-	-	521	-	38 642

<sup>1</sup> During F2019, assets in a pure linked investment contract portfolio were transferred between administration platforms. Due to an administrative error, a portion of the transferred assets' cash was double counted and resulted in an increase in investment contract liabilities. There was no earnings impact and only the gross assets and gross liabilities were overstated on the statement of financial position. 31 December 2020 has been restated accordingly.

<sup>2</sup> Amounts received relating to non-life insurance reinsurance commission received by Momentum Insurance were incorrectly netted off against reinsurance premiums paid. 31 December 2020 has been restated accordingly.

<sup>3</sup> The method of calculating the fees earned on term-certain annuities, guaranteed endowments and APN110 liabilities has changed in the prior financial year to take mismatches between the asset and liability values to the fair value adjustments on contract holder liabilities line instead. 31 December 2020 has been restated accordingly.

<sup>4</sup> A reassessment of the principles with regards to agent/principal was done on certain fees. It was determined that the Group was acting as an agent instead of a principal. 31 December 2020 has been restated accordingly.

<sup>5</sup> There was a fees correction with regards to the incorrect classification between performance fees, management fees and net realised and unrealised fair value gains/(losses). 31 December 2020 has been restated accordingly.

<sup>6</sup> The receivable and payable position of derivative financial assets and liabilities and interest rate swaps were not netted off on a per instrument basis in prior periods. Each interest rate swap position has subsequently been restated to correctly net off resulting in a reallocation between debt securities and unsettled trades to derivative financial assets and liabilities. 31 December 2020 has been restated accordingly.

<sup>7</sup> Carry position assets and liabilities were inappropriately reported as unsettled trade assets and liabilities. This resulted in reclassifications between financial assets and liabilities measured at amortised cost to financial assets and liabilities measured at FVPL. 31 December 2020 has been restated accordingly.

<sup>8</sup> Reclassification correction of insurance premiums ceded to reinsurers and change in reinsurance liabilities in relation to the financial reinsurance contracts in Guardrisk Life and Momentum Ability. 31 December 2020 has been restated accordingly.

<sup>9</sup> Fee income correction relating to the elimination of asset management fees received on the CISs being consolidated into the Group. 31 December 2020 has been restated accordingly.

<sup>10</sup> The initial accounting for the AFIN acquisition was provisionally determined and was presented as preliminary at 31 December 2020 and 30 June 2021. The accounting has been finalised and the comparative periods have been restated accordingly.

<sup>11</sup> The initial accounting for the Seneca acquisition was provisionally determined and was presented as preliminary at 31 December 2020. The accounting was finalised at 30 June 2021 and the December 2020 period has been restated accordingly.

## EMBEDDED VALUE INFORMATION

	31.12.2021 Rm	31.12.2020 Rm	30.06.2021 Rm
<b>Embedded value results</b>			
<b>Covered business</b>			
Equity attributable to owners of the parent	22 205	22 961	21 575
Fair value adjustments on Metropolitan business acquisition and other consolidation adjustments	(1 926)	(2 623)	(2 014)
Net assets – non-covered business within life insurance companies	(4 036)	(4 121)	(3 982)
Net assets – non-covered business outside life insurance companies	(6 321)	(4 868)	(6 387)
<b>Diluted adjusted net worth – covered business</b>	<b>9 922</b>	<b>11 349</b>	<b>9 192</b>
<b>Net value of in-force business</b>	<b>21 849</b>	<b>20 727</b>	<b>20 706</b>
<b>Diluted embedded value – covered business</b>	<b>31 771</b>	<b>32 076</b>	<b>29 898</b>
<b>Non-covered business</b>			
Net assets – non-covered business within life insurance companies	4 036	4 121	3 982
Net assets – non-covered business outside life insurance companies	6 321	4 868	6 387
Consolidation adjustments <sup>1</sup>	(1 663)	(2 405)	(2 550)
Adjustments for dilution <sup>2</sup>	1 529	567	1 510
<b>Diluted adjusted net worth – non-covered business</b>	<b>10 223</b>	<b>7 151</b>	<b>9 329</b>
<b>Write-up to directors' value</b>	<b>1 328</b>	<b>1 611</b>	<b>2 101</b>
Non-covered business	4 645	4 165	5 475
Holding company expenses <sup>3</sup>	(2 120)	(1 425)	(2 204)
International holding company expenses <sup>3</sup>	(1 197)	(1 129)	(1 170)
<b>Diluted embedded value – non-covered business</b>	<b>11 551</b>	<b>8 762</b>	<b>11 430</b>
Diluted adjusted net worth	20 145	18 500	18 521
Net value of in-force business	21 849	20 727	20 706
Write-up to directors' value	1 328	1 611	2 101
<b>Diluted embedded value</b>	<b>43 322</b>	<b>40 838</b>	<b>41 328</b>
Required capital – covered business (adjusted for qualifying debt) <sup>4</sup>	6 456	2 748	6 451
Free surplus – covered business	3 466	8 601	2 741
Diluted embedded value per share (cents)	2 839	2 739	2 708
Diluted adjusted net worth per share (cents)	1 320	1 241	1 214
Diluted number of shares in issue (million) <sup>5</sup>	1 526	1 491	1 526

<sup>1</sup> Consolidation adjustments include mainly goodwill and intangibles in subsidiaries that are eliminated.

<sup>2</sup> Adjustments for dilution are made up as follows:

- Treasury shares held on behalf of contract holders: R558 million (31.12.2020: R313 million; 30.06.2021: R587 million);
- Liabilities related to iSabelo transaction: R726 million (31.12.2020: Rnil million; 30.06.2021: R678 million); and
- Liability – MMH convertible preference shares issued to KTH: R245 million (31.12.2020: R254 million; 30.06.2021: R245 million).

<sup>3</sup> The holding company expenses reflect the present value of projected recurring head office expenses. The international holding company expenses reflect the allowance for support services to the international businesses.

<sup>4</sup> The required capital for in-force covered business amounts to R10 848 million (31.12.2020: R7 261 million; 30.06.2021: R10 881 million) and is adjusted for qualifying debt of R4 392 million (31.12.2020: R4 513 million; 30.06.2021: R4 430 million). This reflects changes made to the required capital framework as well as the mix of assets allocated to back required capital. Although the changes have increased the amount of required capital, they have also increased the assumed investment return on the assets backing the required capital, which has limited the impact on the cost of required capital.

<sup>5</sup> The diluted number of shares in issue takes into account all issued shares, assuming conversion of the convertible redeemable preference shares, and includes the treasury shares held on behalf of contract holders as well as those held by a subsidiary related to the iSabelo transaction.

	31.12.2021 Rm	31.12.2020 Rm	30.06.2021 Rm
<b>Analysis of net value of in-force business</b>			
<b>Momentum Life</b>	<b>9 989</b>	8 959	9 501
Gross value of in-force business	<b>10 762</b>	9 714	10 330
Less cost of required capital	<b>(773)</b>	(755)	(829)
<b>Momentum Investments<sup>1</sup></b>	<b>1 707</b>	1 749	1 389
Gross value of in-force business	<b>1 976</b>	1 982	1 707
Less cost of required capital	<b>(269)</b>	(233)	(318)
<b>Metropolitan Life</b>	<b>4 204</b>	4 271	4 190
Gross value of in-force business	<b>4 661</b>	4 649	4 593
Less cost of required capital	<b>(457)</b>	(378)	(403)
<b>Momentum Corporate</b>	<b>3 385</b>	3 386	3 136
Gross value of in-force business	<b>4 386</b>	4 466	4 092
Less cost of required capital	<b>(1 001)</b>	(1 080)	(956)
<b>Momentum Metropolitan Africa</b>	<b>2 564</b>	2 362	2 490
Gross value of in-force business	<b>2 934</b>	2 699	2 856
Less cost of required capital	<b>(370)</b>	(337)	(366)
<b>Net value of in-force business</b>	<b>21 849</b>	20 727	20 706

<sup>1</sup> Included in covered business is Wealth business not deemed to be long-term insurance business with a value of in-force of R182 million (31.12.2020: R295 million; 30.06.2021: R51 million).

Embedded value detail	Adjusted net worth <sup>2,3</sup> Rm	Net value of in-force Rm	31.12.2021 Rm	Restated 31.12.2020 <sup>2</sup> Rm	Restated 30.06.2021 <sup>2</sup> Rm
<b>Covered business</b>					
Momentum Life	3 500	9 989	<b>13 489</b>	9 959	13 001
Momentum Investments <sup>1</sup>	1 009	1 707	<b>2 716</b>	2 385	2 405
Metropolitan Life	1 800	4 204	<b>6 004</b>	5 659	5 990
Momentum Corporate	3 400	3 385	<b>6 785</b>	6 509	6 536
Momentum Metropolitan Africa	1 139	2 564	<b>3 703</b>	3 476	3 655
<b>Operating segments<sup>2</sup></b>	10 848	21 849	<b>32 697</b>	27 988	31 587
Qualifying Debt	(4 392)	–	<b>(4 392)</b>	(4 513)	(4 430)
Free Surplus	3 466	–	<b>3 466</b>	8 601	2 741
<b>Total covered business</b>	9 922	21 849	<b>31 771</b>	32 076	29 898

<sup>1</sup> Included in covered business is Wealth business not deemed to be long-term insurance business with a value of in-force of R182 million (31.12.2020: R295 million; 30.06.2021: R51 million).

<sup>2</sup> The embedded value of the covered operating segments have been restated to more clearly disclose the required capital referenced in the valuation (cost of required capital). The embedded value consist of the following components:

	31.12.2021 Rm	Restated 31.12.2020 Rm	Restated 30.06.2021 Rm
Required capital	<b>10 848</b>	7 261	10 881
Net value of in-force	<b>21 849</b>	20 727	20 706
<b>Operating segments embedded value</b>	<b>32 697</b>	27 988	31 587

The definition of required capital was changed with effect 30 June 2021 resulting in the increase observed from 31 December 2020 to 30 June 2021.

<sup>3</sup> Intercompany loans are carried by the units that utilise the funding, aligned with capital management practices.

**EMBEDDED VALUE INFORMATION CONTINUED**

Embedded value detail continued	Adjusted net worth <sup>2</sup> Rm	Write-up to directors' value Rm	31.12.2021 Rm	31.12.2020 Rm	30.06.2021 Rm
<b>Non-covered business</b>					
Momentum Life	233	(816)	<b>(583)</b>	(518)	(563)
Momentum Multiply	223	(816)	<b>(593)</b>	(525)	(566)
Other	10	–	<b>10</b>	7	3
Momentum Investments	1 305	1 390	<b>2 695</b>	1 787	2 559
Investment and savings	1 125	1 355	<b>2 480</b>	1 607	2 334
Other	180	35	<b>215</b>	180	225
Metropolitan Life	9	–	<b>9</b>	–	7
Other	9	–	<b>9</b>	–	7
Momentum Corporate	93	–	<b>93</b>	61	80
Other	93	–	<b>93</b>	61	80
Momentum Metropolitan Health	536	710	<b>1 246</b>	1 258	1 234
Health	536	710	<b>1 246</b>	1 258	1 234
Non-life Insurance	3 937	2 356	<b>6 293</b>	5 983	6 776
Non-life insurance	1 394	566	<b>1 960</b>	2 359	2 666
Cell captives	2 543	1 790	<b>4 333</b>	3 624	4 110
Momentum Metropolitan Africa	690	(1 209)	<b>(519)</b>	(426)	(349)
Life insurance	234	(216)	<b>18</b>	37	47
Health	303	146	<b>449</b>	584	541
Non-life insurance	87	4	<b>91</b>	79	73
Other	66	54	<b>120</b>	3	160
International holding company expenses <sup>1</sup>	–	(1 197)	<b>(1 197)</b>	(1 129)	(1 170)
New Initiatives	916	1 017	<b>1 933</b>	1 745	1 876
New initiatives India	803	1 017	<b>1 820</b>	1 422	1 547
New initiatives aYo	–	–	<b>–</b>	220	220
Other	113	–	<b>113</b>	103	109
Shareholders	2 504	(2 120)	<b>384</b>	(1 128)	(190)
Other	2 504	–	<b>2 504</b>	297	2 014
Holding company expenses <sup>1</sup>	–	(2 120)	<b>(2 120)</b>	(1 425)	(2 204)
<b>Total non-covered business</b>	10 223	1 328	<b>11 551</b>	8 762	11 430
<b>Total embedded value</b>	20 145	23 177	<b>43 322</b>	40 838	41 328

<sup>1</sup> The international holding company expenses reflect the allowance for support services to the international businesses. The holding company expenses reflect the present value of projected recurring head office expenses.

