momentum
METROPOLITAN

SUMMARY OF FINANCIAL INFORMATION

Audited results for the year ended 30 June 2022

Contents

Who we are

Momentum Metropolitan is one of the largest diversified financial services companies in South Africa. We provide protection (life and non-life), investment and long-term savings solutions, and healthcare administration through a portfolio of specialised and empowered businesses.

Our purpose

To enable businesses and people from all walks of life to achieve their financial goals and life aspirations.

Protection

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

Building long-term wealth

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

Healthcare solutions

- Health administration
- Managed care and wellness services

THE VALUES UNDERPINNING OUR PURPOSE:

Accountability · *Integrity* · *Innovation* · *Diversity* · *Excellence* · *Teamwork*

We operate in

Africa: South Africa, Botswana, Ghana, Lesotho, Mozambique and Namibia

The Group also operates in the United Kingdom and has a health insurance joint venture in India.

Our brands

momentum · METROPOLITAN · GUARDRISK

F2024 Reinvent and Grow strategic objectives

- Grow existing channels
- Establish new channels
- Accelerate digital
- Product and service leadership
- Transformation

- NHE of R4.6 to R5 billion
- >R500 million in cost efficiencies
- Non-life insurance contributes 20% of NHE
- Market share +1% to +6%
- ROE of 18% to 20%

Creating value by delivering on our purpose

Our financial performance

Normalised headline earnings (NHE)
R4 383 million
(F2021: R1 007 million)

Present value of new business premiums (PVNBP)
R72 673 million
(F2021: R65 898 million)

Value of new business (VNB)
R626 million
(F2021: R725 million)

Value of new business margin
0.9%
(F2021: 1.1%)

For society

Level 1 B-BBEE status
maintained

B-BBEE preferential procurement
R3.6 billion
(F2021: R2.6 billion)

Invested in enterprise development initiatives
R5 million
(F2021: R5 million)

Total community investment of
R27.5 million
(F2021: R27.5 million)

For our employees and advisers

Paid in remuneration
R6.8 billion
(F2021: 6.7 billion)

Invested in training and development
R297 million
(F2021: R244.6 million)

96 700 hours
in business development support through ASISA ESD Fund
(F2021: 96 100 hours)

13 000 beneficiaries benefited from the first iSabelo dividend declaration

Transformation

Employees:
81% are black | **65%** are women
(F2021: 80% | 64%)

Board:
43% are black | **29%** are women
(F2021: 44% | 31%)

Exco:
36% are black | **18%** are women
(F2021: 36% | 27%)

Senior managers:
39% are black | **36%** are women
(F2021: 36% | 33%)

For providers of financial capital

Distributed
R734 million
through dividends
(F2021: R365 million)

Return on equity (ROE)
22.7%
(F2021: 4.9%)

Embedded value per share
R29.77
(F2021: R27.08)

Return on embedded value per share
11.7%
(F2021: 6.3%)

R381 million
interest paid to debt funders
(F2021: R486 million)

For the environment

B score
for our voluntary participation in the CDP climate change disclosure project
(F2021: B score)

Invested in renewable energy
R2.3 billion
(F2021: R2.1 billion)

Formal supporter of TCFD

Reduction in overall GHG emissions of
34% against 2014 baseline
(F2021: 33%)

For our clients

Claims paid on insurance products
R40.3 billion
(F2021: R31.1 billion)

Assets under management and administration
R859.3 billion
(F2021: R822.3 billion)

Policies in force providing our clients with protection
4 million
(F2021: 4 million)

Signatory of the UN-supported Principles for Responsible Investment (UNPRI) since 2006

Positive: net increase in capital
Neutral: no movement in capital
Negative: net decrease in capital

Message from our Chairs

We previously described last year as being unprecedented in the modern insurance era. Unfortunately, the 2022 financial year brought its own significant and unpredictable challenges. In contrast to the impacts from the 2008/9 financial crisis, the events during our 2022 financial year were more fundamental, in that it largely occurred here at home in South Africa, not on the other side of the world. The public violence and looting in KwaZulu-Natal and Gauteng in July 2021 as well as two sets of floods in KwaZulu-Natal in April and May 2022 brought about severe disruptions. We continue to face political and economic uncertainty, unprecedented levels of unemployment and rising inflation in South Africa. Global uncertainty stemming mainly from the Russia-Ukraine war and the ongoing impact of both the war and the Covid-19 pandemic on food security and supply chains, has resulted in rapidly rising inflation, struggling economies and community unrest as citizens battle to make ends meet.

In the face of this, the Group has once again proved its resilience. Not only were we able to survive this period, we were also able to build for the future by implementing our Reinvent and Grow strategy. Instead of retreating with the sole aim of protecting the business, the business was resilient enough to concurrently protect itself and invest in the future.

We came through this challenging period far better than expected and as a result we enter the new financial year in a stronger financial position than previously, with normalised headline earnings of R4.4 billion and a return on equity of 22.8%. Our solvency and liquidity position strengthened over the year, allowing us to not only grow ordinary dividends paid, but to also initiate a share buyback programme.

While the current environment makes it very challenging to meet the goals we set ourselves for the 2024 financial year in our Reinvent and Grow strategy, we believe that the Group is well-positioned to do so.

Digital transformation

There are numerous examples of how we have been building for the future, best reflected in the progress we have made with our digital transformation. Momentum Wealth's radical shift to a cutting edge digital-wealth management and service optimisation platform is on track. In our advice-led distribution, using digitally enabled channels and sales processes have improved the adviser experience and are creating client journeys that compete with the wide range of digital experiences our clients have on offer. Our investment in insurtech and fintech start-ups facilitated the development of innovative new solutions for use in new initiatives that require advanced digital technology, for example, the provision of microinsurance products that facilitate financial inclusion and client education. Momentum Life made good progress towards the adoption of point-of-sale underwriting solutions, digitally transforming its onboarding experience and improving onboarding efficiency through a mobile phone paperless capturing capability in Myriad.

We believe that these initiatives, along with others, will play important roles in future proofing the Group.

In the face of severe headwinds, Momentum Metropolitan proved its resilience. Not only was it able to generate strong earnings, but at the same time it laid the foundation for robust future growth

Passing the Chair's gavel

During 2021, Sello Moloko informed us of an opportunity that he wished to persue away from the Group. Having obtained consent of the Prudential Authority, Peter Cooper stepped in as Interim Chair. With Sello's initial assistance, we embarked on a disciplined search for a new chair. The detailed scientific approach that we followed mirrors the manner in which we have in the past filled Board and executive positions. The Board is delighted to have found a Chair of the calibre of Paul Baloyi, who assumed the Chair's position on 1 July 2022. This joint message from Peter, as Interim Chair to 30 June 2022, and Paul, as the incoming Chair, thus serves as the passing of the proverbial Chair's gavel.

Sustainability and social relevance

Momentum Metropolitan has a role to play as a responsible corporate citizen in the context of increasing social and gender inequality, youth unemployment, increased pressure on utility providers and deteriorating infrastructure that is exceedingly vulnerable to climate-related disasters such as the floods in KwaZulu-Natal. Although we have always been committed to sustainability principles and have built many of our financial solutions around social challenges, there is an urgent need to accelerate the impact achieved.

Following a deep reflection on the world we are living in, the Group published its first Sustainability Report this year, which lays out our future intent following a deep reflection on the world we are living in. The Group is committed to various climate-related initiatives and disclosure projects including being a voluntary participant in the CDP Climate Change Disclosure Project since 2013 and becoming a formal, listed supporter of the international Taskforce on Climate-Related Financial Disclosures (TCFD).

We took the opportunity to reinvent our head office and prepare it for when our employees came back to the office after the Covid-19 pandemic during which our employees worked from home. As they begin to come back to the office they are welcomed by a different, energising, more collaborative space, catering for the newly evolved hybrid way of work and protecting our employees' wellness.

We are proud of our successful implementation of iSabelo, our employee share scheme and the positive long-term impact it will have on our employees who can directly participate in the value their efforts have helped create.

The Momentum Metropolitan Foundation's renewed focus on enabling the life aspirations and sustainable earning potential of disadvantaged young people in South Africa, through financial education, employment programmes, job placement and access to income creation resulted in an increase in the number of young people completing training in technology and digital skills. This resulted in a very pleasing increase of over 300% in the number of young people who completed the training being placed in jobs during the year under review.

Succession planning

Our search process for the Group Chief Executive Officer to succeed Hillie Meyer is in progress. Using the same scientific disciplines as in our search for the Chair, we have started by looking at the best people internally as well as conducting a robust external search.

Our Board, which has been reconstituted over the past three years, now has a broader skill set and, while there is scope for some additional skills, it is functioning at a high level.

Emerging governance challenge

Cybercrime presents a risk that no one can guarantee they will be able to avoid. We are, however, doing everything we can to protect the business and our clients from this risk. Education and knowledge are important areas in confronting cybercrime and we are consistently increasing our employees' understanding of their roles in protecting our business and its clients from cybercrime.

In conclusion

We would like to thank Sello Moloko on behalf of the Board for the value he contributed to our discussions and the guidance he gave us. We wish him well with his future endeavours. Our thanks to fellow Board members for your support during a challenging year.

On behalf of the Board our thanks go to Hillie Meyer and his executive team and all our employees whose dedication and resilience during these unpredictable times made it possible for the Group to make good progress with its Reinvent and Grow strategy.

Our thanks also go to our clients for their continued support.

Outlook

We believe that our forward-looking solvency position is strong. After going through five waves of Covid-19 our financial position has stood the test of time. While we don't know what Covid-19 will do in the future, other than recognising that it is now endemic rather than pandemic, we feel cautiously optimistic that we are through the worst and are well-protected by our reserves.

An area of concern expressed by our business units is how the heightened level of uncertainty in our client base will affect sales, lapses and withdrawals. The increased uncertainty is also causing some talent management complexities, especially in areas with highly mobile skills such as IT and actuarial science.

However, we believe the resilience the Group has shown in the past will ensure it is able to continue building for the future, benefiting from the diversity of its portfolio and implementing our Reinvent and Grow strategy.

Paul Baloyi
Chair
(from 1 July 2022)

Peter Cooper
Interim Chair
(up to 30 June 2022)

Group Chief Executive Officer's review

It was pleasing that almost all our businesses are performing at, or close to potential. The results benefited from mortality experience that was less impacted by Covid-19 than what was expected in our mortality reserves, positive investment variances and improvements in the value of our venture capital investments. I am encouraged by the progress made with a wide range of strategic initiatives, the impact of which is not yet reflected in the results.

