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Momentum Health


Impact strategy progress

Hannes Viljoen



 **Impact strategy recap**

 **Strategy progress update**

 **Closing**



Health is tracking positively towards F27 Impact strategy targets



Growth in Momentum branded segment in a challenging market



Multiply tracking behind target but promising new growth opportunities



1 June Bonitas take-on and reprioritisation of some internal focuses

“

*LONG-TERM***WINNING ASPIRATION**

More health for more people for less is how we will build and protect our clients' financial dreams.

”

“

*IMPACT STRATEGY***AMBITION**

To grow a *streamlined Momentum branded value proposition* in selected markets, locally and outside our borders, while leveraging existing capabilities to achieve Public Private Partnerships with different government entities at scale.

”

Impact strategy


What this means for us

F2027 measures of success

	<ul style="list-style-type: none"> • Sustainable public sector partnership model • Growth into other public sector markets • Growth through vertical integration in provision of healthcare at scale 	<p>Cost savings → R230m savings</p>
	<ul style="list-style-type: none"> • Group collaboration in the employer market 	<p>New families → 350 000</p>
	<ul style="list-style-type: none"> • Optimisation of corporate portfolio 	<p>Multiply take-up rate → 37.5%</p>
	<ul style="list-style-type: none"> • Optimise existing and alternative channels with appropriate resources and technology to achieve growth 	<p>Public sector growth → New municipal and other public sector markets</p>
	<ul style="list-style-type: none"> • Participation in healthcare outside South Africa in collaboration with Momentum Africa 	<p>New markets → National reach of pharmacies Growth beyond SA</p>
	<ul style="list-style-type: none"> • Single, labour-aligned business on one platform, single brand, and aligned client value proposition 	

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Impact strategy

What this means for us

Progress towards F2027 objectives

- 
 - Sustainable public sector partnership model
 - Growth into other public sector markets
 - Growth through vertical integration in provision of healthcare at scale

- 
 - Group collaboration in the employer market

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 - Optimisation of corporate portfolio

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 - Optimise existing and alternative channels with appropriate resources and technology to achieve growth

- 
 - Participation in healthcare outside South Africa in collaboration with Momentum Africa

- 
 - Single, labour-aligned business on one platform, single brand, and aligned client value proposition

- Highly confident
 - Reprioritised
 - Reprioritised

- Highly confident

- Fully confident

- Reasonably confident

- Highly confident

- Reprioritised



What we achieved over the last year

- Woolworths success and further collaboration in the Employee Benefits for integrated solutions into new markets underway
- GEMS 20 years of service continuity and growth
- News24 scheme of the year for the second year running
- Partnership with Bonitas creates scale in the open market
- Strong earnings growth and tracking well against F27 target

Cost savings	R86m (vs R91m) tracking well
New families	> 35 000 from channel > 24 000 from EB collaboration
Multiply take-up rate	Multiply growth behind target
Public sector growth	>4% sustainable membership growth VOC above SLA target
New markets	Growing presence in markets outside SA Pharmacy footprint growth tracking well



Where we are experiencing challenges

- Organic open market growth in a stagnant market
- Multiply repositioning and penetration of the value proposition
- Reprioritisation of the OneHealth execution plan because of new opportunities

1 Solving for

- Appropriate access to care
- Cost efficiency
- Client experience
- Sustainable growth