<sup>2</sup> Intercompany loans are carried by the units that utilise the funding, aligned with capital management practices.



Analysis of changes in Group embedded value	Notes	Adjusted net worth (ANW) Rm	Gross value of in-force (VIF) Rm	Cost of required capital Rm	Covered business		
					6 mths to 31.12.2021 Total EV Rm	6 mths to 31.12.2020 Total EV Rm	12 mths to 30.06.2021 Total EV Rm
Profit from new business		(384)	942	(141)	417	345	783
Embedded value from new business	A	(384)	925	(141)	400	334	725
Expected return to end of period	B	–	17	–	17	11	58
Profit from existing business		1 416	(652)	110	874	703	(1 328)
Expected return – unwinding of RDR	B	–	930	(134)	796	746	1 495
Release from the cost of required capital	C	–	–	244	244	292	570
Expected (or actual) net of tax profit transfer to net worth	D	1 595	(1 595)	–	–	–	–
Operating experience variances	E	(134)	9	–	(125)	293	(528)
Development expenses	F	(33)	–	–	(33)	(14)	(37)
Operating assumption changes	G	(12)	4	–	(8)	(614)	(2 828)
<b>Embedded value profit/(loss) from operations</b>		1 032	290	(31)	1 291	1 048	(545)
Investment return on adjusted net worth	H	23	–	–	23	(182)	124
Investment variances	I	(119)	753	(16)	618	1 155	1 130
Economic assumption changes	J	(43)	81	52	90	(71)	535
Exchange rate movements	K	14	18	(3)	29	(64)	(91)
<b>Embedded value profit – covered business</b>		907	1 142	2	2 051	1 886	1 153
Transfer of business to non-covered business	L	–	–	–	–	(10)	(10)
Other capital transfers	M	(91)	(1)	–	(92)	48	118
Dividend paid		(86)	–	–	(86)	(377)	(1 892)
<b>Change in embedded value – covered business</b>		730	1 141	2	1 873	1 547	(631)
<b>Non-covered business</b>							
Change in directors' valuation and other items					69	604	2 519
Change in holding company expenses					57	(33)	(853)
<b>Embedded value profit – non-covered business</b>					126	571	1 666
Transfer of business from covered business	K				–	10	10
Other capital transfers	M				92	(48)	(118)
Dividend (paid)/received					(126)	377	1 527
Allowance for shareholder flows related to iSabelo transaction					48	(124)	387
Finance costs – preference shares					(19)	(19)	(37)
<b>Change in embedded value – non-covered business</b>					121	767	3 435
<b>Total change in Group embedded value</b>					1 994	2 314	2 804
<b>Total embedded value profit</b>					2 177	2 457	2 819
Return on embedded value (%) – annualised internal rate of return					10.8%	13.2%	7.3%

**A. Value of new business**

	Momentum Life Rm	Momentum Investments <sup>4</sup> Rm	Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>Value of new business<sup>1, 2, 3</sup></b>						
<b>6 mths to 31.12.2021</b>						
Value of new business	5	232	152	6	5	400
Gross	31	255	195	42	18	541
Less cost of required capital	(26)	(23)	(43)	(36)	(13)	(141)
New business premiums	1 529	22 615	1 691	1 880	1 268	28 983
Recurring premiums	495	110	876	581	237	2 299
Protection	231	–	641	410	94	1 376
Long-term savings	264	101	232	171	143	911
Annuities and structured products	–	9	3	–	–	12
Single premiums	1 034	22 505	815	1 299	1 031	26 684
Protection	–	–	–	1	52	53
Long-term savings	1 034	19 410	233	1 281	672	22 630
Annuities and structured products	–	3 095	582	17	307	4 001
New business premiums (APE)	598	2 361	957	711	340	4 967
Protection	231	–	641	410	99	1 381
Long-term savings	367	2 042	255	299	210	3 173
Annuities and structured products	–	319	61	2	31	413
New business premiums (PVP)	3 495	22 950	3 556	4 911	2 083	36 995
Profitability of new business as a percentage of APE	0.8	9.8	15.9	0.8	1.5	8.1
Profitability of new business as a percentage of PVP	0.1	1.0	4.3	0.1	0.2	1.1
<b>6 mths to 31.12.2020</b>						
Value of new business	46	144	117	19	8	334
Gross	90	148	150	29	21	438
Less cost of required capital	(44)	(4)	(33)	(10)	(13)	(104)
New business premiums	1 517	18 502	1 259	1 409	701	23 388
Recurring premiums	520	88	667	300	216	1 791
Protection	259	–	480	84	96	919
Long-term savings	261	81	185	216	120	863
Annuities and structured products	–	7	2	–	–	9
Single premiums	997	18 414	592	1 109	485	21 597
Protection	–	–	–	32	52	84
Long-term savings	997	16 396	233	1 064	137	18 827
Annuities and structured products	–	2 018	359	13	296	2 686
New business premiums (APE)	620	1 930	726	410	265	3 951
Protection	259	–	480	87	101	927
Long-term savings	361	1 721	208	322	134	2 746
Annuities and structured products	–	209	38	1	30	278
New business premiums (PVP)	3 609	18 746	2 551	3 582	1 504	29 992
Profitability of new business as a percentage of APE	7.4	7.5	16.1	4.6	3.0	8.5
Profitability of new business as a percentage of PVP	1.3	0.8	4.6	0.5	0.5	1.1

<sup>1</sup> Value of new business and new business premiums are net of non-controlling interests.

<sup>2</sup> The Group typically does not include any basis changes for interim reporting, ie the value of new business has been calculated on opening demographic assumptions. Investment yields at the point of sale have been used for fixed annuity and guaranteed endowment business; for other business the investment yields at the reporting date have been assumed to be representative of the economic assumptions at point of sale. The Group does not allow for marginal diversification benefits to be allocated to the value of new business for purposes of deriving the cost of required capital.

<sup>3</sup> No allowance has been made for Covid-19 in the assumptions used to calculate value of new business.

<sup>4</sup> Included in covered business is Wealth business not deemed to be long-term insurance business with value of new business of R43 million (31.12.2020: R37 million; 30.06.2021: R75 million).

## A. Value of new business continued

	Momentum Life Rm	Momentum Investments <sup>4</sup> Rm	Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Africa Rm	Total Rm
<b>Value of new business<sup>1,2,3</sup> continued</b>						
<b>12 mths to 30.06.2021</b>						
Value of new business	72	392	253	11	(3)	725
Gross	146	414	320	34	21	935
Less cost of required capital	(74)	(22)	(67)	(23)	(24)	(210)
New business premiums	3 149	40 873	2 892	3 008	1 358	51 280
Recurring premiums	1 059	207	1 409	694	414	3 783
Protection	503	–	1 015	170	153	1 841
Long-term savings	556	190	388	522	261	1 917
Annuities and structured products	–	17	6	2	–	25
Single premiums	2 090	40 666	1 483	2 314	944	47 497
Protection	–	–	–	35	108	143
Long-term savings	2 090	35 647	509	2 242	261	40 749
Annuities and structured products	–	5 019	974	37	575	6 605
New business premiums (APE)	1 268	4 274	1 557	926	509	8 534
Protection	503	–	1 015	174	164	1 856
Long-term savings	765	3 755	439	746	287	5 992
Annuities and structured products	–	519	103	6	58	686
New business premiums (PVP)	7 479	41 471	5 885	8 220	2 843	65 898
Profitability of new business as a percentage of APE	5.7	9.2	16.2	1.2	(0.6)	8.5
Profitability of new business as a percentage of PVP	1.0	0.9	4.3	0.1	(0.1)	1.1

<sup>1</sup> Value of new business and new business premiums are net of non-controlling interests.

<sup>2</sup> The Group typically does not include any basis changes for interim reporting, ie the value of new business has been calculated on opening demographic assumptions. Investment yields at the point of sale have been used for fixed annuity and guaranteed endowment business; for other business the investment yields at the reporting date have been assumed to be representative of the economic assumptions at point of sale. The Group does not allow for marginal diversification benefits to be allocated to the value of new business for purposes of deriving the cost of required capital.

<sup>3</sup> No allowance has been made for Covid-19 in the assumptions used to calculate value of new business.

<sup>4</sup> Included in covered business is Wealth business not deemed to be long-term insurance business with value of new business of R43 million (31.12.2020: R37 million; 30.06.2021: R75 million).

	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>Reconciliation of lump sum inflows</b>			
<b>Total lump sum inflows</b>	<b>21 315</b>	16 856	38 905
Inflows not included in value of new business	(3 899)	(2 195)	(6 618)
Wealth off-balance sheet business	8 444	6 148	13 637
Term extensions on maturing policies	120	168	321
Automatically Continued Policies	711	613	1 255
Non-controlling interests and other adjustments	(7)	7	(3)
<b>Single premiums included in value of new business</b>	<b>26 684</b>	21 597	47 497

	31.12.2021 %	31.12.2020 %	30.06.2021 %
<b>Principal assumptions (South Africa)<sup>1,2</sup></b>			
Pre-tax investment return			
Equities	14.3	14.1	13.9
Properties	11.8	11.6	11.4
Government stock	10.8	10.6	10.4
Other fixed-interest stocks	11.3	11.1	10.9
Cash	9.8	9.6	9.4
Risk-free return <sup>3</sup>	10.8	10.6	10.4
Risk discount rate (RDR) <sup>4</sup>	13.1	12.9	12.8
Investment return (before tax) – balanced portfolio <sup>3</sup>	13.0	12.7	12.6
Renewal expense inflation rate <sup>5</sup>	7.0	6.2	6.5

<sup>1</sup> The principal assumptions relate only to the South African life insurance business. Assumptions relating to international life insurance businesses are based on local requirements and can differ from the South African assumptions.

<sup>2</sup> The assumptions quoted in the table are representative rates derived at the 10-year point of the yield curves.

<sup>3</sup> Risk-free returns are taken from an appropriate market-related, risk-free yield curve as at the valuation date. Appropriate risk premia are added to the risk-free yields in order to derive yields on other asset classes. Expected cash flows at each duration are discounted using yields appropriate to that duration. The investment return on balanced portfolio business was calculated by applying the above returns to an expected long-term asset distribution.

<sup>4</sup> The risk discount rate applied for covered business in South Africa is derived based on a weighted average cost of capital approach. The assumptions with regards the beta used to derive the cost of equity, the equity risk premium and the relative weighting between debt and equity funding are reviewed annually and has remained unchanged from that assumed at 30 June 2021.

<sup>5</sup> For the retail businesses an inflation rate of 5.0% p.a. is used over the planning horizon (three years) where after the inflation rate is derived from market inputs as the difference between nominal and real yields across the term structure of these curves. An addition to the expense inflation is allowed for in some divisions to reflect the impact of closed books that are in run-off. The 7.0% above represents the 10-year point of the yield curves.

**B. Expected return**

The expected return is determined by applying the risk discount rate applicable at the beginning of the reporting year to the present value of in-force covered business at the beginning of the reporting year. The expected return on new business is determined by applying the current risk discount rate to the value of new business from the point of sale to the end of the year.

**C. Release from the cost of required capital**

The release from the cost of required capital represents the difference between the risk discount rate and the expected after tax investment return on the assets backing the required capital over the year.

**D. Expected (or actual) net of tax profit transfer to net worth**

The expected profit transfer for covered business from the present value of in-force to the adjusted net worth is calculated on the IFRS basis.