The operating environment continues to present multiple challenges. Having largely recovered from the effects of the Covid-19 pandemic, South Africa has been hit by further shocks in the form of destructive protests and riots, frequent electricity load shedding, high fuel prices, and rising food inflation.

While it is obvious that the only sustainable solution to the socio-economic problems in South Africa (such as mass unemployment) is economic growth, it seems that policymakers are unable or reluctant to implement pro-growth policies. As Momentum Metropolitan we will continue to make every effort to look after the financial needs of our policyholders and to generate value to shareholders despite this difficult backdrop. We are also challenging ourselves to play an increasingly active role, both directly as a corporate citizen and indirectly through industry bodies, to push for pro-growth reforms in South Africa so that our country can realise its full potential.

I am very pleased with Momentum Metropolitan Holdings, results for the past year, especially given the challenging business environment in which it was delivered.

Performance

NHE for the Group improved significantly from R1.0 billion to R4.4 billion. The increase in NHE boosted our Return on Equity, increasing from 5% to 23%. The prior year comparative is not a demanding benchmark, having been severely impacted by the Covid-19 pandemic. However, the current year's results suggest that Momentum Metropolitan is on track to deliver the results targeted in our Reinvent and Grow strategic roadmap that was communicated to investors.

Despite the continued pressure on consumers during the year, present value of new business (PVNBP) increased by 10%. Momentum Corporate saw strong growth in PVNBP of 49%, with both protection and savings solutions excelling. Our Metropolitan Life business followed suit with positive sales growth of 22% and agent productivity remaining above three policies sold per week. Momentum Investments delivered 2% growth, which is a pleasing number considering the exceptional growth achieved in F2021. In Momentum Life the sales of our Myriad individual protection product came under pressure, but we are encouraged by better sales in the last few months of the financial year. In our Africa business, sales grew by 22% with sales of employee benefits products being particularly robust. Total Non-life Insurance business increased its premium income strongly on the back of a gross written premium growth of 21% in Guardrisk General Insurance, while Momentum Insure's new business sales recovered strongly in the second half of the year, delivering 12% year-on-year growth for the full year.

Momentum Metropolitan maintained its strong capital position during the year and our Group solvency capital requirement (SCR) cover remained flat at 1.5 times. Our main life licence Momentum Metropolitan Life improved its SCR cover to 2.03 times at 30 June 2022.

Judicious capital management through the pandemic and the much improved financial results in F2022 have allowed the Group to initiate a share buyback programme. We are confident that significant value will be unlocked through this programme, given the discount to embedded value at which our share price is trading. We announced to the market that, provided the share price continues to trade at a substantial discount to embedded value, we will utilise a significant part of our free cash flow over the next two years to buy back our shares. It is important to clarify that the share buybacks will be in addition, rather than in lieu of, our ordinary dividends as per the stated Momentum Metropolitan dividend policy.

We currently estimate that, after allowing for ordinary dividends, that the current share buyback programme could be increased over the next two years. A total dividend of 100 cents per share was declared for F2022, which is a 150% increase on the 40 cents per share declared in F2021.

The Group benefited during F2022 from the gradual dissipation of negative Covid-19 impacts. Excess death claims reduced significantly in the final six months of the financial year and allowed the partial release of mortality reserves specifically set up for the impact of the pandemic. The overall mortality profit for F2022 was R105 million versus a loss of R2.8 billion in F2021.

The strong growth in our health joint venture with Aditya Birla Capital (ABC) in India continued during the year with Aditya Birla Health Insurance (ABHI) having reported growth in gross written premiums of 30% to R3.5 billion. Our share of the F2022 before tax loss increased by 53% to R-310 million as ABHI was negatively impacted by the Covid-19 pandemic. During August 2022 ABC and Momentum Metropolitan jointly announced a transaction whereby the Abu Dhabi Investment Authority (ADIA) propose to acquire an interest of 9.99% through a capital injection of approximately R1.3 billion into ABHI. The existing shareholders, ABC and Momentum Metropolitan will dilute their respective interests to 45.91% and 44.1%. The money raised by ABHI will be deployed towards distribution initiatives to accelerate growth.

During the year we impaired some of the goodwill on our Momentum Insure business. This was brought about by the downward adjustment of projected premium income for the business. The premium growth outlook was negatively impacted, among other items, by difficulty in growing our own Momentum Insure agency force to the levels envisaged before Covid-19, as well as a general reduction in very ambitious new business sales growth. It is pleasing that Momentum Insure has shown a strong recovery from the negative impact the Covid-19 pandemic had on growth numbers and new business sales increased by 12% in F2022. The Momentum Insure agency channel in particular recorded very encouraging results, increasing new business sales by 25% in F2022, to levels roughly in line with pre-pandemic volumes.

Reinvent and Grow strategy

The past 12 months represented the first year of the three-year Reinvent and Grow strategy announced in F2021. Good progress has been made to implement the strategy and we are tracking well towards the objectives set for F2024.

Key aspects of progress made with the implementation of our Reinvent and Grow strategic objectives are summarised below.

Grow existing channels

We successfully implemented the VIA adviser platform, a single interface through which advisers access all Momentum-branded retail products. The functionality of this platform will be significantly expanded over the next few years, which should contribute to improving "ease of doing business", as well as to efficiency gains. Momentum Distribution Services, our independent financial adviser channel, implemented a structure to support the specialisation of advisers. Although this led to disruption initially, the benefit of specialisation was confirmed once the channel settled down. The Momentum Life agency channel implemented its strategy to recruit and train "new to industry" agents, and recruited 250 advisers into this channel during the year. The Metropolitan Life agency channel grew slightly by around 2% and productivity ended the year ahead of the target of three policies per adviser per week. Finally, productivity in Momentum Insure's channels improved during the year and new business sales in the second half of the year increased meaningfully with new business sales 27% higher than the comparative in the first half of F2022.

Establish new channels

A pilot was initiated to sell Momentum protection and savings solutions directly to young professionals. The pilot gained traction by offering a digitally enabled financial planning value proposition in combination with personal relationship consultants to provide expert advice on growing wealth. This was complemented with the establishment of a direct call centre channel for our Myriad protection solution that grew its sales by more than 60% during the year. The Metropolitan Life tele-channel call-centre grew headcount by 23% to 376 agents and improved productivity to 5.6 policies per week per agent. Metropolitan Life continued to test its fully digital GetUp solution for digitally native clients in its market segment. Although the viability of this initiative is hampered by very poor persistency experience, the Group is gaining valuable insights about premium collection in the informal sector, as well as sales concluded by chatbots, with limited human intervention.

Next generation initiatives are being explored in Momentum Corporate, Momentum Life and Guardrisk, but for the time being these projects remain below the radar. In addition to these specific initiatives, the ongoing digitalisation of our existing client and adviser channels provide key insights and a foundation on which to broaden distribution and service options.

Accelerate digital

This objective is central to our strategy and supports all other Reinvent and Grow strategic objectives. During 2022, we appointed Dhesen Ramsamy (Group Chief Digital Technology Officer) into a new role on the Group Executive Committee (Exco), to focus on digital transformation across Momentum Metropolitan. Key focus areas will be the digitalisation of our core business, investment in digital enablers and new growth opportunities to be exploited by accelerating digital.

Momentum Life made good progress towards the adoption of point-of-sale underwriting solutions, digitally transforming its onboarding experience and improving onboarding efficiency through a mobile phone paperless capturing capability in Myriad. Our strategy to leverage external insurtech start-ups played a key role to create these capabilities.

The project to digitally transform our Momentum Wealth investment platform to better meet the needs of clients and their advisers is tracking agreed milestones. Momentum Metropolitan Health made some progress towards moving our clients onto a single health platform from the five we currently utilise, which will significantly reduce our cost base, once completed. Guardrisk's partnership with Root and its flexible end-to-end insurance platform has enabled digital insurance solutions for large affinity clients of Guardrisk. More than one million policies are administered on the Root platform for Guardrisk affinity clients.

Product and service leadership

We are proud of the comprehensive range of competitive products the Group offers and are determined to remain at the forefront of product renewal.

We have made good progress to revamp Wellness and Rewards solutions across the Group. We have moved away from a single, bundled loyalty and rewards programme to a focused product-specific rewards programmes, through which every product business will offer a programme that is relevant and aligned to specific product needs.

Our focus on digital acceleration and our ability to leverage the insurtech start-up ecosystem for new technologies is paying dividends in respect of product and service innovation. We have made good progress to implement a point-of-sale risk selection and upfront discount mechanism for our Myriad protection product, while also introducing a digital onboarding experience and a paperless capturing capability.

Momentum Insure has successfully integrated the short-term business acquired from Alexander Forbes and launched its new brand, client value proposition, products, systems and operating model. In Momentum Investments an innovative hybrid annuity product was launched, offering an all-in-one product (comprising both a guaranteed annuity and a living annuity) requiring only one contract. A limited underwritten life cover product launched by Metropolitan Life in F2021 tripled its sales during the past year.

Momentum Corporate's self-service solutions recorded 185 000 member engagements during F2022. This range of fit-for-purpose, digital self-service tools offer clients the ability to engage through their channel of choice, using simplified language and mobile-first principles. The Health4Me low-income solution offered by Momentum Metropolitan Health has continued to achieve pleasing growth.

Transformation

Our focus on authentic transformation helped Momentum Metropolitan to achieve a Level 1 B-BBEE rating for the fourth year in a row. We scored full points (including bonus points) for the Equity Ownership, Preferential Procurement, Enterprise and Supplier Development and Socio-Economic Development and Consumer Education elements. Our Employment Equity position has shown a pleasing improvement over the past few years. Senior management ACI representation improved from 31% to 39% over the past three years, while it increased from 40% to 45% for middle management.

Our MMPowered initiative provides ACI employees with leadership potential the opportunity to partake in a range of practical development activities across the Group. Examples include meaningful exposure to Group Exco members, Group or other business unit exco meetings and master classes delivered by senior executives in the Group.

NHE of R5 billion

The Group achieved NHE of R4.4 billion in 2022, ahead of our target for the year. If the result is normalised by neutralising mortality experience variances, the net positive change in Covid-19 provisions, positive investment variances and venture capital investment fair value gains, the underlying NHE of the Group is a very satisfactory R3.3 billion. We remain optimistic that we can grow this number over the next two years by the 40% required to reach our F2024 Reinvent and Grow objective of between R4.6 billion and R5 billion.

Non-life Insurance contribution to NHE of 20%

The performance of Momentum Insure in F2022 fell short of expectations and, although Guardrisk continued on its growth trajectory, the overall Non-life Insurance contribution to NHE was 10%, which was lower than in the recent past. The contribution is expected to recover to 18% by F2024, which is marginally below the 20% contribution target. The reason for the shortfall can be ascribed to the downward adjustment in expected future performance of Momentum Insure.