2 Measured against

10% – 20% improved digital engagement by F27

Client experience and appropriate access to care

Omnichannel strategy rollout
Cost efficiency

Scheme platform upgrade delivered by F27

Sustainable growth

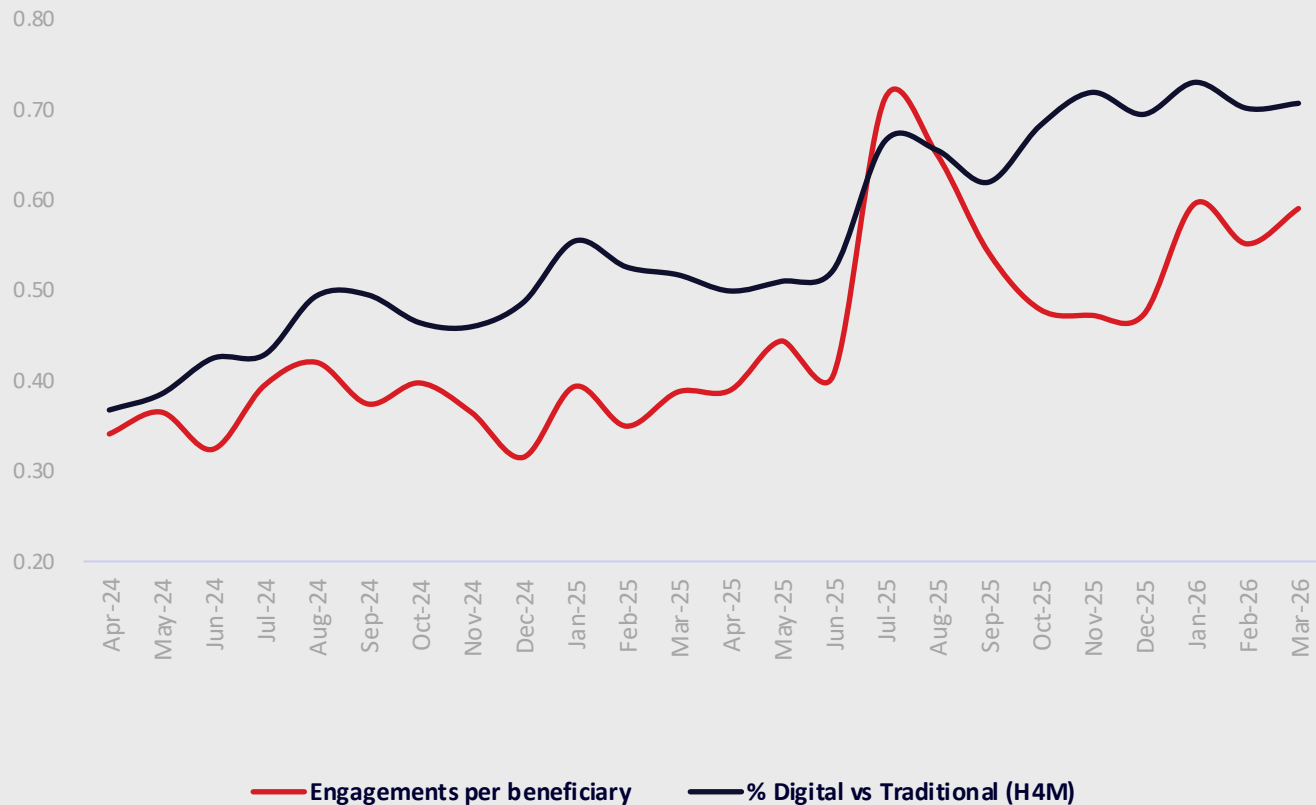
Initiatives

- Member **self-servicing**
 - Improving chatbot communication
 - Leveraging WhatsApp to communicate better with members
- AI triage for **Hello Doctor**
- Improving **Multiply** engagement experience by
 - AI mental health chatbot
 - Streamlining activity and recharge experience

What is coming next

- Improving the ease of doing business for advisers
- Enhanced member self-servicing and wellness support through **Health Buddy**