**E. Operating experience variances**

Operating experience variances	Notes	ANW Rm	Gross VIF Rm	Cost of required capital Rm	6 mths to 31.12.2021 EV Rm	6 mths to 31.12.2020 EV Rm	12 mths to 30.06.2021 EV Rm
<b>Momentum Life</b>		(262)	70	–	(192)	235	(159)
Mortality and morbidity	1	(348)	(20)	–	(368)	20	(316)
Terminations, premium cessations and policy alterations	2	7	87	–	94	159	228
Expense variance		38	–	–	38	54	82
Other	3	41	3	–	44	2	(153)
<b>Momentum Investments</b>		148	(58)	–	90	114	178
Mortality and morbidity	4	81	(6)	–	75	12	81
Terminations, premium cessations and policy alterations	5	(3)	(57)	–	(60)	(14)	(68)
Expense variance		40	–	–	40	66	84
Credit risk variance		9	–	–	9	40	29
Other	6	21	5	–	26	10	52
<b>Metropolitan Life</b>		(35)	(15)	–	(50)	34	3
Mortality and morbidity	7	1	(11)	–	(10)	(33)	(107)
Terminations, premium cessations and policy alterations	8	(68)	(9)	–	(77)	32	40
Expense variance		14	–	–	14	17	18
Credit risk variance		10	–	–	10	19	34
Other		8	5	–	13	(1)	18
<b>Momentum Corporate</b>		96	53	–	149	(104)	(552)
Mortality and morbidity	9	77	(3)	–	74	(65)	(266)
Terminations, premium cessations and policy alterations	10	3	57	–	60	(44)	(298)
Expense variance		(11)	–	–	(11)	35	64
Credit risk variance		7	–	–	7	7	(6)
Other	11	20	(1)	–	19	(37)	(46)
<b>Momentum Metropolitan Africa</b>		(62)	(41)	–	(103)	19	(39)
Mortality and morbidity	12	(87)	(7)	–	(94)	55	61
Terminations, premium cessations and policy alterations	13	25	(38)	–	(13)	(32)	(100)
Expense variance		1	–	–	1	7	(11)
Other		(1)	4	–	3	(11)	11
<b>Shareholders</b>		(19)	–	–	(19)	(5)	41
<b>Total operating experience variances</b>		(134)	9	–	(125)	293	(528)

**Notes**

<sup>1</sup> The mortality and morbidity variance has been impacted by additional deaths during the Covid-19 pandemic. This was offset to some extent by reinsurance recoveries and a release from the Covid-19 provisions.

<sup>2</sup> Largely driven by better than expected lapse experience on the Protection business and net positive contribution from alterations experience, in particular with regards voluntary premium growth.

<sup>3</sup> Mainly relating to an increase in a claims provision resulting in increased interest received.

<sup>4</sup> The annuity book of business experienced higher than expected mortality due to the Covid-19 pandemic.

<sup>5</sup> Reprice of contracts, fee changes and drawdowns on living annuities.

<sup>6</sup> Mostly profits arising from the delayed implementation of pricing changes.

<sup>7</sup> The mortality and morbidity variance has been impacted by additional deaths during the Covid-19 pandemic. This was offset by a release from the Covid-19 provisions resulting in a neutral position as at the valuation date.

<sup>8</sup> The deterioration in persistency and alteration experience includes once-off operational impacts and some deterioration observed in the lapse experience.

<sup>9</sup> The ANW was positively impacted by morbidity experience on the PHI book. The negative impact on mortality experience due to Covid-19 has been offset by a release from the Covid-19 provisions.

<sup>10</sup> The VIF benefited mainly from better-than-expected termination experience on the FundsAtWork book.

<sup>11</sup> Mainly relates to admin fees exceeding expectations due to the premium increases given to clients.

<sup>12</sup> The mortality and morbidity variance has been impacted by additional deaths during the Covid-19 pandemic. This was offset to some extent by a release from the Covid-19 provisions.

<sup>13</sup> ANW impact is mainly due to a lapse rule change in Lesotho (to lapse policies in arrears due to Covid-19) and lower lapse experience in Botswana. VIF impact mainly Lesotho where schemes terminated as well as schemes moving from higher to lower margin products.

## F. Development expenses

Business development expenses within segments.

## G. Operating assumption changes

	ANW Rm	Gross VIF Rm	Cost of required capital Rm	6 mths to 31.12.2021 EV Rm	6 mths to 31.12.2020 EV Rm	12 mths to 30.06.2021 EV Rm
<b>Operating assumption changes</b>						
<b>Momentum Life</b>	-	-	-	-	(71)	(916)
Mortality and morbidity assumptions	-	-	-	-	(70)	(876)
Termination assumptions	-	-	-	-	-	(245)
Renewal expense assumptions	-	-	-	-	-	188
Modelling, methodology and other changes	-	-	-	-	(1)	17
<b>Momentum Investments</b>	-	-	-	-	-	(248)
Mortality and morbidity assumptions	-	-	-	-	-	20
Termination assumptions	-	-	-	-	-	39
Renewal expense assumptions	-	-	-	-	-	(338)
Modelling, methodology and other changes	-	-	-	-	-	31
<b>Metropolitan Life</b>	-	-	-	-	(84)	(453)
Mortality and morbidity assumptions	-	-	-	-	(84)	(387)
Termination assumptions	-	-	-	-	-	-
Renewal expense assumptions	-	-	-	-	-	39
Modelling, methodology and other changes	-	-	-	-	-	(105)
<b>Momentum Corporate</b>	-	-	-	-	(453)	(1 185)
Mortality and morbidity assumptions	-	-	-	-	(453)	(1 176)
Termination assumptions	-	-	-	-	-	(130)
Renewal expense assumptions	-	-	-	-	-	178
Modelling, methodology and other changes	-	-	-	-	-	(57)
<b>Momentum Metropolitan Africa</b>	(12)	4	-	(8)	(6)	(26)
Mortality and morbidity assumptions	-	-	-	-	(24)	(78)
Termination assumptions	-	-	-	-	-	(12)
Renewal expense assumptions	(12)	3	-	(9)	5	(50)
Modelling, methodology and other changes	-	1	-	1	13	114
<b>Total operating assumption changes</b>	<b>(12)</b>	<b>4</b>	<b>-</b>	<b>(8)</b>	<b>(614)</b>	<b>(2 828)</b>

## H. Investment return on adjusted net worth

	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>Investment return on adjusted net worth</b>			
Investment income	313	80	420
Capital appreciation and other <sup>1</sup>	(290)	(262)	(296)
Preference share dividends paid	-	-	-
<b>Investment return on adjusted net worth</b>	<b>23</b>	<b>(182)</b>	<b>124</b>

<sup>1</sup> This includes the revaluation of owner-occupied properties.

## I. Investment variances

Investment variances represent the impact of higher/lower than assumed investment returns on current and expected future after tax profits from in-force business.

## J. Economic assumption changes

The economic assumption changes include the effect of the change in assumed rate of investment return, expense inflation rate and risk discount rate in respect of local and offshore business.

## K. Exchange rate movements

The impact of foreign currency movements on International covered businesses.

## L. Transfer of business from/to non-covered business

Transfer of business between covered and non-covered business.

## M. Other capital transfers

Capital transfers include the alignment of the net asset value of subsidiaries between covered and non-covered business and the recapitalisation of some International subsidiaries. In addition, the change in the treatment of intercompany loans to align with capital management practices has been analysed as capital transfers (this represents the bulk of the number).

**EMBEDDED VALUE INFORMATION CONTINUED**

Covered business: sensitivities – 31.12.2021	Adjusted net worth Rm	In-force business			New business written		
		Net value Rm	Gross value Rm	Cost of required capital <sup>3</sup> Rm	Net value Rm	Gross value Rm	Cost of required capital <sup>3</sup> Rm
<b>Base value</b>	<b>9 922</b>	<b>21 849</b>	<b>24 719</b>	<b>(2 870)</b>	<b>400</b>	<b>541</b>	<b>(141)</b>
1% increase in risk discount rate % change		20 131 (8)	23 377 (5)	(3 246) 13	333 (17)	492 (9)	(159) 13
1% reduction in risk discount rate % change		23 772 9	26 225 6	(2 453) (15)	478 20	599 11	(121) (14)
10% decrease in future expenses % change <sup>1</sup>		23 674 8	26 544 7	(2 870) –	484 21	625 16	(141) –
10% decrease in lapse, paid-up and surrender rates % change		22 368 2	25 238 2	(2 870) –	497 24	638 18	(141) –
5% decrease in mortality and morbidity for assurance business % change		24 500 12	27 370 11	(2 870) –	487 22	628 16	(141) –
5% decrease in mortality for annuity business % change		21 443 (2)	24 313 (2)	(2 870) –	387 (3)	528 (2)	(141) –
1% reduction in gross investment return, inflation rate and risk discount rate % change <sup>2</sup>	9 922 –	22 405 3	25 275 2	(2 870) –	437 9	578 7	(141) –
1% reduction in inflation rate % change		22 842 5	25 712 4	(2 870) –	444 11	585 8	(141) –
10% fall in market value of equities and properties % change <sup>2</sup>	9 872 (1)	20 829 (5)	23 699 (4)	(2 870) –			
10% reduction in premium indexation take-up rate % change		21 340 (2)	24 210 (2)	(2 870) –	380 (5)	521 (4)	(141) –
10% decrease in non-commission-related acquisition expenses % change					460 15	601 11	(141) –
1% increase in equity/property risk premium % change		22 355 2	25 225 2	(2 870) –	415 4	556 3	(141) –

<sup>1</sup> No corresponding changes in variable policy charges are assumed, although in practice it is likely that these will be modified according to circumstances.

<sup>2</sup> Bonus rates are assumed to change commensurately.

<sup>3</sup> The change in the value of cost of required capital is disclosed as nil where the sensitivity test results in an insignificant change in the value.

	Adjusted net worth (ANW) Rm	Gross value of in-force (VIF) Rm	Cost of required capital Rm	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>Analysis of changes in Group embedded value</b>						
<b>Momentum Life</b>						
Embedded value from new business	(152)	183	(26)	5	46	72
Expected return – unwinding of RDR	–	333	(29)	304	265	523
Release from the cost of required capital	–	–	86	86	135	271
Expected (or actual) net of tax profit transfer to net worth	610	(610)	–	–	–	–
Operating experience variances	(262)	70	–	(192)	235	(159)
Development expenses	(16)	–	–	(16)	(5)	(9)
Operating assumption changes	–	–	–	–	(71)	(916)
<b>Embedded value profit/(loss) from operations</b>	180	(24)	31	187	605	(218)
Investment return on adjusted net worth	(19)	–	–	(19)	54	106
Investment variances	(201)	232	(24)	7	394	(292)
Economic assumption changes	–	223	47	270	(156)	656
<b>Embedded value (loss)/profit – covered business</b>	(40)	431	54	445	897	252
<b>Momentum Investments</b>						
Embedded value from new business	(5)	260	(23)	232	144	392
Expected return – unwinding of RDR	–	57	(11)	46	44	98
Release from the cost of required capital	–	–	30	30	33	54
Expected (or actual) net of tax profit transfer to net worth	144	(144)	–	–	–	–
Operating experience variances	148	(58)	–	90	114	178
Development expenses	(6)	–	–	(6)	(3)	(6)
Operating assumption changes	–	–	–	–	–	(248)
<b>Embedded value profit/(loss) from operations</b>	281	115	(4)	392	332	468
Investment return on adjusted net worth	44	–	–	44	(46)	(49)
Investment variances	19	209	43	271	283	487
Economic assumption changes	–	(54)	9	(45)	(67)	(239)
<b>Embedded value profit – covered business</b>	344	270	48	662	502	667
<b>Metropolitan Life</b>						
Embedded value from new business	(76)	271	(43)	152	117	253
Expected return – unwinding of RDR	–	152	(14)	138	130	273
Release from the cost of required capital	–	–	44	44	40	77
Expected (or actual) net of tax profit transfer to net worth	415	(415)	–	–	–	–
Operating experience variances	(35)	(15)	–	(50)	34	3
Development expenses	(10)	–	–	(10)	–	(9)
Operating assumption changes	–	–	–	–	(84)	(453)
<b>Embedded value profit/(loss) from operations</b>	294	(7)	(13)	274	237	144
Investment return on adjusted net worth	(10)	–	–	(10)	30	59
Investment variances	(60)	210	–	150	191	325
Economic assumption changes	–	(134)	(41)	(175)	47	(15)
<b>Embedded value profit/(loss) – covered business</b>	224	69	(54)	239	505	513