Market share increases between 1% to 6%

There is no doubt that the competitiveness of businesses in the Group has improved substantially by virtue of the improved external focus and the revitalisation of existing distribution channels over the last few years. Market shares consequently increased across the Group in F2021 and we built on this foundation in F2022. The latest available data reflects a market share of 10% for Momentum Wealth, 8% for the Myriad protection business, 15% for FundsAtWork (our umbrella fund business), a market share of 3% for Momentum Insure, 28% for Momentum Metropolitan Health and 19% for the emerging market Metropolitan Life business. Not all businesses have achieved targeted market shares yet and more work is required to reach the F2024 Reinvent and Grow targets.

Return on Equity (ROE) of 20%

ROE improved from 5% in F2021 to 23% in F2022, in line with the strong normalised headline earnings and following the improvement in the Group's operational performance. Through a combination of further earnings growth and capital optimisation, the F2024 objective of 18% to 20% remains realistic.

Cost efficiencies of R500 million

Good progress has been made with various digitisation initiatives across the Group, which is the main driver to achieve efficiency improvements and to secure cost savings. The bulk of the savings of R500 million by F2024 is only expected in the last year of our three-year Reinvent and Grow strategic plans. Momentum Life, Momentum Metropolitan Health, Momentum Corporate and the Momentum Wealth investment platform will be the main contributors to the efficiency gains.

Corporate citizenship

Consumer vulnerability has become a global phenomenon and is especially evident in South Africa following the impact of Covid-19 on an already weak economy, and recently became even more pronounced with rising inflation. We believe our Group has a role to play as a responsible corporate citizen in this context. To maximise our social impact, we combine practical on-the-ground efforts by our businesses and staff volunteers with the more formal initiatives of the Momentum Metropolitan Holdings Foundation (the Foundation).

To confirm our social commitment, we maintained our financial allocation to the Foundation in the past year, not in terms of 1% profit after tax, but in terms of monetary value, which translated into 2% of profit after tax. Following the improved financial performance of the Group, we look forward to doubling our monetary contribution to the Foundation over the next twelve months. The Foundation supports us in providing comprehensive financial education for the youth segment, developing female IT skills, as well as programmes to place young people in paid work. Our businesses and staff volunteers provided tangible assistance to communities during the July 2021 riots and the recent floods in KwaZulu-Natal.

Momentum Metropolitan's resilient performance in the last three years has shown that we are doing the right things to create a sustainable business. How we manage our liabilities and invest assets, the prudency in our provisions and the sophisticated way in which we manage liquidity, passed the test of an extreme stress event such as Covid-19, with a healthy balance sheet and a return to solid earnings in F2022. The Group is committed to various climate-related initiatives and disclosure projects including being a voluntary participant in the CDP (formally Carbon Disclosure Project) since 2013 and becoming a formal, listed supporter of the international Task Force on Climate-Related Financial Disclosures (TCFD) and has developed a Board-approved Climate Risk Framework. The world has reached a tipping point to act on ESG challenges and Momentum Metropolitan is part of the change. Although we have always been committed to sustainability principles and have built many of our financial solutions around social challenges, there is a need to now accelerate our impact.

For us, transformation will never be a tick-box exercise. Our transformation purpose is to be authentically transformed and we have a particular focus on diversity and inclusion in the Group, making sure everyone feels they belong. I am exceptionally proud of the Group's fourth consecutive Level 1 B-BBEE rating in F2022 and believe it reflects the contribution we make to the continued transformation of our country. During F2022 we spent 80% of our total procurement spend on black suppliers, invested more than R58 million in empowerment funding, and 81% of the Group's employees are now black.

During the past year we implemented our iSabelo Employee Share Ownership Plan (ESOP). iSabelo allows us to strengthen our Broad-Based Black Economic Empowerment (B-BBEE) ownership and affords us an opportunity to participate in the transformation agenda of South Africa. We honour the entrepreneurial spirit of the Group by making employees Momentum Metropolitan shareholders through the iSabelo Trust.

Outlook

Good results were achieved in F2022 despite the challenging economic and social environment in which we operate. I am concerned about the socio-political situation facing the country and it will become increasingly difficult to further grow revenue in the absence of meaningful economic growth. The achievement of our Reinvent and Grow targets do, to some extent, remain dependent on economic recovery.

The Group's strong results in the first year of our three-year Reinvent and Grow strategy is encouraging and confirms a strong competitive position. We are on track with the implementation of the strategic objectives set for F2024. I am confident that we will continue to reap the rewards for the good work we have done over the last few years.

Our strategy is dynamic and we have prioritised digital transformation in all areas of the Group, without compromising on the importance of strong face-to-face distribution channels and the need for leading products and services. The federated operating model ensures that we remain close to the frontline, are in touch with the needs of clients and advisers, and make decisions that reflect their realities. The executive teams of our empowered businesses are responsible for their full value chains and operate as entrepreneurs, while the Group benefits from the diverse nature of the constituents of our corporate portfolio.

Note of appreciation

I would like to thank our previous Chairman, Sello Moloko, for the valuable contribution he made to the Group. We wish him all the best with his new endeavours. Paul Baloyi has been appointed as Momentum Metropolitan's new Chairman and I would like to extend a warm welcome to Paul from the entire Group. We appreciate his willingness to lead us and look forward to working under his guidance.

For yet another year our employees had to deal with circumstances more difficult than they have ever experienced in their careers. Once again they persevered and I commend their commitment to Momentum Metropolitan. They deserve my sincere thanks. The executive teams across our Group were similarly called on to provide leadership in unfamiliar and challenging situations. They excelled and I owe them a debt of gratitude. Thank you also to our Board for their support and guidance, and to our clients and distribution partners for their ongoing support.

Hillie Meyer
CEO

Group Finance Director review

The Group delivered normalised headline earnings of R4 383 million, significantly higher than R1 007 million in the prior year. This solid performance followed the less severe impact of Covid-19 on earnings, a strong improvement in investment variances and good growth in investment return.

Overview of financial results

The Group delivered normalised headline earnings of R4 383 million for the twelve months ended 30 June 2022, significantly higher than the prior year. It is noted that the prior year's results are not directly comparable to the current year as the prior year results were severely impacted by the Covid-19 pandemic and included net mortality loss of R2 823 million. The Group's solid performance during F2022 follows the less severe impacts of Covid-19 on earnings, with mortality starting to improve over the third and fourth quarters. With the positive earnings impact from the partial release of opening Covid-19 provisions, mortality contributed positively to NHE of the Group, by R105 million.

Operating profit improved significantly to R3 363 million, from R73 million in the prior year. This improvement was supported by the improved mortality results, as well as a strong improvement in investment variances. All South African life insurance business units grew operating earnings. Momentum Insure and Momentum Metropolitan Africa reported significantly lower operating earnings. Momentum Insure was negatively affected by severe weather-related claims. Momentum Metropolitan Africa experienced large mortality losses in the first half of F2022.

The Group's investment return improved by 9% to R1 020 million, aided by 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.

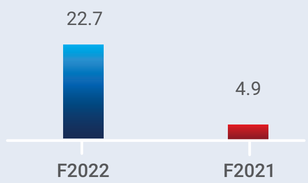
The current year's results suggest that Momentum Metropolitan is on track to deliver the results targeted in our Reinvent and Grow strategic roadmap. The operating environment, however, continues to present multiple challenges. Having started to recover from the effects of the Covid-19 pandemic, South Africa has been hit by further shocks in the form of destructive protests and riots, severe flooding in KwaZulu-Natal, frequent electricity loadshedding, high fuel prices, and rising food inflation. As Momentum Metropolitan we will continue to make every effort to look after the financial needs of our policyholders and to generate value to shareholders despite this difficult backdrop.

*For more detail on the Group's earnings performance, including a detailed analysis of the impact of Covid-19 on the Groups results and the performance of the Group's segments, refer to the **Group's Results Announcement** and audited **Annual Financial Statements** for the 12 months ended 30 June 2022.*

Key metrics	F2022	F2021	Δ%
Earnings per share (cents)	260.6	31.3	>100%
Headline earnings per share (cents)	297.3	30.9	>100%
Normalised headline earnings per share (cents)	287.2	67.1	>100%
Normalised headline earnings (R million) [1]	4 383	1 007	>100%
Operating profit (R million) [2]	3 363	73	>100%
Investment return (R million)	1 020	934	9%
New business (PVNBP, R million)	72 673	65 898	10%
Value of new business (VNB, R million)	626	725	(14)%
New business margin	0.9%	1.1%	
Diluted embedded value per share (Rand)	29.77	27.08	9.9%
Dividend per share (cents)	100	40	>100%

[1] 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, Broad-based black economic empowerment (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.
[2] 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

Return on equity (%)[3]



Return on equity (ROE) for the year was 22.7%, up from 4.9% in the prior year. This increase follows the Group's earnings improvement.

Return on embedded value per share (%)

Group embedded value per share was R29.77 on 30 June 2022. The return on embedded value per share was 11.7%, up from 6.3% in the prior year, and was assisted by the recovery in mortality experience variance and the partial release of opening Covid-19 provisions

[3] Return on equity expresses normalised headline earnings as a percentage of start-of-year net asset value, adjusted for the items outlined in footnote 1, and the adjusting items to determine headline earnings

Group financial performance

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

	F2022			F2021			Δ%		
R million	**Operating profit**	**Investment return**	**Normalised headline earnings**	**Operating profit**	**Investment return**	**Normalised headline earnings**	**Operating profit**	**Investment return**	**Normalised headline earnings**
Momentum Life	976	134	1 110	(991)	132	(859)	>100%	2%	>100%
Momentum Investments	870	68	938	1 103	(8)	1 095	(21)%	>100%	(14)%
Metropolitan Life	606	66	672	367	68	435	65%	(3)%	54%
Momentum Corporate	1 049	125	1 174	(607)	55	(552)	>100%	>100%	>100%
Momentum Metropolitan Health	212	(3)	209	214	(1)	213	(1)%	<(100)%	(2)%
Non-life Insurance	399	62	461	508	36	544	(21)%	72%	(15)%
Momentum Metropolitan Africa	8	110	118	62	194	256	(87)%	(43)%	(54)%
Normalised headline earnings from operating business units	**4 120**	**562**	**4 682**	**656**	**476**	**1 132**	**>100%**	**18%**	**>100%**
New Initiatives	(468)	2	(466)	(360)	2	(358)	(30)%	0%	(30)%
Shareholders segment	(289)	456	167	(223)	456	233	(29)%	0%	(28)%
Normalised headline earnings	**3 363**	**1 020**	**4 383**	**73**	**934**	**1 007**	**>100%**	**9%**	**>100%**

Operating profit

Operating profit increased significantly to R3 363 million from R73 million in the prior year. This is mainly attributable to the less severe impact of Covid-19 on earnings in F2022. During the first half of the year, Momentum Life and Momentum Metropolitan Africa still experienced significant net mortality losses due to the third Covid-19 wave. Mortality experience improved over the second half of the year, resulting in the mortality profit of R105 million for the full year after allowing for movements in Covid-19 provisions. This compares to net mortality losses of R2 823 million in the prior year. Despite the improvement in mortality experience, claims remain above pre-pandemic levels and we continue to hold reserves to the value of R373 million (net of tax) to withstand the impact of uncertain future mortality experience.