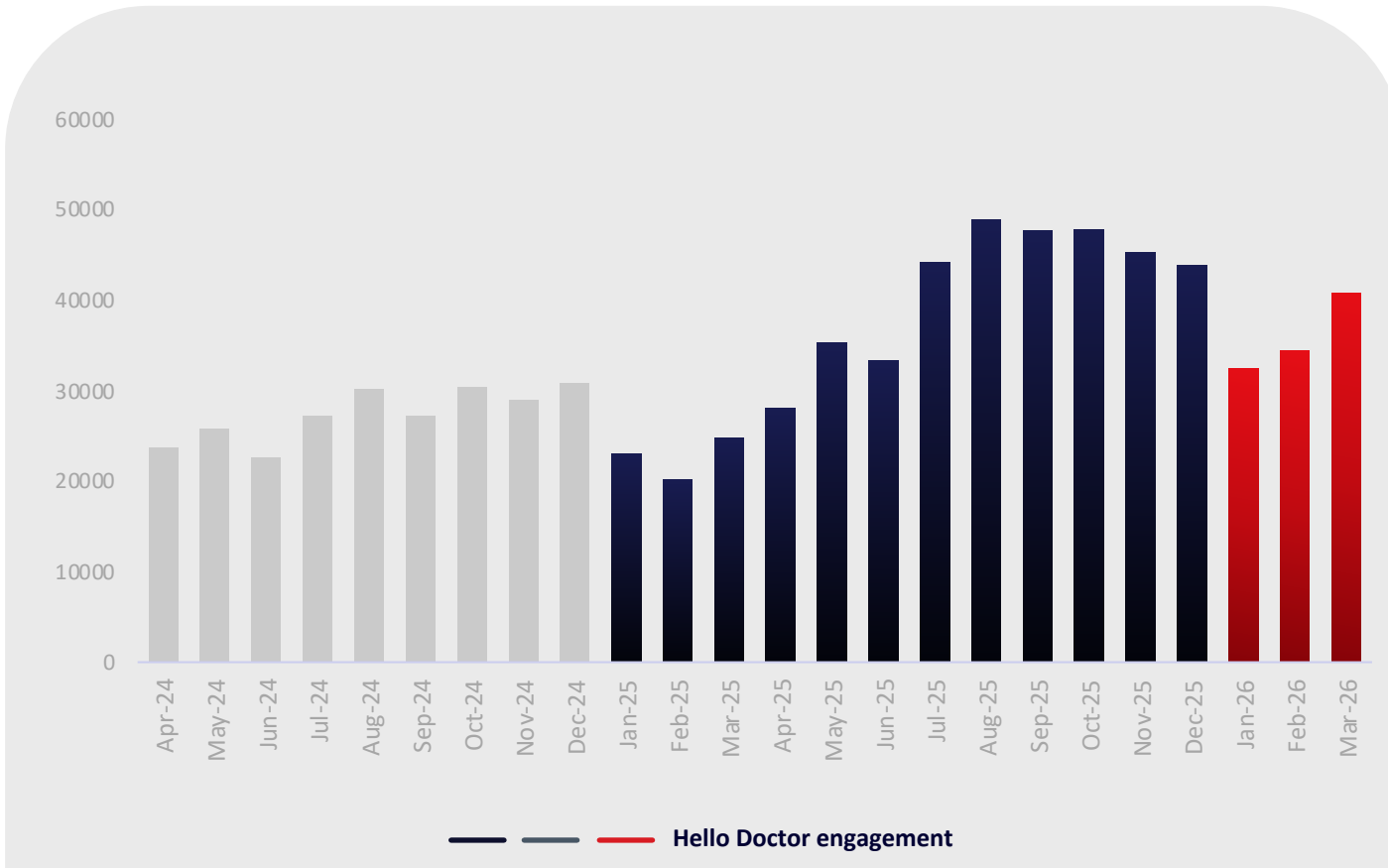
Health4Me: digital vs traditional engagements



- Digital versus traditional interactions for Health4Me beneficiaries nearly doubled (37% to 70%) reflecting sustained behaviour change among beneficiaries
- Total engagements per beneficiary increased from 0.34 to 0.59 pbpm (>120,000), confirming that levels of engagement have improved over the period

The total cost of servicing Health4Me beneficiaries remained stable over the period despite a 39% increase in membership and delighting clients with excellent service consistently

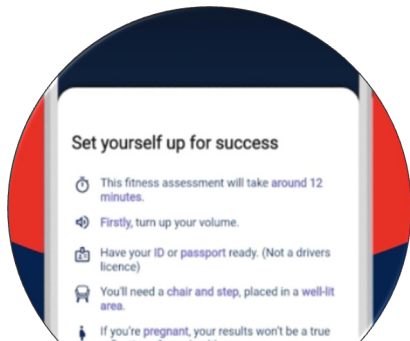
Hello Doctor using AI triaging



- Hello Doctor grew 156% in two years with low-income members, offering easy access to affordable primary care
- 19% of calls are closed by AI triaging to ensure appropriate intervention of doctors and sustainability of the service

Solutions are designed to give more people access to primary healthcare in a sustainable manner. The service peaks in seasons when member savings have been depleted.