**EMBEDDED VALUE INFORMATION CONTINUED**

Analysis of changes in Group embedded value continued	Adjusted net worth (ANW) Rm	Gross value of in-force (VIF) Rm	Cost of required capital Rm	6 mths to 31.12.2021 Rm	6 mths to 31.12.2020 Rm	12 mths to 30.06.2021 Rm
<b>Momentum Corporate</b>						
Embedded value from new business	(68)	110	(36)	6	19	11
Expected return – unwinding of RDR	–	280	(56)	224	204	420
Release from the cost of required capital	–	–	84	84	84	168
Expected (or actual) net of tax profit transfer to net worth	237	(237)	–	–	–	–
Operating experience variances	96	53	–	149	(104)	(552)
Development expenses	(1)	–	–	(1)	(6)	(13)
Operating assumption changes	–	–	–	–	(453)	(1 185)
<b>Embedded value profit/(loss) from operations</b>	264	206	(8)	462	(256)	(1 151)
Investment return on adjusted net worth	(19)	–	–	(19)	24	48
Investment variances	36	61	(35)	62	193	420
Economic assumption changes	–	26	–	26	68	117
<b>Embedded value profit/(loss) – covered business</b>	281	293	(43)	531	29	(566)
<b>Momentum Metropolitan Africa</b>						
Embedded value from new business	(83)	101	(13)	5	8	(3)
Expected return – unwinding of RDR	–	125	(24)	101	114	239
Expected (or actual) net of tax profit transfer to net worth	189	(189)	–	–	–	–
Operating experience variances	(62)	(41)	–	(103)	19	(39)
Operating assumption changes	(12)	4	–	(8)	(6)	(26)
<b>Embedded value profit/(loss) from operations</b>	32	–	(37)	(5)	135	171
Investment return on adjusted net worth	74	–	–	74	53	118
Investment variances	47	41	–	88	94	159
Economic assumption changes	(43)	20	37	14	37	16
Exchange rate movements	14	18	(3)	29	(64)	(91)
<b>Embedded value profit/(loss) – covered business</b>	124	79	(3)	200	255	373
<b>Shareholders</b>						
Operating experience variances	(19)	–	–	(19)	(5)	41
<b>Embedded value (loss)/profit from operations</b>	(19)	–	–	(19)	(5)	41
Investment return on adjusted net worth	(47)	–	–	(47)	(297)	(158)
Investment variances	40	–	–	40	–	31
<b>Embedded value loss – covered business</b>	(26)	–	–	(26)	(302)	(86)



## ADDITIONAL INFORMATION

	31.12.2021 Rm	Restated 31.12.2020 <sup>2</sup> Rm	Restated 30.06.2021 <sup>2</sup> Rm
<b>Analysis of assets managed and/or administered<sup>1</sup></b>			
Managed and/or administered by Investments			
Financial assets	<b>545 629</b>	453 914	477 414
Momentum Manager of Managers	<b>161 986</b>	85 741	90 087
Momentum Investment Consultants	<b>13 328</b>	9 101	10 922
Momentum Collective Investments	<b>98 846</b>	89 049	92 454
Momentum Asset Management	<b>143 484</b>	157 175	165 627
Momentum Global Investments	<b>86 330</b>	73 584	77 071
Momentum Alternative Investments	<b>8 607</b>	7 237	7 682
Momentum Securities	<b>33 048</b>	32 027	33 571
Properties – Eris Property Group	<b>15 965</b>	17 555	15 588
On-balance sheet <sup>3</sup>	<b>9 336</b>	9 392	9 410
Off-balance sheet <sup>3</sup>	<b>6 629</b>	8 163	6 178
Momentum Wealth linked product assets under administration	<b>216 494</b>	177 460	194 460
On-balance sheet	<b>137 777</b>	114 809	125 018
Off-balance sheet	<b>78 717</b>	62 651	69 442
Managed internally or by other managers within the Group (on-balance sheet)	<b>102 872</b>	94 375	96 994
Managed by external managers (on-balance sheet)	<b>19 209</b>	15 652	16 993
Properties managed internally or by other managers within the Group or externally <sup>3</sup>	<b>2 621</b>	3 203	2 528
Non-life Insurance – cell captives on-balance sheet	<b>34 319</b>	24 851	30 680
<b>Total assets managed and/or administered</b>	<b>937 109</b>	787 010	834 657
<b>Managed and/or administered by Investments</b>			
On-balance sheet	<b>275 981</b>	219 141	232 170
Off-balance sheet	<b>269 648</b>	234 773	245 244
	<b>545 629</b>	453 914	477 414
Admin and brokerage assets	<b>119 350</b>	124 457	135 882
Other assets	<b>426 279</b>	329 457	341 532
	<b>545 629</b>	453 914	477 414

<sup>1</sup> Assets managed and/or administered, other than CIS assets, are included where an entity earns a fee on the assets. The total CIS assets are included in Momentum Collective Investments only as this is where the funds are housed. Non-financial assets (except properties) have been excluded.

<sup>2</sup> Refer to note 12 for more information on the restatements other than footnote 3.

<sup>3</sup> R1.5 billion was misallocated between on- and off-balance sheet assets. December 2020 and June 2021 has been restated accordingly.

**ADDITIONAL INFORMATION CONTINUED**

	Gross single inflows Rm	Gross recurring inflows Rm	Gross inflow Rm	Gross outflow Rm	Net inflow/ (outflow) Rm
<b>Net funds received from clients<sup>1</sup></b>					
<b>6 mths to 31.12.2021</b>					
Momentum Life	218	4 551	4 769	(6 412)	(1 643)
Momentum Investments	16 542	422	16 964	(14 294)	2 670
Metropolitan Life	789	3 306	4 095	(3 319)	776
Momentum Corporate	1 348	6 245	7 593	(8 333)	(740)
Momentum Metropolitan Health	–	573	573	(338)	235
Non-life Insurance	1 393	5 266	6 659	(3 047)	3 612
Momentum Metropolitan Africa	1 025	2 024	3 049	(1 905)	1 144
<b>Long-term insurance business fund flows</b>	<b>21 315</b>	<b>22 387</b>	<b>43 702</b>	<b>(37 648)</b>	<b>6 054</b>
<b>Off-balance sheet fund flows</b>					
Managed and/or administered by Investments			48 991	(47 393)	1 598
Properties – Eris Property Group			451	–	451
Momentum Wealth linked product assets under administration			8 085	(4 732)	3 353
<b>Total net funds received from clients</b>			<b>101 229</b>	<b>(89 773)</b>	<b>11 456</b>
<b>Restated</b>					
<b>6 mths to 31.12.2020<sup>2</sup></b>					
Momentum Life	232	4 341	4 573	(4 979)	(406)
Momentum Investments	13 686	368	14 054	(13 405)	649
Metropolitan Life	566	3 201	3 767	(3 264)	503
Momentum Corporate	1 156	5 838	6 994	(8 804)	(1 810)
Momentum Metropolitan Health	1	453	454	(305)	149
Non-life Insurance	726	4 442	5 168	(3 417)	1 751
Momentum Metropolitan Africa	489	1 950	2 439	(1 299)	1 140
<b>Long-term insurance business fund flows</b>	<b>16 856</b>	<b>20 593</b>	<b>37 449</b>	<b>(35 473)</b>	<b>1 976</b>
<b>Off-balance sheet fund flows</b>					
Managed and/or administered by Investments			53 962	(40 548)	13 414
Properties – Eris Property Group			648	(816)	(168)
Momentum Wealth linked product assets under administration			6 797	(4 669)	2 128
<b>Total net funds received from clients</b>			<b>98 856</b>	<b>(81 506)</b>	<b>17 350</b>
<b>12 mths to 30.06.2021</b>					
Momentum Life	540	8 976	9 516	(10 718)	(1 202)
Momentum Investments	31 595	766	32 361	(29 551)	2 810
Metropolitan Life	1 424	6 233	7 657	(6 564)	1 093
Momentum Corporate	2 518	12 346	14 864	(18 102)	(3 238)
Momentum Metropolitan Health	1	931	932	(633)	299
Non-life Insurance	1 855	9 654	11 509	(6 843)	4 666
Momentum Metropolitan Africa	972	3 867	4 839	(2 701)	2 138
<b>Long-term insurance business fund flows</b>	<b>38 905</b>	<b>42 773</b>	<b>81 678</b>	<b>(75 112)</b>	<b>6 566</b>
<b>Off-balance sheet fund flows</b>					
Managed and/or administered by Investments			90 706	(85 073)	5 633
Properties – Eris Property Group			763	(2 917)	(2 154)
Momentum Wealth linked product assets under administration			12 853	(9 823)	3 030
<b>Total net funds received from clients</b>			<b>186 000</b>	<b>(172 925)</b>	<b>13 075</b>

<sup>1</sup> Assets managed and/or administered, other than CIS assets, are included where an entity earns a fee on the assets. The total CIS assets are included in Momentum Collective Investments only as this is where the funds are housed. Non-financial assets (except properties) have been excluded.

<sup>2</sup> Refer to note 12 for more information on the restatements.

Analysis of assets backing shareholder excess	31.12.2021		31.12.2020		30.06.2021	
	Rm	%	Rm	%	Rm	%
Equity securities	1 574	7.1	436	1.9	1 659	7.7
Preference shares	376	1.7	882	3.8	859	4.0
CISs	963	4.3	1 007	4.4	1 059	4.9
Debt securities	6 531	29.4	5 158	22.5	7 030	32.6
Properties	4 354	19.6	2 953	12.9	3 761	17.4
Owner-occupied properties	2 467	11.1	2 213	9.6	2 454	11.4
Investment properties	1 887	8.5	740	3.2	1 307	6.1
Cash and cash equivalents and funds on deposit	7 121	32.1	9 122	39.7	5 172	24.0
Intangible assets	4 449	20.0	5 918	25.8	5 168	24.0
Other net assets	2 883	13.0	2 565	11.2	3 004	13.9
<b>Shareholder excess per reporting basis</b>	<b>28 251</b>	<b>127.2</b>	<b>28 041</b>	<b>122.1</b>	<b>27 712</b>	<b>128.4</b>
Redeemable preference shares	(245)	(1.1)	(254)	(1.1)	(245)	(1.1)
Subordinated redeemable debt	(4 392)	(19.8)	(4 513)	(19.7)	(4 429)	(20.5)
Treasury shares held on behalf of employees	(851)	(3.8)	–	–	(876)	(4.1)
Treasury shares held on behalf of contract holders	(558)	(2.5)	(313)	(1.4)	(587)	(2.7)

Number of employees	31.12.2021	31.12.2020	31.06.2021
Indoor staff	9 966	9 745	9 882
SA	8 883	8 657	8 841
International	1 083	1 088	1 041
Field staff	6 795	6 633	6 601
Momentum Life & Investments	1 267	1 112	1 105
Metropolitan Life	4 299	4 116	4 208
International	1 229	1 405	1 288
<b>Total</b>	<b>16 761</b>	<b>16 378</b>	<b>16 483</b>

## STOCK EXCHANGE PERFORMANCE

	31.12.2021	30.06.2021	31.12.2020	30.06.2020
<b>6 month period</b>				
Value of listed shares traded (rand million)	7 774	5 380	13 248	6 085
Volume of listed shares traded (million)	396	299	857	341
Shares traded (% of average listed shares in issue) <sup>1</sup>	56	42	119	47
<b>Trade prices</b>				
Highest (cents per share)	2 270	2 098	1 873	2 260
Lowest (cents per share)	1 755	1 502	1 282	1 326
Last sale of period (cents per share)	1 895	1 950	1 576	1 761
Annualised percentage (%) change during period	(6)	53	(20)	(35)
Annualised percentage (%) change – life insurance sector (J857)	24	22	17	(48)
Annualised percentage (%) change – top 40 index (J200)	12	4	14	(48)
<b>31 December/30 June</b>				
Price/normalised headline earnings (segmental) ratio	9.3	29.1	11.7	17.3
Dividend yield % (dividend on listed shares) <sup>1</sup>	1.8	2.1	1.6	2.3
Dividend yield % – top 40 index (J200) <sup>1</sup>	3.8	2.4	2.9	3.5
<b>Total shares issued (million)</b>				
Ordinary shares listed on JSE	1 498	1 498	1 498	1 498
Treasury shares held on behalf of shareholders	–	–	(35)	(27)
Treasury shares held on behalf of employees	(45)	(45)	–	–
Treasury shares held on behalf of contract holders	(28)	(30)	(20)	(23)
<b>Basic number of shares in issue</b>	1 425	1 423	1 443	1 448
Convertible redeemable preference shares <sup>2</sup>	–	–	–	–
<b>Diluted number of shares in issue</b>	1 425	1 423	1 443	1 448
Convertible redeemable preference shares <sup>2</sup>	28	28	28	28
Treasury shares held on behalf of contract holders	28	30	20	23
Treasury shares held on behalf of employees	45	45	–	–
<b>Diluted number of shares in issue for normalised headline earnings purposes<sup>3</sup></b>	1 526	1 526	1 491	1 499
Market capitalisation at end (Rbn) <sup>4</sup>	29	30	23	26

<sup>1</sup> Percentages have been annualised.