Operating profit was further aided by an improvement of R163 million in investment variances. Momentum Life was particularly affected by this and saw a turnaround in investment variances from a negative variance of R517 million in the prior year to a positive variance of R53 million in F2022. This was partly offset by a decline in investment variances in all other business units, mainly from the impact of changes in the yield curves on annuities and structured products.

Momentum Corporate benefited materially from much improved underwriting results on both group life and disability products. Operating profit in Non-life Insurance was supported by good underlying operational growth in Guardrisk, offset by the negative impact from weather-related claims and increased claims inflation in Momentum Insure.

Investment return

Investment return improved by 9% to R1 020 million, boosted by the continued recovery in investment markets. In the Shareholders segment, investment return increased 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.

Investment variance

Investment variances, particularly on long-term protection business, as well as annuity business, have been subject to significant volatility over the last two years, driven by large changes in the shape and level of the nominal and real yield curves (and by implication changes in the market implied inflation).

Over the 12 months to 30 June 2022, the nominal government bond yield curve increased at all durations. The real government bond yield curve, however, reduced. The expense inflation curve, which is the difference between the nominal and real market implied curves, increased, which resulted in an elevation in market implied inflation, particularly at longer durations. Both the nominal and the real yield curves flattened over the same period.

In total, the Group recorded positive investment variances of R353 million in F2022, compared to positive R190 million in the prior year. The F2022 positive variance was made up of negative variance in the first six months, followed by positive variance in the second half of the financial year. Investment variances thus explain much of the significant improvement in NHE in the second half of the year versus the first six months.

The volatility in the investment variances was most pronounced in Momentum Life, where the Myriad protection product is particularly sensitive to yield curve changes at long durations. The nominal yield curve increased at all durations during the final quarter, which led to a reversal of the substantial negative investment variances reported in the first half of F2022.

The decline in investment variances for Momentum Investments and Momentum Corporate followed lower earnings from mainly annuity business, caused by movements in both the real and nominal yield curves. The R23 million decline in Metropolitan Life's investment variance was largely due to an increase in market implied inflation. In Momentum Metropolitan Africa, investment variance declined R78 million, driven by the current year recovery in the equity markets being smaller than that in the prior year, particularly in Namibia and Botswana.

Normalised headline earnings and headline earnings per share

Normalised headline earnings per share increased from 67.1 cents to 287.2 cents. Headline earnings per share increased from 30.9 cents to 297.3 cents and earnings per share improved from 31.3 cents to 260.6 cents.

Return on equity

Return on equity (ROE) for the year was 22.7%, up from 4.9% in the prior year. This increase follows the Group's earnings improvement. Group embedded value per share was R29.77 on 30 June 2022 together with an ongoing focus on capital efficiency.

New business performance

The Group increased PVNBP to R72.7 billion, 10% higher than the prior year. Momentum Corporate delivered pleasing new business growth in both recurring premium group risk products, as well as single premium investment PVNBP, which almost doubled. Metropolitan Life achieved strong growth in protection new business, as well as annuities and structured single premiums. Momentum Metropolitan Africa also saw pleasing new business volume growth, driven by corporate new business in Namibia, Lesotho and Botswana, together with strong retail savings and annuity new business in Namibia and Botswana. Momentum Investments delivered solid growth in guaranteed annuities and Momentum Wealth's local investment platform business while Momentum Life's new business declined mainly due to a decline in PVNBP on protection products, partly offset by improved new business on long-term savings business.

Value of new business

The Group's VNB declined by 14% to R626 million, driven by the negative impact of yield-curve related economic assumption changes, which are effected at the point of sale, in all business units and a general change in new business mix to lower margin products.

VNB was lower than the prior year across all the business units, except Momentum Corporate which delivered a strong contribution of R68 million, due to higher sales volumes and contained expenses. Momentum Life's VNB of negative R20 million was mainly driven by lower new business volumes on protection products and the change in new business mix from protection business towards lower margin long-term savings business. A negative R12 million VNB contribution from Momentum Metropolitan Africa was caused by a negative VNB in Namibia. VNB for Momentum Investments declined to R346 million, mainly due to a change in new business mix from higher margin offshore investments in Momentum Wealth, lower assumed credit spreads in the second half of F2022 and an increase in renewal expenses. Metropolitan Life's VNB of R244 million, delivered a strong result in the fourth quarter, and largely recovered from the 18% decline reported for the first nine months of F2022. That decline was caused by the adverse impact of policies that lapsed before the first premium was paid, leading to irrecoverable distribution expenses.

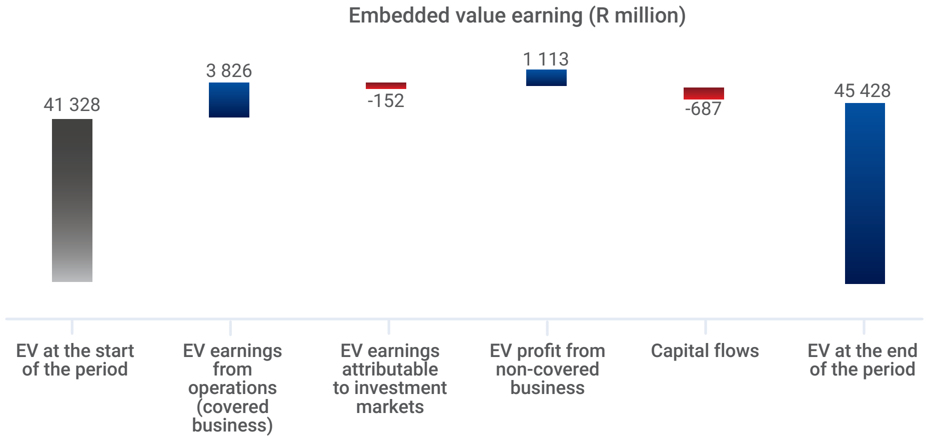
PVNBP
R72 673 million ▲ 10%
(2021: R65 898 million)

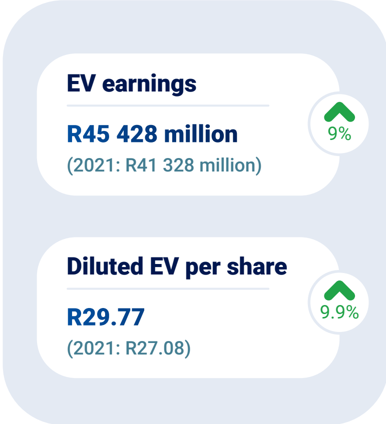
Recurring premiums
R4 607 million ▲ 22%
(2021: R3 783 million)

Single premiums
R51 885 million ▲ 9%
(2021: R47 497 million)

VNB
R626 million ▼ 14%
(2021: 725 million)

New business margin
0.9% ▼
(2021: 1.1%)





Embedded value

The Group's embedded value (EV) results for the year ended 30 June 2022 reflect a return more closely aligned with our long-term expectations, compared to the results observed over the last two years.

In the covered business the release of Covid-19 provisions into embedded value earnings accounted for the largest change from the prior year embedded value earnings (prior year included a large negative impact and this year's release included a large positive impact). A methodology change, where profits not previously valued on ancillary protection benefits in Momentum Life, made a positive contribution when analysing this year's embedded value earnings. Experience variances reflected the benefits of a diversified portfolio in the covered operations where both mortality and morbidity as well as termination experience results varied by lines of business but were muted in aggregate.

In the non-covered business, a lower growth trajectory than anticipated resulted in a significant write-down of the valuation of Momentum Insure in the first half of F2022. Despite this, non-covered operations contributed positively to embedded value earnings, with positive contributions across a range of business units. The largest contribution was from Guardrisk where earnings growth is progressing as planned. Fair value gains on the Group's venture capital investments also made a noteworthy positive contribution.

Value creation through capital management

The Group is focused on embedding its revised capital management framework, announced at the Investor Conference in May 2021, including the continuous improvement of our assessment of the capital needs of business units in the corporate portfolio, and active management of the discretionary and surplus capital that remains. The Group adopted a principle that while discretionary capital is available to support our internal targets and facilitate reinvestment, acquisitions, or other strategic investments, surplus capital should be distributed through dividends, special dividends or share repurchases.

Share repurchase programme

Momentum Metropolitan continually assesses its surplus capital position, taking into consideration expected dividends and other planned capital deployments across the corporate portfolio. Based on the assessment of the Group's capital position, the Board approved in late F2022 a repurchase programme of the Group's ordinary shares up to a maximum amount of R750 million. The programme is in accordance with the general authority received by way of a shareholder resolution passed at the Annual General Meeting, held on 25 November 2021.

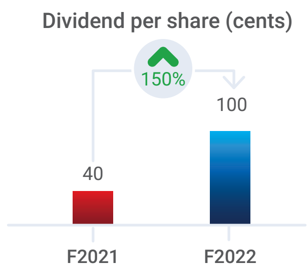
Following approval from the Prudential Authority, Momentum Metropolitan commenced with the programme on 10 August 2022. The Group remains committed to following a disciplined trading approach under the programme and will only repurchase shares to the extent that market conditions are favourable. Repurchased shares will be cancelled. Between 10 August 2022 and 12 September 2022, the Group has bought back 23 million shares, for a total consideration of R382 million. When these shares are cancelled, the gain on embedded value will be approximately 20 cents.

In line with Momentum Metropolitan's capital distribution philosophy, the share repurchase programme will not be in lieu of an ordinary dividend and the Group's dividend policy to declare ordinary dividends within a dividend cover range of 2.0 to 3.0 times normalised headline earnings remains unchanged.

The Board believes that the programme demonstrates our dynamic approach to capital management in line with the Group's Reinvent and Grow strategy. Subject to the capital and liquidity requirements of the Group, and provided ordinary shares can be bought back at an attractive discount to embedded value per share, it is anticipated that the share repurchase programme of R750 million could be increased over the next two years.