Health and fitness assessment



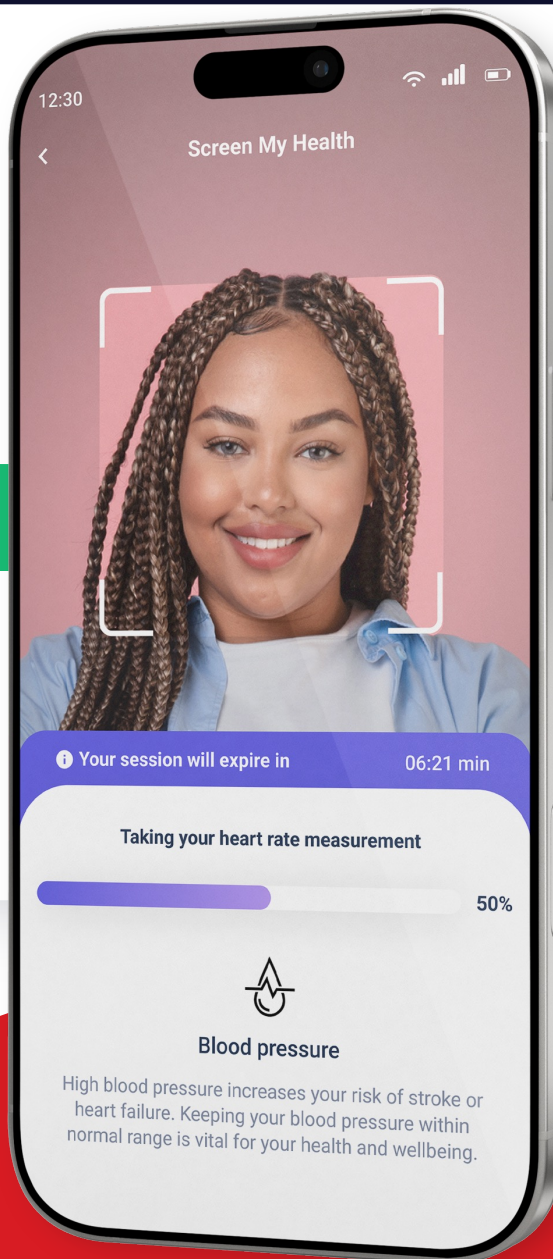
Log in to the Multiply app



Do a quick facial scan and get a **Healthy Heart Score**



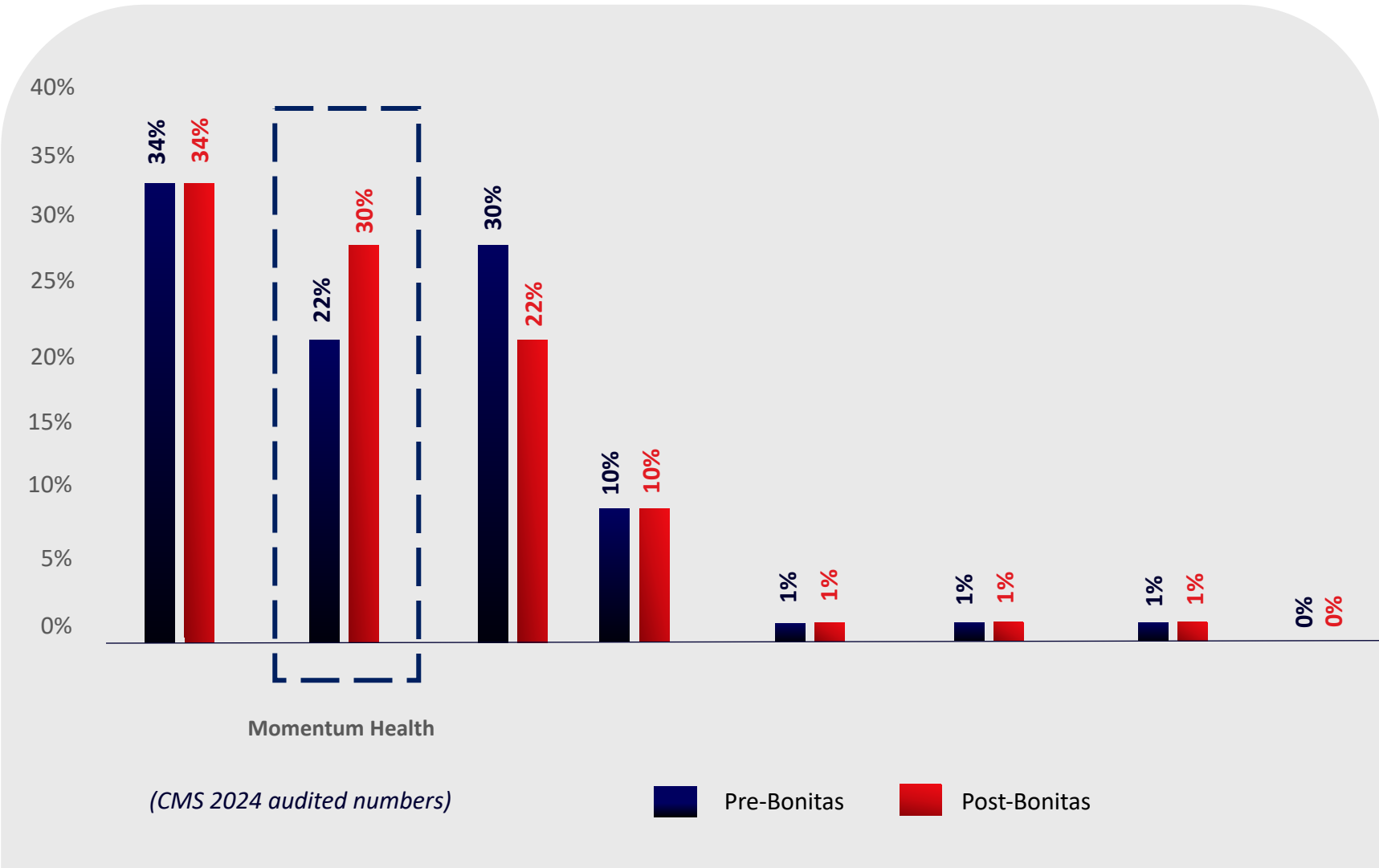
Do a 5-minute step test and get a **fitness level**



Recharge Dayz

Members measure daily recovery from physical and mental stress through a finger scan on the app. If they get a *Healthy* or *Super healthy* score, they earn Recharge Dayz

Impact of Bonitas contract on administrator market shares



Onboarding of members on 1 June with minimum disruptions a non-negotiable

- 4-months implementation window to introduce new capabilities to the scheme
- Disruption of a 40-year relationship with the *previous* administrator has execution challenges

More health for more people for less in new markets

- Bonitas creates scale for Momentum Health in an otherwise stagnant open market

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Impact strategy recap



Strategy progress update



Closing

Bonitas implementation to optimise service levels

1

- Create stability in the first 30 days
- Launch new capabilities for advisers, members and providers
- Roll out additional branches for members

OneHealth reprioritisation

2

- Migration of Momentum Medical Scheme and Health4Me to the new platform
- Continued portfolio optimisation to create focus and decrease costs
- Realignment of client value proposition anchored on Incentivised Wellness

Open market growth

3

- Leveraging early channel success to win in the employer group market
- Collaboration with Employee Benefits offer integrated solutions to clients
- Seeking amalgamation opportunities



Thank you

The information in this presentation, including the financial information on which the outlook is based and any non-IFRS financial measures (which are presented for additional information purposes only), is the responsibility of the directors of Momentum Group and has not been reviewed and reported on by Momentum Group's external auditors.