<sup>2</sup> On a diluted basis, the KTH preference shares are anti-dilutive in both the current and prior periods. For diluted earnings and headline earnings, these preference shares are therefore ignored in accordance with IAS 33. Normalised headline earnings treats the preference shares as if they were ordinary equity. This treatment is consistent with how the preference shares were treated when dilutive.

<sup>3</sup> The diluted number of shares in issue takes into account all issued shares, assuming conversion of the convertible redeemable preference shares, and includes the treasury shares held on behalf of contract holders as well as the treasury shares held on behalf of employees.

<sup>4</sup> The market capitalisation is calculated on the fully diluted number of shares in issue.

## ADMINISTRATION

---

### Directors

P Cooper (Interim Chair), HP Meyer (Group Chief Executive), JC Cilliers (Marais) (Deputy Chief Executive), RS Ketola (Group Finance Director), LM Chiume, L de Beer, NJ Dunkley, T Gobalsamy, Prof SC Jurisich, P Makosholo, Dr SL McPherson, V Nkonyeni, DJ Park

### Group company secretary

Gcobisa Tyusha

### Website

[www.momentummetropolitan.co.za](http://www.momentummetropolitan.co.za)

### Transfer secretaries – South Africa

JSE Investor Services (Pty) Ltd (registration number 2000/007239/07) 13th Floor, 19 Ameshoff Street, Braamfontein 2001. PO Box 4844, Johannesburg 2000 Telephone: +27 11 713 0800 Email: [info@jseinvestorservices.co.za](mailto:info@jseinvestorservices.co.za)

### Transfer secretaries – Namibia

Transfer Secretaries (Pty) Ltd (registration number 93/713) 4 Robert Mugabe Avenue, Windhoek. PO Box 2301, Windhoek Telephone: +264 61 22 7647 Email: [info@nsx.com.na](mailto:info@nsx.com.na)

### Sponsor – South Africa

Merrill Lynch South Africa (Pty) Ltd t/a BoFA Securities

### Sponsor – Namibia

Simonis Storm Securities (Pty) Ltd

### Auditors

Ernst & Young Inc.

### Registered office

268 West Avenue, Centurion 0157

### Registration number

2000/031756/06

### JSE code

MTM

### A2X code

MTM

### NSX code

MMT

### ISIN code

ZAE000269890

### Momentum Metropolitan Life Ltd

(Incorporated in the Republic of South Africa)

### Registration number

1904/002186/06

### Company code

MMIG

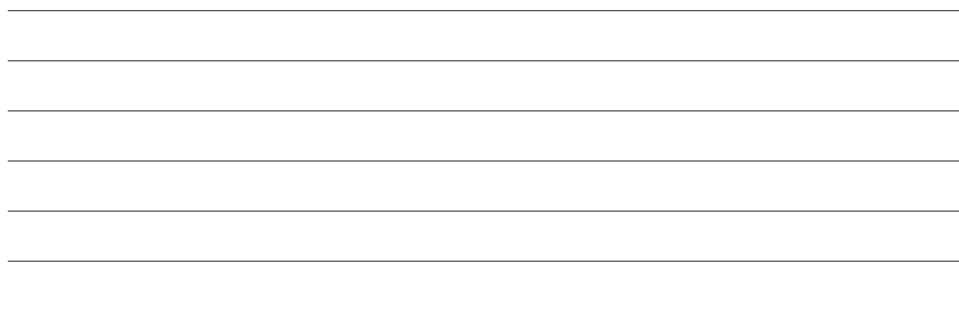
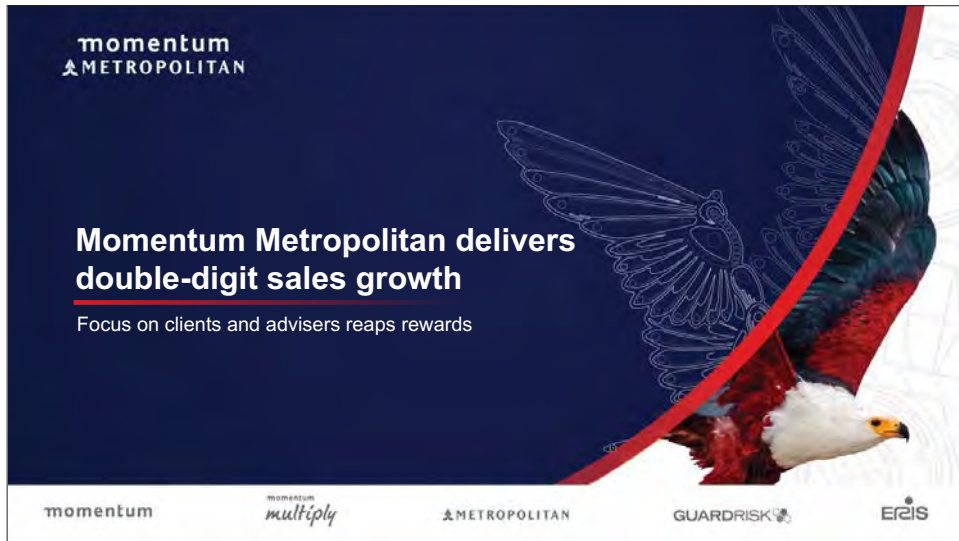
### SENS ISSUE

9 March 2022

# INVESTOR PRESENTATION

For the six months ended 31 December 2021








---



---



---



---



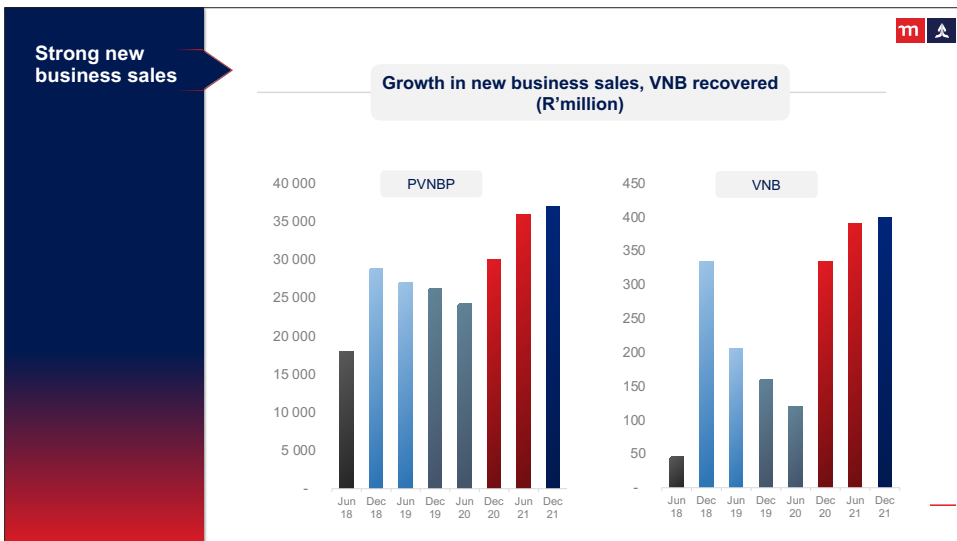
---



---



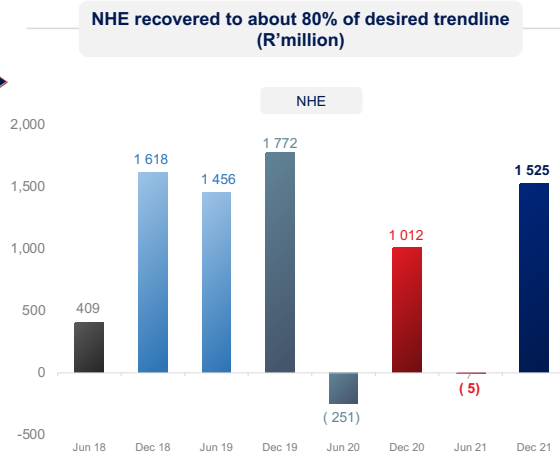
---





Strong new business sales

Credible NHE



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
<b>Total</b>	<b>117 / 139</b>