Dividends

Momentum Metropolitan declared a final dividend of 65 cents per ordinary share. Together with the interim ordinary dividend of 35 cents per ordinary share, the total dividend for the 12 months ended 30 June 2022 is 100 cents per ordinary share, an increase of 150% from the 40 cents per ordinary share declared in the prior year. The F2022 dividend represents a dividend cover of 2.9 times normalised headline earnings. This payout is at the upper end of the target dividend cover range of 2.0 to 3.0 times normalised headline earnings.



Subordinated debt

On 25 May 2022, Momentum Metropolitan Life Limited successfully auctioned two unsecured subordinated debt instruments, valued at R1 000 million in total. We are pleased that the issuance was nearly two times oversubscribed, evidence of liquidity in the market, and debt investors' positive view of Momentum Metropolitan's subordinated debt. The R1 000 million raised will be used to redeem an existing R980 million instrument, maturing on 12 August 2022.

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	237
Momentum Corporate	13
Momentum Metropolitan Health	17
Momentum Metropolitan Africa	22
New Initiatives	642
Shareholders segment	132
Total capital deployment	**1 063**

Business disposals	R million
Momentum Investments	(176)
New Initiatives	(327)
Total business disposals	**(503)**
Total net capital deployment	**560**

Capital deployed to Momentum Investments was mainly an investment in Momentum Wealth's investment platform and a deferred payment on a recent asset management acquisition in the UK. Within New Initiatives, R583 million was deployed to Aditya Birla Health Insurance (our health insurance joint venture in India). The deployment of R132 million in the Shareholders segment relates to the renovation of the Group's owner-occupied properties in order to be better suited to flexible working arrangements, such as hot-desks.

Momentum Investments disposed of its stake in Aluwani Capital Partners and under New Initiatives, the Group disposed of its interest in the aYo business.

Proposed transactions

In August 2022, Aditya Birla Capital Limited and Momentum Metropolitan jointly announced a transaction whereby an affiliate of the Abu Dhabi Investment Authority (ADIA) proposes to acquire a shareholding of 9.99% in ABHI. Aditya Birla Capital and Momentum Metropolitan will dilute their respective interest to 45.91% and 44.1%. The capital infusion of R1.3 billion (Rs. 665 crore) will be used to fund ABHI's growth in the health insurance market in India.

Rand Merchant Investment Holdings Limited (RMI) is currently in advanced stage discussions with its co-shareholders, Momentum Metropolitan and Royal Bafokeng Investment Holding Company Proprietary Limited (RBIH), about Momentum Metropolitan's interest to acquire RMI's interest in RMI Investment Managers (excluding RMI Investment Managers Affiliates 1 (Pty) Limited, which will be retained within RMI's structures).

This proposed transaction would solidify the existing empowerment, distribution and financial ambitions of RMI Investment Managers whilst retaining the independence and unique boutique characteristics of the affiliate model. RBIH has given its in principle support to the proposed transaction and remains a committed and aligned partner. This proposed transaction is subject to requisite governance and regulatory approvals, agreement of the final terms, confirmation of the structure, and other conditions typical of a transaction of this nature.

Solvency

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 30 June 2022

R million	Momentum Metropolitan Life	Guardrisk Insurance	Guardrisk Life	Momentum Insure
Eligible own funds (pre dividend)	30 362	3 006	3 473	977
SCR	14 939	2 545	2 970	695
SCR cover (times)	**2.03**	**1.18**	**1.17**	**1.41**

Regulatory solvency position as at 30 June 2021

R million	Momentum Metropolitan Life	Guardrisk Insurance	Guardrisk Life	MSTI [4]	Momentum Insurance [4]
Eligible own funds (pre dividend)	28 030	2 781	3 789	538	470
SCR	16 169	2 460	3 333	309	279
SCR cover (times)	**1.73**	**1.13**	**1.14**	**1.74**	**1.69**

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 2.03 times SCR at 30 June 2022, slightly above the target range at 30 June 2022. This improvement was predominantly due to a decrease in the SCR. Movements in local and global markets resulted in a reduction in the equity stresses prescribed by the regulator, which reduced the capital requirements associated with equity risk exposures. The increase in the nominal yield curve, as well as positive impacts of methodology and operating assumption changes also served to reduce the SCR. The increase in own funds reflects good investment experience, strong new business and positive methodology changes, as well as the review and partial release of Covid-19 provisions at 30 June 2022. The impact of Covid-19 claims during the year was largely offset by Covid-19 provision releases and positive longevity impacts.

The SCR cover for Guardrisk Insurance increased from 1.13 times SCR to 1.18 times SCR, supported by the implementation of revised reinsurance cover (most notably reinsurance reinstatement protection) for the underwritten business, as well as improved modelling of reinsurance impacts under the SCR stresses. The SCR cover for Guardrisk Life increased from 1.14 times SCR to 1.17 times SCR due to strengthening cell solvency, improved claims experience, the increase in yield curves as well as the strengthening of lapse assumptions. Guardrisk Insurance and Guardrisk Life reviewed their target ranges for regulatory solvency cover during the year. At 30 June 2022, Guardrisk Insurance was within their revised target range of 1.14 to 1.21 times the SCR, while Guardrisk Life was above their revised target range of 1.04 to 1.07 times the SCR.

The SCR cover for Momentum Insure was 1.41 times SCR at 30 June 2022. The SCR cover reduced over the year mainly due to weaker claims experience due to severe weather-related claims, but remains within the target range of 1.4 to 1.6 times SCR.

Regulatory group solvency position for Momentum Metropolitan Holdings

The Prudential Authority has designated Momentum Metropolitan Holdings as an insurance group and approval for the licensing of Momentum Metropolitan Holdings Limited as the controlling entity of the insurance group was received in August 2021.

The Group's solvency position is determined by aggregating the results of all the underlying entities under the regulatory framework, after elimination of intra-group arrangements. The Group received approval to calculate its group solvency position using the Accounting Consolidation method for certain entities, most notably Momentum Metropolitan Life and Momentum Insure. For entities in the Accounting Consolidation group, the own funds and SCR are calculated using a consolidated balance sheet approach.

Momentum Metropolitan Holdings adopted a target range for group regulatory solvency cover of 1.4 to 1.7 times the SCR. As at 30 June 2022, Momentum Metropolitan Holdings Group SCR cover increased to 1.6 times SCR from 1.5 times SCR at 30 June 2021. 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 1.8 times SCR at 30 June 2022.

Implementation of IFRS 17 – Insurance contracts

The Group's efforts towards implementing IFRS 17 have entered the final phase, concluding a large number of developments during F2022 and shifting focus towards the production of comparative information. There are some areas of significant judgement which may impact the conclusion of the revised opening balance sheet and subsequent income statements. We believe that industry practise will continue to play an important role in resolving these and the Group actively participates in a number of forums addressing these.

The Group continues to anticipate that transition to an IFRS 17 compliant balance sheet will result in some margins being released into equity. The IFRS 17 basis will accelerate the recognition of profits for the Group on average, although the impact on new business strain is expected to be comparatively neutral.

Outlook

We are encouraged by good results achieved by the Group during a period of challenging economic and social conditions. The normalised headline earnings of R4 383 million for the year, suggests that we have largely recovered from the impact of Covid-19 on earnings. During the year, the Group achieved solid growth in new business, with the exception of Momentum Life protection business, which started to grow in recent months. The Group's strong results in the first year of the three-year Reinvent and Grow strategy is encouraging and confirms a strong competitive position.

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 remain uncertain and could still impact our earnings in future, however it appears that the disease has now become endemic.

We foresee that the hybrid way of work will be the new "normal", and our spatial planning suggests possible long-term cost savings from the reduced need for office space. Our continued commitment to creating a collaborative and safe working environment for our employees resulted in many employees returning to the office. This not only afforded us the opportunity to connect with each other in a physical office environment, it also enabled us to get optimal productivity back on track – particularly in areas such as client service where delivery suffered in the work-from-home environment.

We are encouraged by the recovery in normalised headline earnings. Although some of the positive contributions to the current year's earnings are not expected to repeat in F2023, our underlying operating earnings are solid and we will continue to focus on achieving the Reinvent and Grow financial targets for F2024, namely normalised headline earnings of R4.6 billion to R5.0 billion and ROE of 18% to 20%. .

Risto Ketola
Group Finance Director

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.

Directors' statement

The Board is pleased to present the summarised audited results of Momentum Metropolitan Holdings Ltd (MMH or the Company) and its subsidiaries (collectively Momentum Metropolitan or the Group) for the year ended 30 June 2022. The preparation of the Group's results was supervised by the Group Finance Director, Risto Ketola (FIA, FASSA, CFA Charterholder).

CORPORATE EVENTS

Acquisitions

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 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 a purchase consideration of N$32 million which comprises a cash component of N$32 million and a contingent consideration of nil. The excess cash of N$8 million represents a receivable at the acquisition date.
On 1 June 2022, the Group, through its wholly owned subsidiary, Workers Health Investments (Pty) Ltd, acquired 30% in Homeville Holdings (Pty) Ltd (the holding company of a group of pharmacies) for R16.5 million in cash. The Group has significant influence over this entity and has therefore classified it as an investment in associate.

Disposals

Sales agreements were entered into for the sale of three properties during the prior financial year and were thus classified as held for sale. These properties have been sold during the current year.

On 1 September 2021, the Group disposed of its 25% shareholding in aYo Holdings Ltd, as well as the related intellectual property, for a consideration of $20 million (R287 million).

On 30 April 2022, the Group disposed of its 40% shareholding in Aluwani Capital Partners (Pty) Ltd (Aluwani) for a consideration of R146.8 million.

Listed debt

On 25 May 2022, Momentum Metropolitan Life Ltd (MML) listed two new subordinated debt instruments to the combined value of R1 billion on the JSE Ltd. The proceeds of the issuance was used to refinance the subordinated debt instrument, MMIG05, which became callable on 12 August 2022.

Other

The Group entered into a Broad-based black economic empowerment (B-BBEE) transaction with strategic partners during the current year 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 70.5%) 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 summarised audited results 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 summarised audited results are in terms of International Financial Reporting Standards (IFRS) and are consistent with those adopted in the previous year 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 2022, 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 YEAR ENDED 30 JUNE 2022 AND RELEVANT TO THE GROUP

The following new and amended standards became effective for the first time in the current year 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; and
- Covid-19-related rent concessions beyond 30 June 2021: Amendment to IFRS 16.

Directors' statement continued

SOLVENCY ASSESSMENT AND GOING CONCERN

The Group's solid performance during the current year follows the less severe impacts of Covid-19 on earnings as mortality experience in the current year improved over the second half of the year. This resulted in a small full-year net mortality profit, after a partial release of opening Covid-19 provisions, for the first time since the start of the pandemic. The mortality experience during the second half of the current year, affected by the fourth and fifth Covid-19 waves in South Africa, was less severe than during the first half when the third Covid-19 wave still caused significant mortality losses. The second half showed an improvement in mortality experience with a net mortality profit of R483 million being recognised after release of Covid-19 provisions, offsetting the net mortality loss of R378 million reported in the first half of the year. This brought the net mortality profit for the full year to R105 million. Releases of the mortality component of the Covid-19 provision in the current year amounted to R1 639 million, of which R1 133 million was released in the first half of the year. The timing and magnitude of future Covid-19 waves remain uncertain, and the Group's remaining provision for future claims assumes a sixth and seventh wave in line with the experience during the fourth and fifth waves. 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.

CORPORATE GOVERNANCE

The Board has satisfied itself that the Group has applied the principles of corporate governance as detailed in the King Report on Corporate Governance™ for South Africa, 2016 (King IV™)* throughout the year under review. Refer to the Integrated Report and the King IV™ Application Summary available on the Group's website for details of the governance framework and assessment of its application throughout the year.

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. On 8 April 2022, Paul Baloyi was appointed to the Board and was subsequently appointed as Chair on 1 July 2022.

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

Appointments	**Role**	**Date**
Dhesen Ramsamy	Group Chief Digital and Information Officer	1 April 2022
Resignations	**Role**	**Date**
Zureida Ebrahim	CEO: Client engagement solutions	31 October 2021

PROVISIONS, CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group is party to legal proceedings and appropriate provisions are made when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and that amount is measured reliably. The Group is not aware of capital commitments at 30 June 2022 that were not in the ordinary course of business other than what is disclosed in the AFS.

EVENTS AFTER THE REPORTING PERIOD

During July 2022, the Group, through its wholly owned subsidiary, Metropolitan International Holdings (Pty) Ltd, disposed of its entire shareholding in Metropolitan Cannon Life Assurance Ltd and Metropolitan Cannon General Insurance Ltd. At 30 June 2022, this disposal did not meet all the recognition criteria to be classified as held for sale in terms of IFRS 5 - Non-current assets held for sale and discontinued operations.

During August 2022, Aditya Birla Capital Ltd and MMH announced a transaction whereby the Abu Dhabi Investment Authority will own 9.99% in Aditya Birla Health Insurance Company Ltd, by way of a fresh issuance of ordinary shares. This will result in a dilution of the Group's shareholding from 49% to 44.1%. Completion of the transaction is still subject to statutory and regulatory approvals, including the approval of the Insurance Regulatory and Development Authority of India. The capital infusion of R1.3 billion (Rs. 665 crore) will be used to drive Aditya Birla Health Insurance Company Ltd's growth in the health insurance market in India.

MMH has commenced a R750 million share buy-back programme in August 2022 after receiving approval from the Prudential Authority. Share buy-backs deliver considerable value accretion to shareholders while the share price continues to trade at a deep discount to embedded value. They also represent an effective form of capital distribution in line with the Group's capital management framework. Future share buy-backs will continue to be considered based on affordability.

On 25 August 2022, the Competition Commission released a media statement that it was conducting search and seizure operations at the premises of eight insurance companies in South Africa, including Momentum, a division of MMH. In the statement, the Commission indicated that it has reasonable grounds to suspect that the insurers under investigation have contravened the Competition Act by engaging in collusive practices to fix prices and/or trading conditions in respect of fees for investment products (citing retirement annuities as an example) and premiums for risk-related life products (citing dread disease cover/chronic medical condition cover, disability cover, life cover and funeral assistance benefits as examples).

At the time of the approval of these financial statements, the directors have assessed that the scope of the Commission's investigation does not extend beyond the kinds of investment and risk-related life products reported in the Commission's media statement. In addition, the directors have concluded that the impact to MMH group entities would be unclear until such time as the Commission concludes its investigation and decides formally to refer a case to the Competition Tribunal for adjudication. Accordingly, given the preliminary stage of the Commission's investigation, these financial statements do not make provision for the Commission's allegations relating to contraventions of the Competition Act to the extent that they remain subject to further investigation, assessment and determination.
No other material events occurred between the reporting date and the date of approval of these results.

FINAL DIVIDEND DECLARATION

Ordinary shares

- On 12 September 2022, a gross final ordinary dividend of 65 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, 7 October 2022, and will be paid on Monday, 10 October 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 final dividend of 52 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, 4 October 2022.
- The shares will trade ex dividend from the start of business on Wednesday, 5 October 2022.
- Share certificates may not be dematerialised or rematerialised between Wednesday, 5 October 2022 and Friday, 7 October 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 (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.

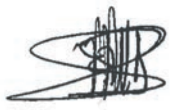
THE BOARD OF DIRECTORS' RESPONSIBILITY

The preparation of these results, and the correct extraction thereof from the Group's audited AFS for the year ended 30 June 2022, are the responsibility of the Board of directors. A printed version of the full AFS and 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.

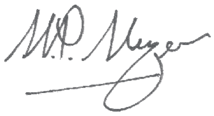
EXTERNAL AUDIT

These summarised results have not been audited, but have been extracted from the Group's AFS for the year ended 30 June 2022, which have been audited by Ernst & Young Inc. and their unqualified audit report, together with the Group's audited AFS for the year ended 30 June 2022, are available for inspection at the Company's registered office and on Momentum Metropolitan's website. In addition, the summarised Group embedded value information has been extracted from the Group's Embedded Value Report for the year ended 30 June 2022, which has been reviewed by Ernst & Young Inc. in accordance with the embedded value basis of the Group, and the review report is available for inspection at the Company's registered office. Appointments must be made for inspections at the Company's registered office.

Signed on behalf of the Board



Paul Baloyi
Chair
Centurion
12 September 2022



Hillie Meyer
Group Chief Executive

Condensed consolidated statement of financial position

	Notes	30.06.2022 Rm	Restated 30.06.2021[1] Rm	Restated 01.07.2020[1] Rm
Assets				
Intangible assets		**8 747**	9 939	10 339
Owner-occupied properties		**3 016**	3 033	3 598
Fixed assets		**478**	404	391
Investment properties		**9 051**	8 938	9 042
Properties under development		**162**	163	118
Investments in associates and joint ventures		**1 491**	1 156	905
Employee benefit assets		**460**	697	652
Financial assets at fair value through profit and loss (FVPL)	11	**489 511**	471 362	433 186
Financial assets at amortised cost	11	**8 739**	7 968	6 063
Reinsurance contract assets		**14 976**	6 849	6 142
Deferred income tax		**880**	756	862
Insurance and other receivables		**7 739**	6 240	5 380
Current income tax assets		**81**	456	371
Assets relating to disposal groups held for sale		**14**	171	154
Cash and cash equivalents	11	**28 720**	36 822	30 414
Total assets		**574 065**	554 954	507 617
Equity				
Equity attributable to owners of the parent		**24 621**	21 575	22 593
Non-controlling interests		**365**	348	410
Total equity		**24 986**	21 923	23 003
Liabilities				
Insurance contract liabilities				
Long-term insurance contracts	2	**126 233**	128 925	114 396
Non-life insurance contracts	2	**22 152**	13 563	11 445
Investment contracts	2	**321 789**	311 722	279 956
– with discretionary participation features (DPF)	11	**3 031**	19 222	18 320
– designated at FVPL	11	**318 758**	292 500	261 636
Financial liabilities at FVPL	11	**48 141**	51 013	52 307
Financial liabilities at amortised cost	11	**4 336**	4 164	4 610
Reinsurance contract liabilities		**2 299**	2 347	2 277
Deferred income tax		**2 601**	2 729	2 926
Employee benefit obligations		**1 438**	1 148	1 228
Other payables		**19 567**	16 967	14 789
Provisions		**307**	283	321
Current income tax liabilities		**216**	170	238
Liabilities relating to disposal groups held for sale		**–**	–	121
Total liabilities		**549 079**	533 031	484 614
Total equity and liabilities		**574 065**	554 954	507 617

[1] Refer to note 12 for more information on the restatements.

Condensed consolidated income statement

	Notes	12 mths to 30.06.2022 Rm	Restated 12 mths to 30.06.2021[1] Rm
Net insurance premiums	2	**38 893**	37 036
Fee income	2, 2.3	**9 267**	9 022
Investment income		**26 167**	22 040
Net realised and unrealised fair value (losses)/gains		**(4 170)**	40 262
Net income		**70 157**	108 360
Net insurance benefits and claims	2	**30 376**	31 138
Change in actuarial liabilities and related reinsurance		**(6 605)**	12 961
Change in long-term insurance contract liabilities		**(3 280)**	13 002
Change in non-life insurance contract liabilities		**(126)**	(78)
Change in investment contracts with DPF liabilities		**(1 644)**	763
Change in reinsurance assets		**(897)**	(142)
Change in reinsurance liabilities		**(658)**	(584)
Fair value adjustments on investment contract liabilities		**10 884**	34 192
Fair value adjustments on collective investment scheme (CIS) liabilities		**894**	3 091
Depreciation, amortisation and impairment expenses	2	**1 680**	1 273
Employee benefit expenses	2	**7 157**	6 511
Sales remuneration	2	**7 674**	7 193
Other expenses	2	**8 256**	7 306
Expenses		**60 316**	103 665
Results of operations		**9 841**	4 695
Share of equity accounted loss on associates and joint ventures		**(243)**	(237)
Profit on sale of associates and joint ventures		**246**	–
Finance costs	6	**(2 327)**	(1 616)
Profit before tax		**7 517**	2 842
Income tax expense		**(3 709)**	(2 298)
Earnings for the year		**3 808**	544
Attributable to:			
Owners of the parent		**3 711**	451
Non-controlling interests		**97**	93
		3 808	544
Basic earnings per ordinary share (cents)	1	**260.6**	31.3
Diluted earnings per ordinary share (cents)	1	**256.9**	31.3

[1] Refer to note 12 for more information on the restatements.