Strong new business sales

---

Credible NHE

---

Transformation on track

---

External recognition

**Second consecutive Top Employer certification**



CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

---

---

---

---

---

---

---

---

Strong new business sales

---

Credible NHE

---

Transformation on track

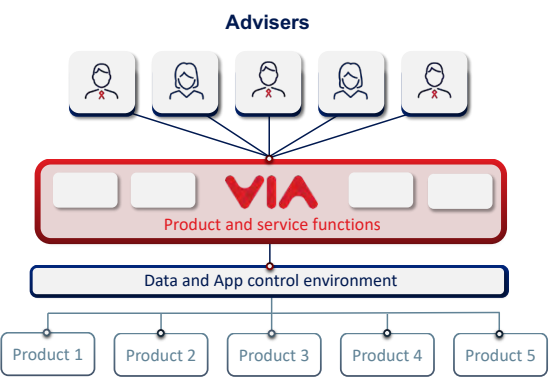
---

External recognition

---

Progress with digital strategy

**Successfully implemented single adviser platform**



**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**

---

---

---

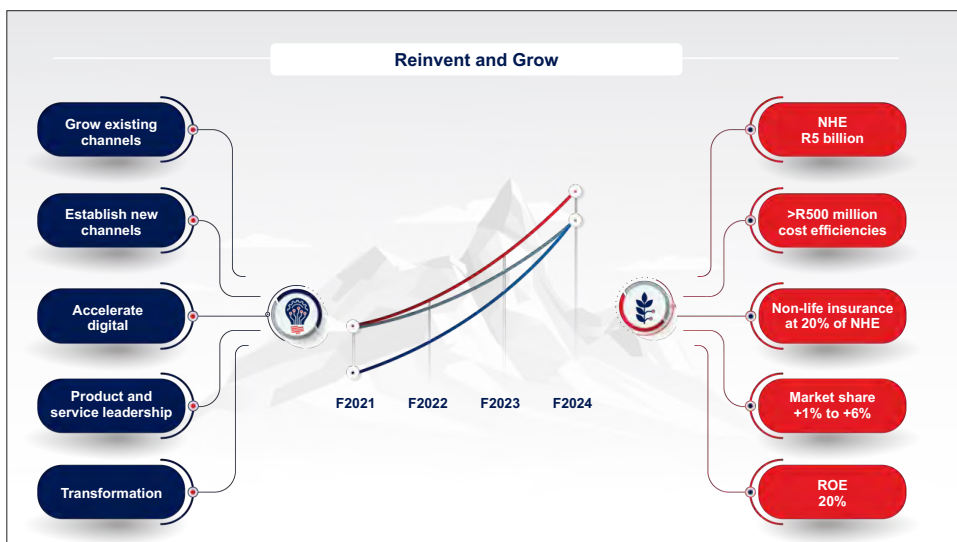
---

---

---

---

---





---

---

---

---

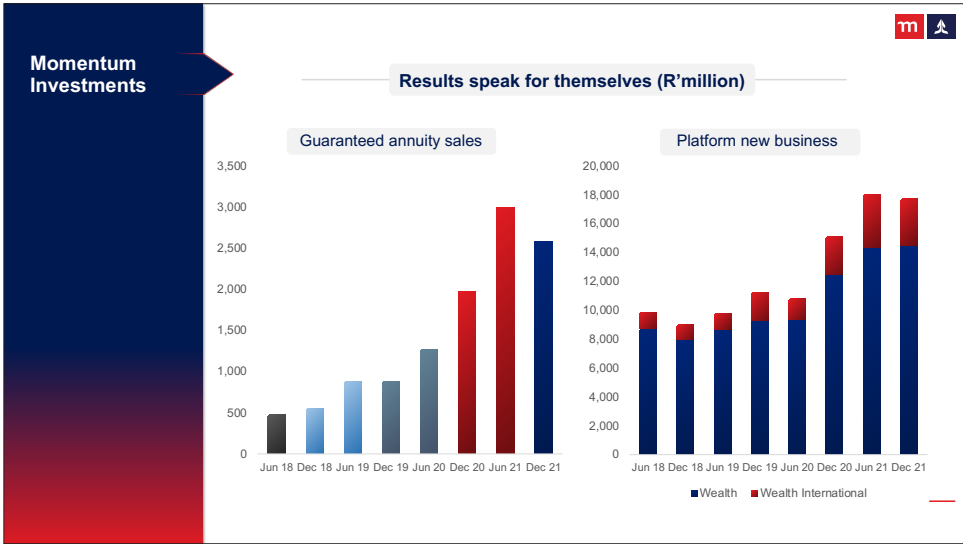
---

---

---

---






---



---



---



---



---



---

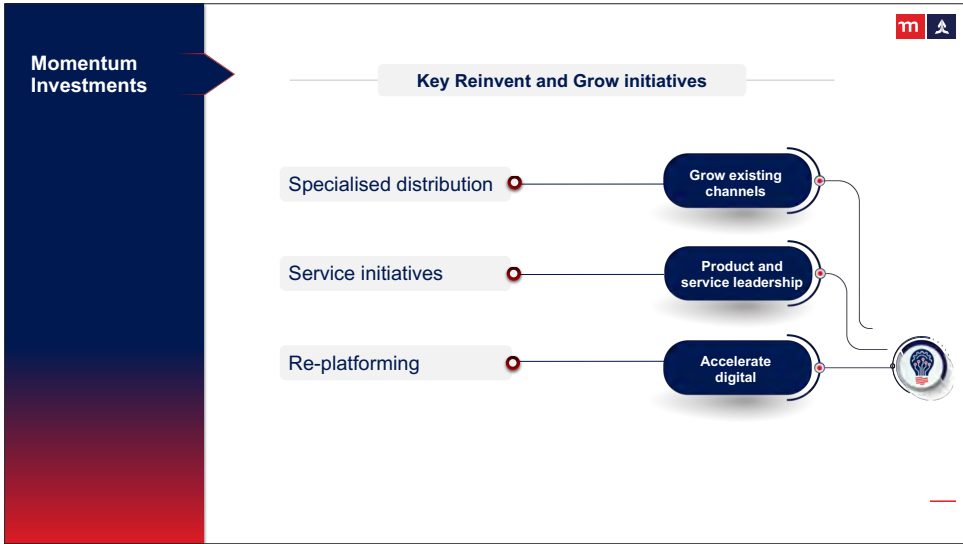


---



---

- Momentum Investments**
- Behind the results**
- External focus, competitive spirit
  - Improved service experience
  - Deliberate distribution enablement
  - Dynamic pricing
  - Took advantage of good industry flows
  - Excellent DFM growth
  - Support from MFP and Consult