Consolidated statement of comprehensive income

	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Earnings for the year	**3 808**	544
Other comprehensive loss, net of tax	**(36)**	(738)
Items that may subsequently be reclassified to income	**89**	(469)
Exchange differences on translating foreign operations[1]	**37**	(381)
Share of other comprehensive income/(loss) of associates	**52**	(88)
Items that will not be reclassified to income	**(125)**	(269)
Own credit losses on financial liabilities designated at FVPL	**(26)**	(90)
Land and building revaluation	**(138)**	22
Remeasurements of post-employee benefit funds	**(8)**	(179)
Income tax relating to items that will not be reclassified	**47**	(22)
Total comprehensive income/(loss) for the year	**3 772**	(194)
Total comprehensive income/(loss) attributable to:		
Owners of the parent	**3 675**	(275)
Non-controlling interests	**97**	81
	3 772	(194)

1 The movement in the current year is primarily caused by the strengthening of the ZAR against the GBP, BWP, GHS, KES and USD. In the prior year, the ZAR weakened against these currencies.

Consolidated statement of changes in equity

	Notes	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Changes in share capital			
Balance at beginning and end		**9**	9
Changes in share premium			
Balance at beginning		**12 728**	13 161
Net movement in treasury shares held on behalf of contract holders		**32**	(142)
Increase in treasury shares held by subsidiary for employees		**–**	(291)
Balance at end		**12 760**	12 728
Changes in other reserves			
Balance at beginning		**1 469**	2 315
Total comprehensive loss		**(10)**	(636)
Equity-settled share-based payments		**52**	46
Transfer to retained earnings		**(58)**	(256)
Balance at end	9	**1 453**	1 469
Changes in retained earnings			
Balance at beginning		**7 369**	7 108
Total comprehensive income		**3 685**	361
Dividend declared		**(735)**	(365)
Increase relating to transactions with non-controlling interests		**151**	9
Decrease relating to transactions with non-controlling interests		**(129)**	–
Transfer from other reserves		**58**	256
Balance at end		**10 399**	7 369
Equity attributable to owners of the parent		**24 621**	21 575
Changes in non-controlling interests			
Balance at beginning		**348**	410
Total comprehensive income		**97**	81
Dividend paid		**(58)**	(109)
Increase relating to transactions with owners[1]		**38**	17
Decrease relating to transactions with owners[1]		**(60)**	(10)
Sale of subsidiary		**–**	(41)
Balance at end		**365**	348
Total equity		**24 986**	21 923

[1] Information previously presented on an aggregated basis has now been disaggregated for comparability.

Condensed consolidated statement of cash flows

	12 mths to 30.06.2022 Rm	Restated 12 mths to 30.06.2021[1] Rm
Cash flow from operating activities		
Cash utilised in operations	**(19 619)**	(7 350)
Interest and dividends received	**22 487**	20 625
Income tax paid	**(3 484)**	(2 588)
Interest paid	**(1 986)**	(1 604)
Net cash (outflow)/inflow from operating activities	**(2 602)**	9 083
Cash flow from investing activities		
Net investments in subsidiaries	**–**	(293)
Contingent consideration related to business combinations	**(64)**	–
Proceeds on sale of associate	**147**	–
Proceeds on sale of associate and intangibles included in non-current assets held for sale	**291**	–
Investments in associates and joint ventures[2]	**(647)**	(457)
Capital injection on associate held in non-current assets held for sale	**(69)**	–
Net loan advances by related parties	**150**	(29)
Net purchases of owner-occupied properties	**(256)**	(222)
Net purchases of fixed assets	**(279)**	(222)
Net purchases of computer software	**(58)**	(72)
Dividends from associates	**37**	16
Net cash outflow from investing activities	**(748)**	(1 279)
Cash flow from financing activities		
Proceeds from borrowings	**6 704**	8 716
Repayment of borrowings	**(10 916)**	(8 140)
Dividends paid to equity holders	**(735)**	(365)
Dividends paid to non-controlling interest shareholders	**(58)**	(109)
Net purchases of treasury shares held on behalf of contract holders	**32**	(142)
Net purchases of treasury shares held by subsidiary for employees	**–**	(291)
Transactions with non-controlling interest shareholders	**–**	21
Net issue of subordinated call notes	**913**	–
Net cash outflow from financing activities	**(4 060)**	(310)
Net cash flow	**(7 410)**	7 494
Cash resources and funds on deposit at beginning	**36 822**	30 439
Foreign currency translation	**(692)**	(1 111)
Cash resources and funds on deposit at end	**28 720**	36 822
Made up as follows:		
Cash and cash equivalents	**28 720**	36 822

[1] Refer to note 12 for more information on the restatements.

[2] Net investments in associates and joint ventures consist of capital contributions of negative R647 million and sales of Rnil.

Notes to the summarised audited annual 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.

	Basic earnings		Diluted earnings	
EARNINGS **attributable to owners of the parent**	**12 mths to 30.06.2022 Rm**	**12 mths to 30.06.2021 Rm**	**12 mths to 30.06.2022 Rm**	**12 mths to 30.06.2021 Rm**
Earnings – equity holders of the Group	**3 711**	451	**3 711**	451
Finance costs – convertible preference shares[1]			**37**	–
Diluted earnings			**3 748**	451
Adjustments within equity-accounted earnings	**16**	28	**16**	28
Loss on dilution of joint venture	**–**	5	**–**	5
Intangible asset impairments[2]	**709**	117	**709**	117
Tax on intangible asset impairments	**4**	(40)	**4**	(40)
Gain on sale of associate and joint venture[3]	**(246)**	–	**(246)**	–
Gain on sale of subsidiary[4]	**–**	(150)	**–**	(150)
FCTR reversal on sale of foreign subsidiary	**–**	(17)	**–**	(17)
Investment in associates impairments[5]	**–**	38	**–**	38
Net impairment of owner-occupied property below cost[6]	**35**	116	**35**	116
Tax on net impairment of owner-occupied property below cost	**4**	(103)	**4**	(103)
Headline earnings[7]	**4 233**	445	**4 270**	445
B-BBEE costs			**11**	25
Adjustments for iSabelo[8]			**(54)**	40
Adjustments for MMH shares held by policyholder funds			**(134)**	54
Amortisation of intangible assets relating to business combinations			**290**	406
Finance costs – convertible preference shares[1]			**–**	37
Normalised headline earnings[9, 10]			**4 383**	1 007

1 The finance costs relating to the KTH preference shares were anti-dilutive in the prior year and it accordingly was only taken into account in the calculation of normalised headline earnings for that year.

2 The current year 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 (R2 002 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 that reflects a more subdued medium-term growth outlook. The remaining goodwill balance after the impairment is R478 million.

The prior year impairments related mainly to:

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

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

3 Relates to the sale of aYo Holdings Ltd, the related intellectual property sold as part of the disposal, as well as the sale of Aluwani.

4 The prior year 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, Metropolitan Health Zambia Ltd, Metropolitan Tanzania Life Assurance Company Ltd and Metropolitan Tanzania Insurance Company Ltd in the Momentum Metropolitan Africa segment.

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

6 The impairment in the current and prior year mainly relate 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.

7 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.

8 This mainly includes the add back of the IFRS 2 expense incurred as a result of the employee share ownership scheme, as well as the investment income earned on the preference shares issued to the iSabelo special purpose vehicle. In the current year, it also includes the fair value loss on these preference shares.

9 As announced in February 2022, the South African corporate tax rate will be reduced from 28% to 27%, effective for years of assessment ending on or after 31 March 2023. As a result, the closing deferred tax balance at 30 June 2022 has been adjusted to take into account the change in rate. In accordance with the Headline Earnings Circular 1/2021, the items impacting headline earnings have been adjusted to take this change into account.

10 Refer to note 2 for an analysis of normalised headline earnings per segment.

Notes to the summarised audited annual financial statements continued

NOTE 1 CONTINUED

EARNINGS PER SHARE (cents) attributable to owners of the parent	12 mths to 30.06.2022	12 mths to 30.06.2021
Basic		
Earnings	**260.6**	31.3
Headline earnings	**297.3**	30.9
Weighted average number of shares (million)[1]	**1 424**	1 439
Basic number of shares in issue (million)	**1 424**	1 423
Diluted[2]		
Normalised headline earnings	**287.2**	67.1
Weighted average number of shares (million)[3]	**1 526**	1 500
Diluted number of shares in issue (million)	**1 526**	1 526
Earnings	**256.9**	31.3
Headline earnings	**292.7**	30.9
Weighted average number of shares (million)[1]	**1 459**	1 439

1 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.

2 On a diluted basis, the KTH preference shares were anti-dilutive in the prior year. For diluted earnings and headline earnings, these preference shares were therefore ignored in accordance with IAS 33 for that year. 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.

3 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 MML, less the head office costs not allocated to operating segments (eg 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	Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Segmental total Rm	Reconciling items[1] Rm	Total Rm
12 mths to 30.06.2022													
Revenue													
Net insurance premiums	2.4	9 889	30 732	8 239	17 509	1 186	14 035	5 620	–	–	87 210	(48 317)	38 893
Recurring premiums		9 392	869	6 450	12 798	1 186	10 907	4 015	–	–	45 617	(14 328)	31 289
Single premiums		497	29 863	1 789	4 711	–	3 128	1 605	–	–	41 593	(33 989)	7 604
Fee income		1 274	3 689	70	1 237	2 315	1 685	189	123	546	11 128	(1 861)	9 267
Fee income	2.3, 2.4	1 233	2 976	70	1 234	2 261	1 685	189	83	–	9 731	(464)	9 267
Intergroup fee income		41	713	–	3	54	–	–	40	546	1 397	(1 397)	–
Expenses													
Net payments to contract holders													
External payments		11 250	27 035	6 485	19 917	724	6 373	3 418	–	–	75 202	(44 826)	30 376
Other expenses[2]		3 350	3 579	3 072	1 611	2 320	5 445	1 747	215	775	22 114	2 653	24 767
Sales remuneration		1 324	998	1 402	85	83	3 070	675	37	–	7 674	–	7 674
Administration expenses		1 783	1 927	1 506	1 222	1 826	2 099	830	105	1 381	12 679	2 888	15 567
Asset management, direct property and other fee expenses		53	286	–	–	7	–	2	1	15	364	1 162	1 526
Intergroup expenses		190	368	164	304	404	276	240	72	(621)	1 397	(1 397)	–
Normalised headline earnings	2.1	1 110	938	672	1 174	209	461	118	(466)	167	4 383	–	4 383
Operating profit/(loss)[3]		1 395	1 145	845	1 475	295	450	22	(467)	(285)	4 875	–	4 875
Tax on operating profit/(loss)		(419)	(275)	(239)	(426)	(83)	(51)	(14)	(1)	(4)	(1 512)	–	(1 512)
Investment return		143	83	71	134	(4)	70	137	2	535	1 171	–	1 171
Tax on investment return		(9)	(15)	(5)	(9)	1	(8)	(27)	–	(79)	(151)	–	(151)
Covered	2.2	1 164	680	670	1 172	–	–	202	–	(17)	3 871	–	3 871
Non-covered	2.2	(54)	258	2	2	209	461	(84)	(466)	184	512	–	512
		1 110	938	672	1 174	209	461	118	(466)	167	4 383	–	4 383
Basis changes and investment variances[4]		307	136	95	399	–	–	39	–	75	1 051	–	1 051
Actuarial liabilities		74 637	190 001	36 265	107 064	108	45 052	16 899	–	148	470 174	–	470 174

1 Reconciling items include investment contract business premiums and claims; intergroup fee income and expenses; direct property (R460 million) and asset management fees for all entities (R702 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 395 million); the amortisation of intangible assets relating to business combinations (R475 million); expenses relating to consolidated CISs and other minor adjustments to expenses and fee income.