---



---



---



---



---




---




---



Metropolitan Life





**What you measure is what you get**

---



---



---



---



---



---



---






---



---



---



---



---



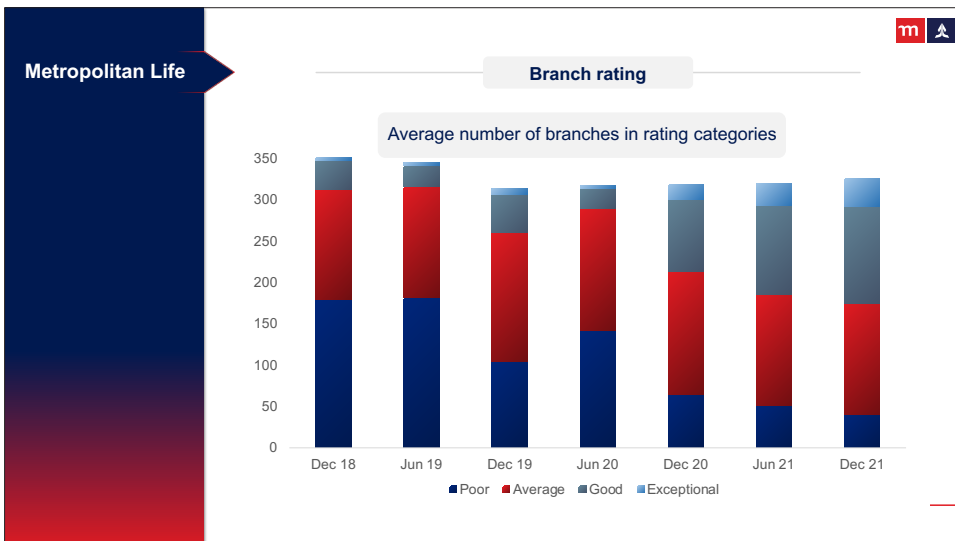
---



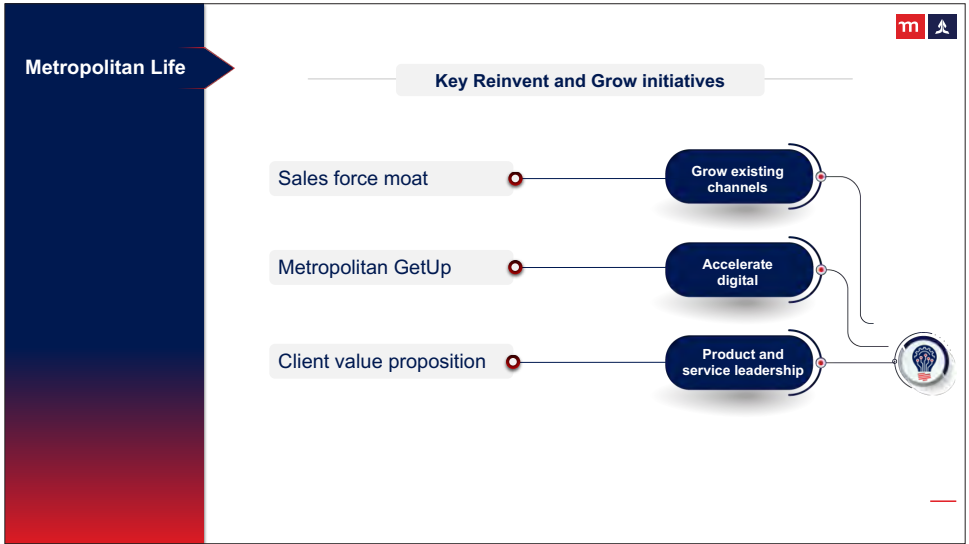
---



---








---



---



---



---



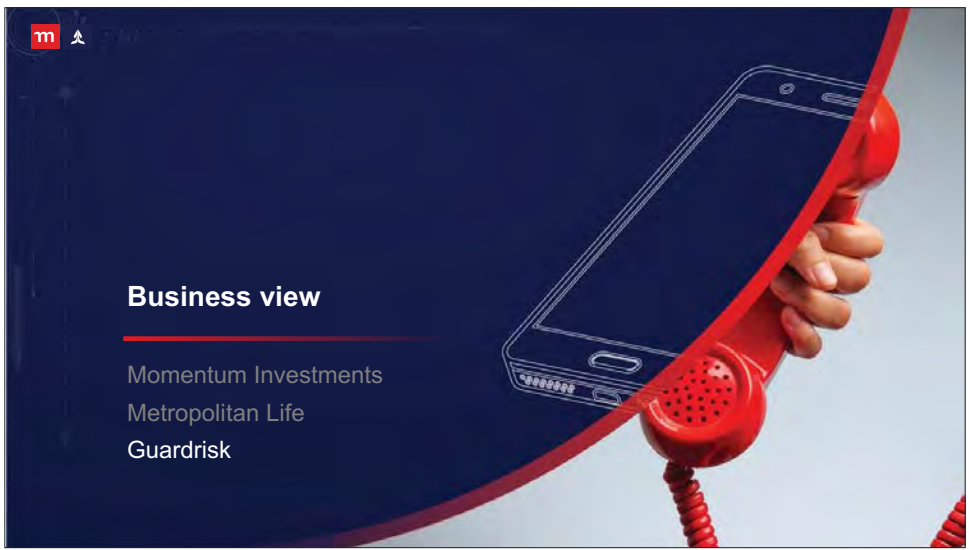
---



---



---





### Sustained market leadership

---

---

---

---

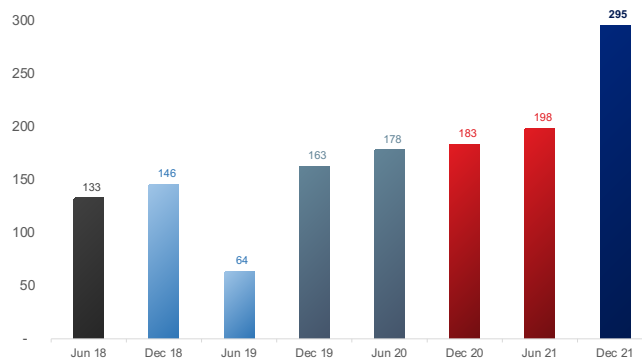
---

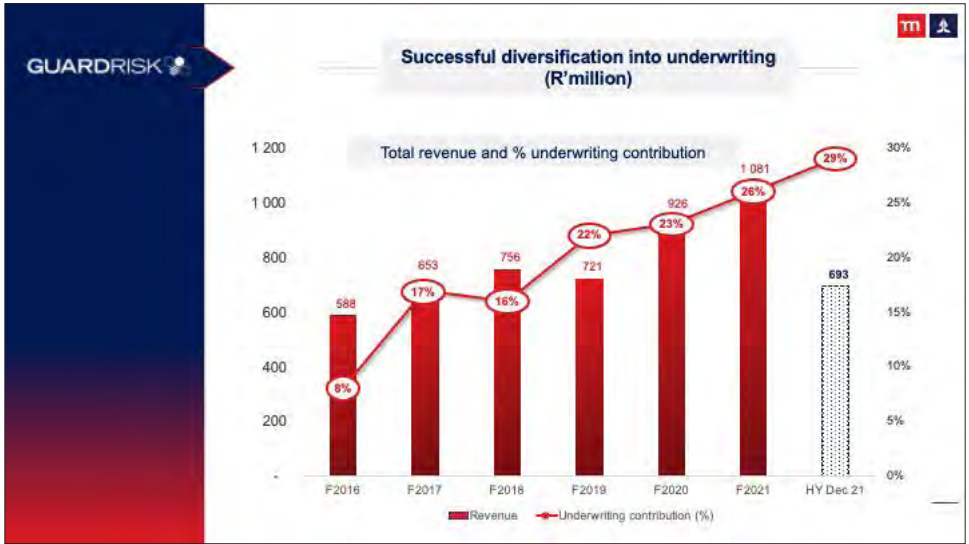
---

---

---

### Consistent NHE growth (R'million)






---



---



---



---



---



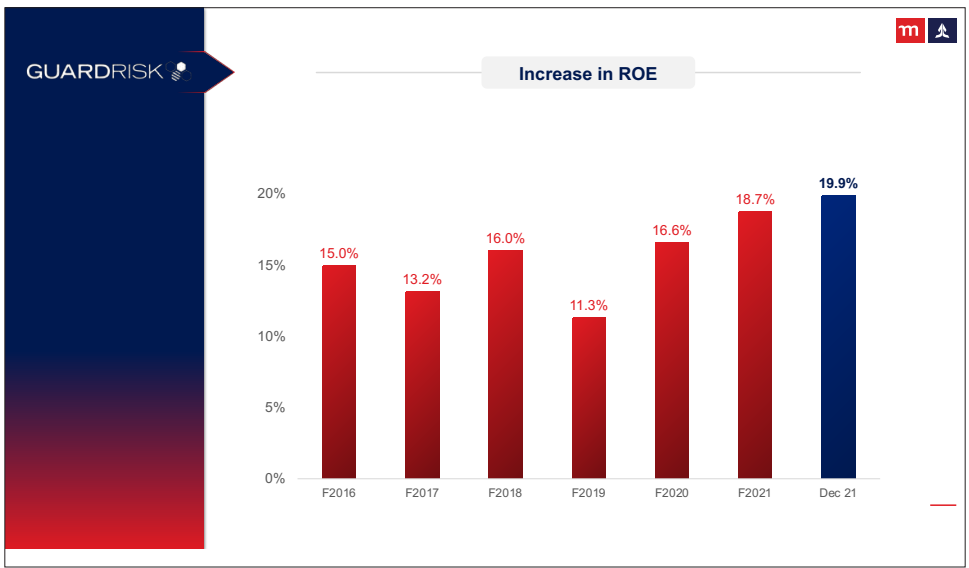
---



---



---






---



---



---



---



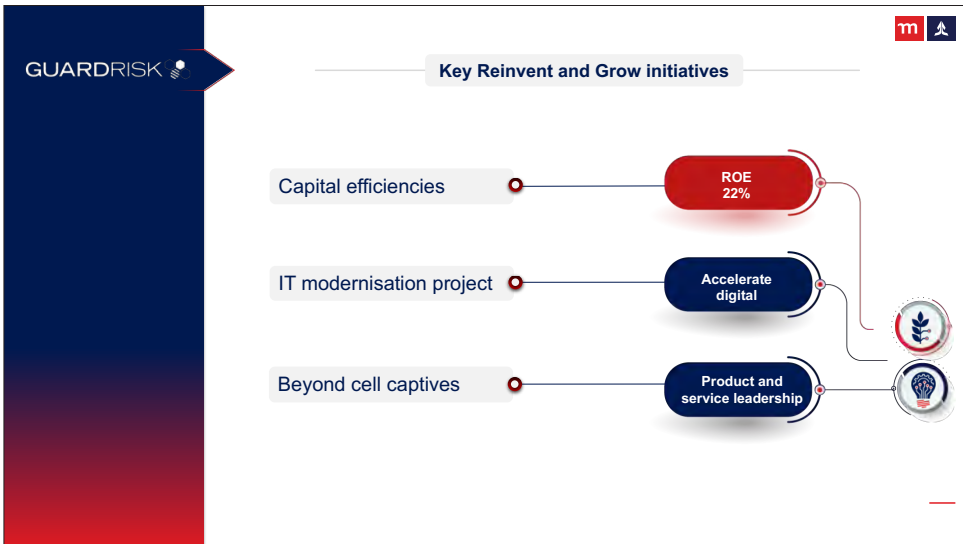
---



---



---



**“  
Strategy is not what you talk  
about, it is what you do  
”**

Johann le Roux, CEO of Momentum Life

---

---

---

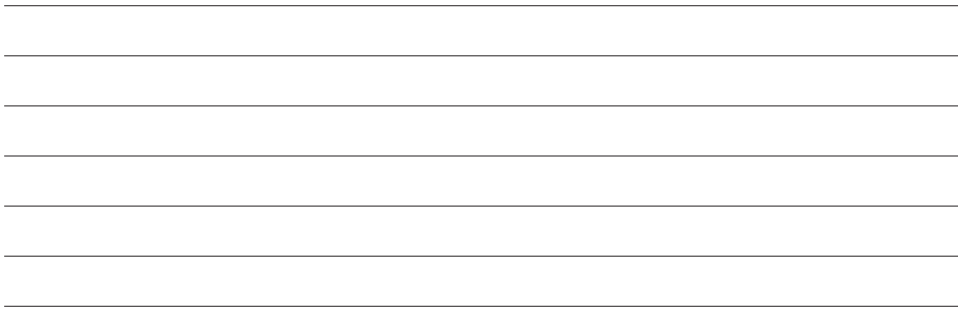
---

---

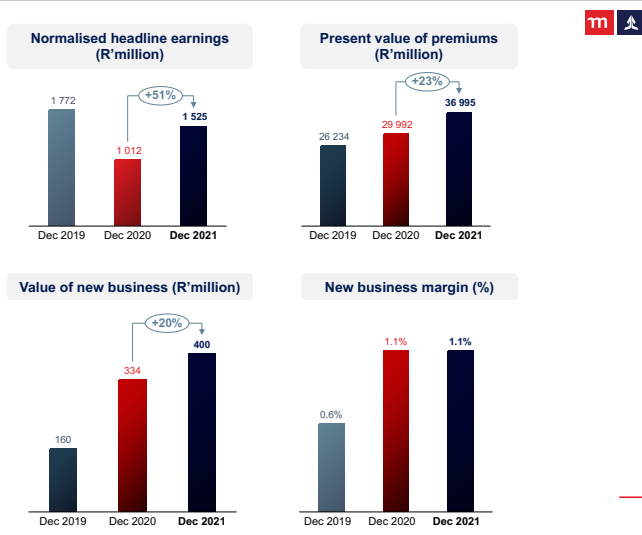
---

---





Key financial measures




---



---



---



---



---

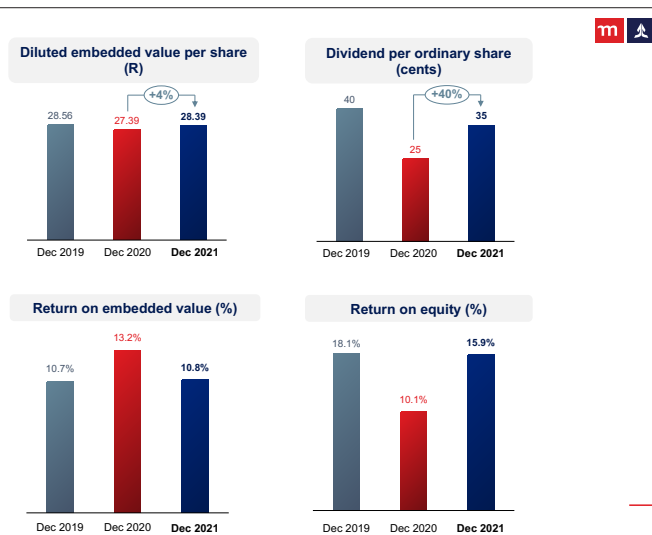


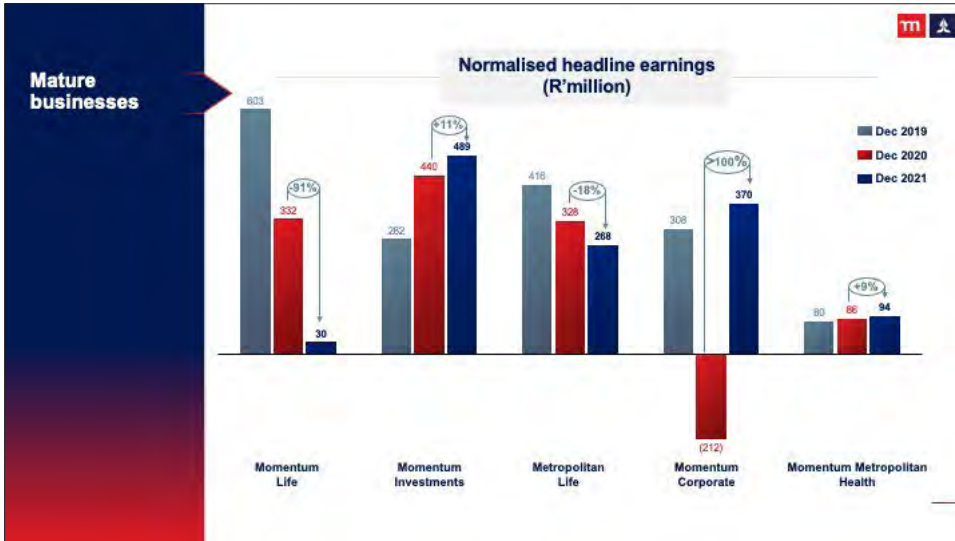
---



---

Key financial measures






---



---



---



---



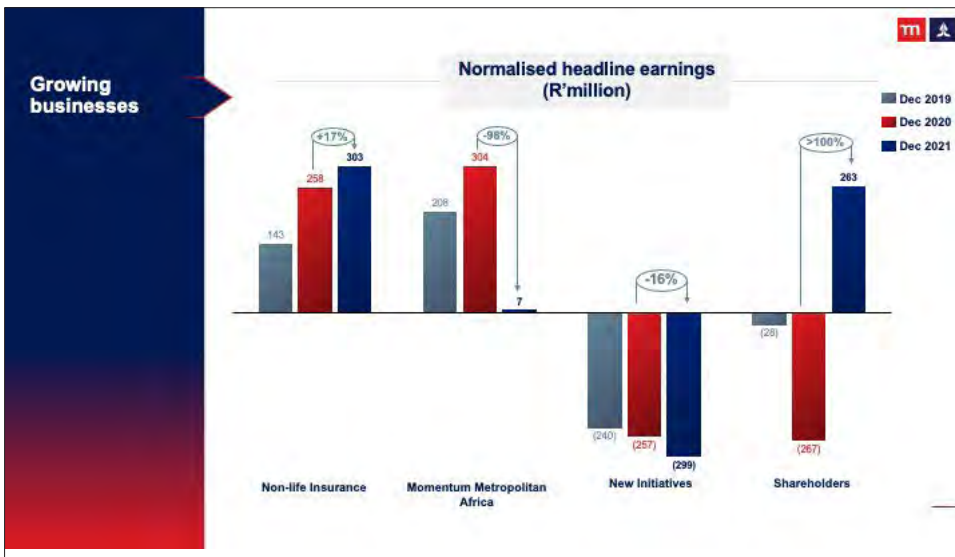
---



---



---





**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)**




---



---



---



---



---



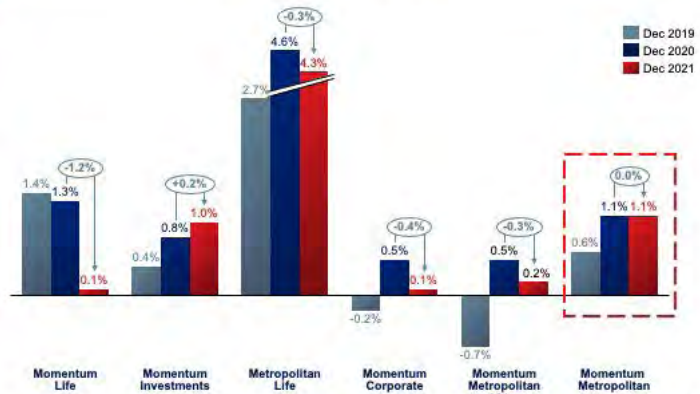
---

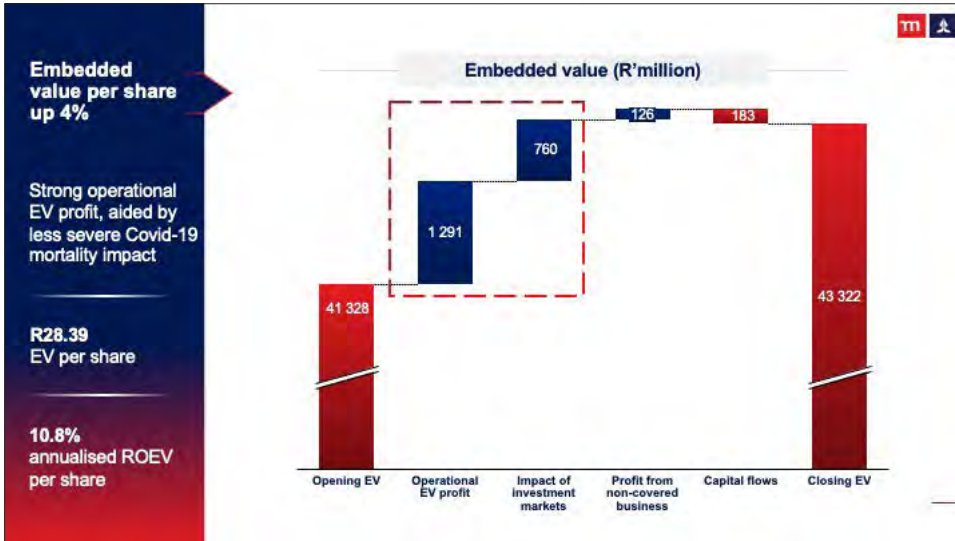


---

**New business margin in line with prior period**

**New business margin (%)**






---



---



---



---



---



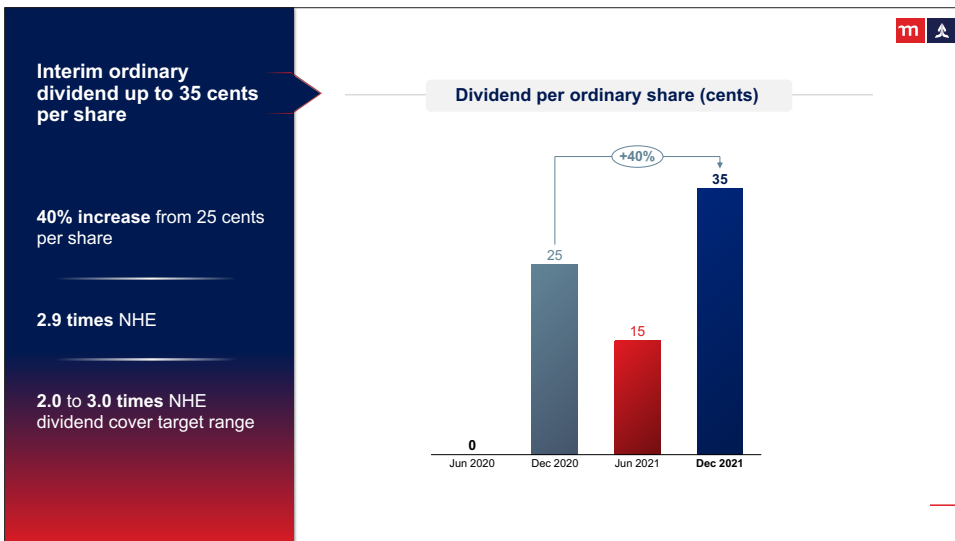
---



---



---



### Capital cover remains within target levels

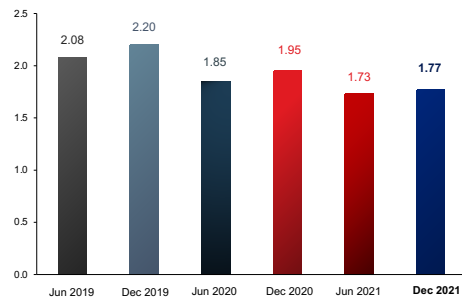
MML cover improved from positive investment experience and strong contribution from new business

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



---

---

---

---

---

---

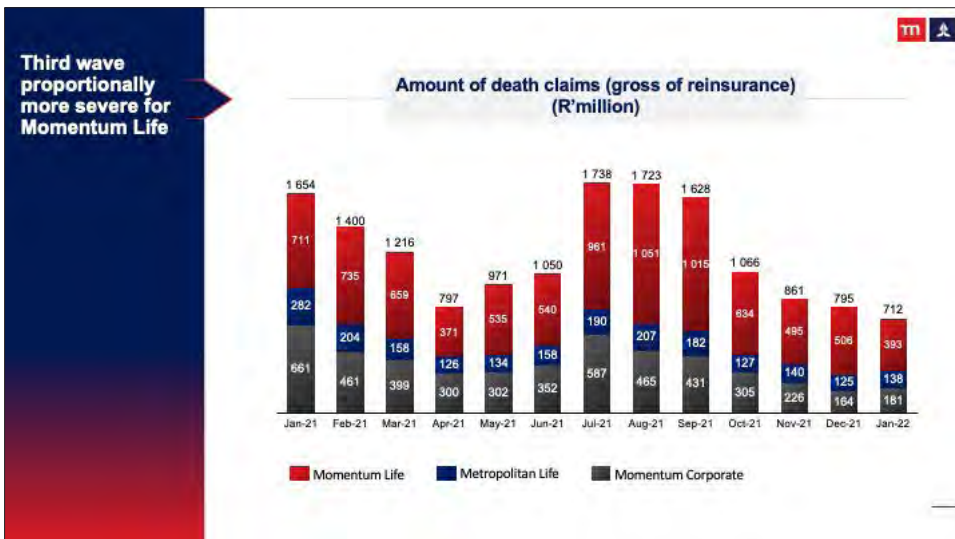
---

---



### Other current topical matters

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

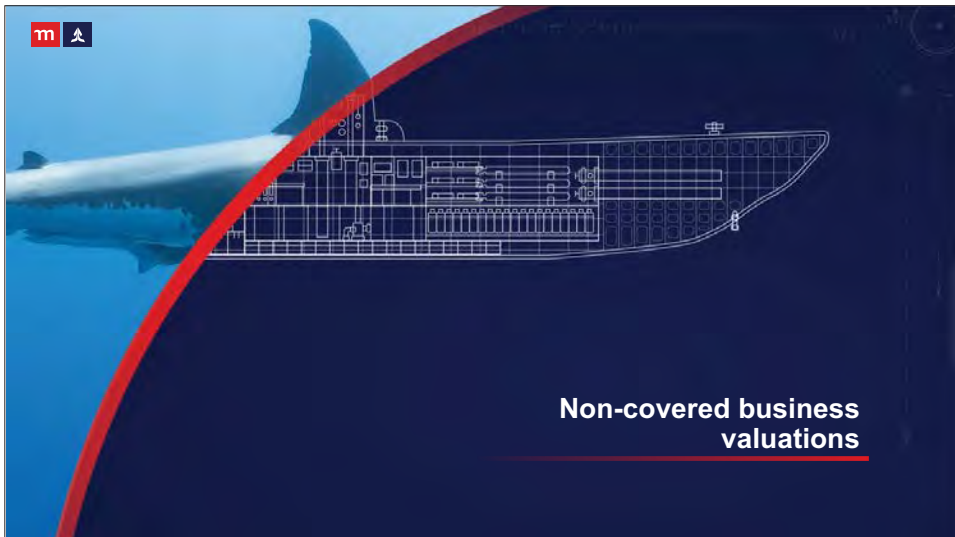


**Momentum  
Metropolitan  
mortality impact  
on NHE**



**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
<b>Excess mortality</b>	<b>(903)</b>	<b>102</b>	<b>(86)</b>	<b>(476)</b>	<b>(1 363)</b>
Reduction to annuitants reserve	-	(20)	-	-	(20)
Covid-19 provisions utilised	568	-	87	439	1 094
<b>NHE impact</b>	<b>(335)</b>	<b>82</b>	<b>1</b>	<b>(37)</b>	<b>(289)</b>
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%

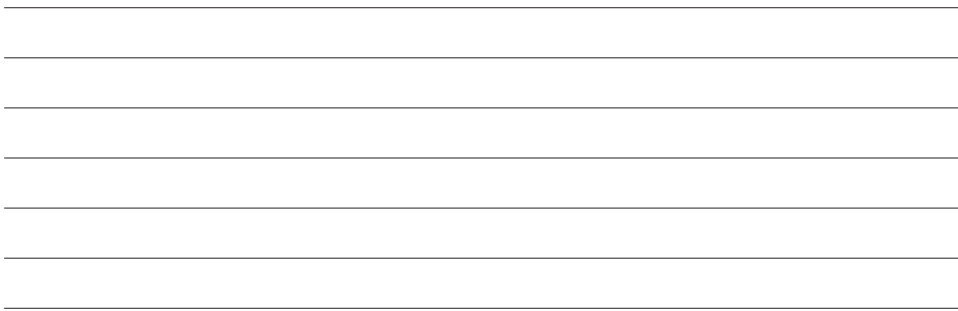
Guardrisk RoEV  
+17.1%

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%
<b>Total non-covered</b>	<b>8 763</b>	<b>11 552</b>	<b>571</b>	<b>125</b>	<b>14.8%</b>	<b>2.2%</b>
<i>Excluding Momentum Insure</i>	6 402	9 591	458	854	17.0%	20.4%



## Investment in venture capital funds

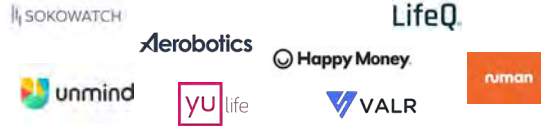
Insights and learnings from participation in investment processes

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
<b>Total</b>	<b>673</b>	<b>1 993</b>

### Winners




---



---



---



---



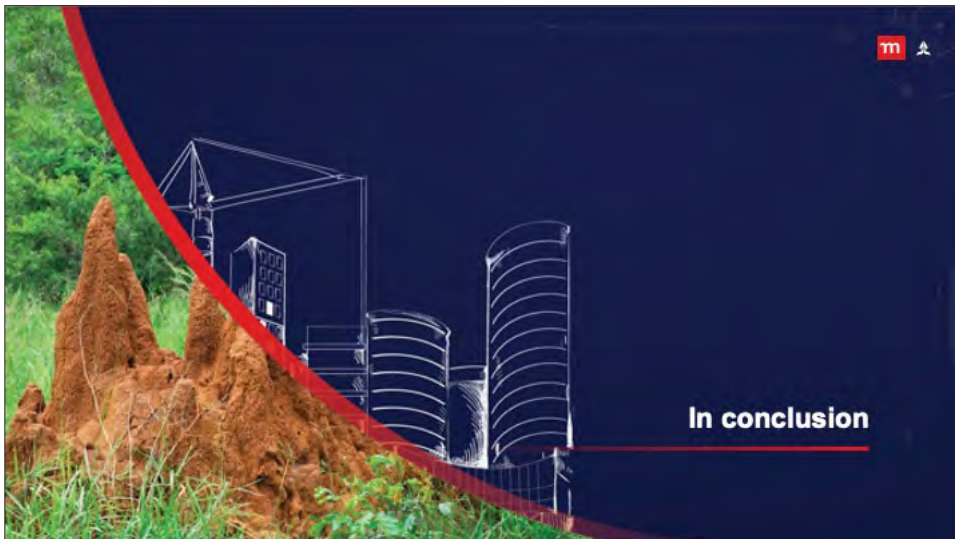
---



---



---



**In conclusion**

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



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

---

---

---

---


---

---

---


---

**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
- 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

**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
- 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

---

---

---

---

---

---

---

---









[www.momentummetropolitan.co.za](http://www.momentummetropolitan.co.za)

momentum

momentum  
*multiply*

 METROPOLITAN

GUARDRISK 

ERIS 