2 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.

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

4 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 summarised audited annual financial statements continued

NOTE 2 CONTINUED

SEGMENTAL REPORT CONTINUED

	Notes	Momentum Life Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Shareholders Rm	Segmental total Rm	Reconciling items[1] Rm	Total Rm
Restated 12 mths to 30.06.2021[2]													
Revenue													
Net insurance premiums	2.4	9 516	32 361	7 657	14 864	932	11 146	4 839	–	–	81 315	(44 279)	37 036
Recurring premiums		8 976	766	6 233	12 346	931	9 291	3 867	–	–	42 410	(12 674)	29 736
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	1 995	224	90	112	10 314	(1 292)	9 022
Fee income	2.3, 2.4	1 182	2 785	106	1 010	2 120	1 997	224	69	–	9 493	(471)	9 022
Intergroup fee income		44	642	–	1	3	(2)	–	21	112	821	(821)	–
Expenses													
Net payments to contract holders													
External payments		10 718	29 551	6 564	18 102	633	6 265	2 701	–	–	74 534	(43 396)	31 138
Other expenses[3]		3 451	3 072	2 808	1 497	2 014	4 452	1 536	239	316	19 385	2 898	22 283
Sales remuneration		1 357	858	1 265	88	45	2 890	658	32	–	7 193	–	7 193
Administration expenses		1 917	1 704	1 489	1 184	1 625	1 362	656	174	910	11 021	2 650	13 671
Asset management, direct property and other fee expenses		67	258	–	–	6	–	2	4	14	351	1 068	1 419
Intergroup expenses		110	252	54	225	338	200	220	29	(608)	820	(820)	–
Normalised headline earnings	2.1	(859)	1 095	435	(552)	213	544	256	(358)	233	1 007	–	1 007
Operating (loss)/profit[4]		(1 346)	1 490	513	(827)	282	699	122	(360)	(219)	354	–	354
Tax on operating (loss)/profit		355	(387)	(146)	220	(68)	(191)	(60)	–	(4)	(281)	–	(281)
Investment return		151	(14)	79	64	(1)	50	248	2	597	1 176	–	1 176
Tax on investment return		(19)	6	(11)	(9)	–	(14)	(54)	–	(141)	(242)	–	(242)
Covered	2.2	(822)	885	433	(547)	–	–	225	–	90	264	–	264
Non-covered	2.2	(37)	210	2	(5)	213	544	31	(358)	143	743	–	743
		(859)	1 095	435	(552)	213	544	256	(358)	233	1 007	–	1 007
Basis changes and investment variances[5]		(1 486)	327	(278)	(774)	–	–	(26)	–	31	(2 206)	–	(2 206)
Actuarial liabilities		76 910	185 275	36 608	106 351	35	32 952	15 889	–	190	454 210	–	454 210

1 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 (Restated R600 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 CISs and other minor adjustments to expenses and fee income.

2 Refer to note 12 for more information on the restatements.

3 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.

4 Operating (loss)/profit is normalised headline earnings gross of tax less investment return.

5 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 2.1

CHANGE IN NORMALISED HEADLINE EARNINGS

	Notes	Change %	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Momentum Life		>100	1 110	(859)
Momentum Investments		(14)	938	1 095
Metropolitan Life		54	672	435
Momentum Corporate		>100	1 174	(552)
Momentum Metropolitan Health		(2)	209	213
Non-life Insurance		(15)	461	544
Momentum Metropolitan Africa		(54)	118	256
Normalised headline earnings from operating segments		>100	4 682	1 132
New Initiatives		(30)	(466)	(358)
Shareholders		(28)	167	233
Total normalised headline earnings	2	>100	4 383	1 007

NOTE 2.2

SEGMENTAL ANALYSIS

	Notes	Momentum Life Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Share-holders Rm	Total Rm
12 mths to 30.06.2022											
Covered											
Protection		749	–	214	759	–	–	5	–	–	1 727
Long-term savings		159	(17)	201	314	–	–	157	–	–	814
Annuities and structured products		–	641	166	34	–	–	55	–	–	896
Traditional		126	–	38	–	–	–	(6)	–	–	158
Other[1]		1	(4)	(15)	(60)	–	–	(43)	–	53	(68)
Investment return		129	60	66	125	–	–	34	–	(70)	344
Total	2	1 164	680	670	1 172	–	–	202	–	(17)	3 871
Non-covered											
Investment and savings	2.2.1	–	249	–	–	–	–	–	–	–	249
Life insurance		–	–	–	–	–	–	(23)	–	–	(23)
Health	2.2.2	–	–	–	–	212	–	20	–	–	232
Momentum Multiply		(50)	–	–	–	–	–	–	–	–	(50)
Non-life insurance	2.2.3	–	–	–	–	–	(9)	(32)	–	–	(41)
Cell captives	2.2.3	–	–	–	–	–	408	–	–	–	408
Holding company expenses		–	–	–	–	–	–	(125)	–	(206)	(331)
New Initiatives India	2.2.4	–	–	–	–	–	–	–	(338)	–	(338)
New Initiatives aYo		–	–	–	–	–	–	–	(1)	–	(1)
Other[2]		(9)	1	2	2	–	–	–	(129)	(136)	(269)
Investment return		5	8	–	–	(3)	62	76	2	526	676
Total	2	(54)	258	2	2	209	461	(84)	(466)	184	512
Normalised headline earnings		1 110	938	672	1 174	209	461	118	(466)	167	4 383

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

2 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[1] Rm	Momentum Corporate Rm	Momentum Metropolitan Health Rm	Non-life Insurance Rm	Momentum Metropolitan Africa Rm	New Initiatives Rm	Share-holders Rm	Total Rm
Restated											
12 mths to 30.06.2021											
Covered											
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[2]		146	18	(38)	(36)	–	–	3	–	58	151
Investment return		122	(19)	68	54	–	–	78	–	32	335
Total	2	(822)	885	433	(547)	–	–	225	–	90	264
Non-covered											
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[3]		(7)	–	2	(6)	–	–	(28)	(113)	(88)	(240)
Investment return		10	11	–	1	(1)	36	116	2	424	599
Total	2	(37)	210	2	(5)	213	544	31	(358)	143	743
Normalised headline earnings		(859)	1 095	435	(552)	213	544	256	(358)	233	1 007

[1] 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.

[2] Included in Other are once-off items that are not linked to a specific product as well as earnings that are not policyholder related.

[3] Included in Other is mainly Multiply Money as well as earnings that are not policyholder related.

Notes to the summarised audited annual financial statements continued

NOTE 2.2.1

MOMENTUM INVESTMENTS – NON-COVERED BUSINESS

	Notes	12 mths to 30.06.2022 Rm	Restated 12 mths to 30.06.2021[1] Rm
Revenue		**1 714**	1 576
Fee income		**1 645**	1 522
Investment income		**53**	32
Fair value gains		**16**	22
Expenses and finance costs		**(1 428)**	(1 306)
Other expenses		**(1 391)**	(1 276)
Finance costs		**(37)**	(30)
Share of profit of associates		**37**	17
Profit before tax		**323**	287
Income tax expense		**(60)**	(73)
Non-controlling interest		**(5)**	(4)
Normalised headline earnings		**258**	210
Operating profit before tax	2.2	**309**	271
Tax on operating profit	2.2	**(60)**	(72)
Investment return		**10**	12
Tax on investment return		**(1)**	(1)
Normalised headline earnings		**258**	210
Assets under management[2]		**518 727**	492 656

1 The Fee income and Other expenses line items were erroneously grossed up for intercompany transactions within the Momentum Investments segment. June 2021 has been restated accordingly.

2 Refer to the Analysis of assets managed and/or administered note for more information on the restatements other than footnote 1.

NOTE 2.2.2

HEALTH – NON-COVERED BUSINESS

	Notes	Momentum Metropolitan Health Rm	Momentum Metropolitan Africa Rm	Total Rm
12 mths to 30.06.2022				
Revenue		3 482	596	4 078
Net insurance premiums		1 186	571	1 757
Fee income		2 263	2	2 265
Investment income		18	23	41
Intergroup fees		15	–	15
Expenses and finance costs		(3 067)	(583)	(3 650)
Net payments to contract holders		(724)	(434)	(1 158)
Change in actuarial liabilities		1	–	1
Other expenses		(2 341)	(149)	(2 490)
Finance costs		(3)	–	(3)
Share of profit of associates		12	26	38
Profit before tax		427	39	466
Income tax expense		(116)	(4)	(120)
Non-controlling interest		(102)	1	(101)
Normalised headline earnings		209	36	245
Operating profit before tax	2.2	295	20	315
Tax on operating profit	2.2	(83)	–	(83)
Investment return		(4)	21	17
Tax on investment return		1	(5)	(4)
Normalised headline earnings		209	36	245
Closed schemes		24	36	60
Open scheme		104	–	104
Other		81	–	81
		209	36	245

	Principal members	Lives
Momentum Metropolitan Health principal members	1 184 094	
Momentum Metropolitan Africa lives		404 890

Notes to the summarised audited annual financial statements continued

NOTE 2.2.2 CONTINUED

HEALTH – NON-COVERED BUSINESS CONTINUED

	Notes	Momentum Metropolitan Health Rm	Momentum Metropolitan Africa Rm	Total Rm
12 mths to 30.06.2021				
Revenue		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
Expenses and finance costs		(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
Profit before tax		402	172	574
Income tax expense		(104)	(44)	(148)
Non-controlling interest		(85)	(22)	(107)
Normalised headline earnings		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
Normalised headline earnings		213	106	319
Closed schemes		49	106	155
Open scheme		75	–	75
Other		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
12 mths to 30.06.2022					
Gross written premiums		2 878	–	432	3 310
Net insurance premiums		2 753	–	344	3 097
Fee income		3	1 119	89	1 211
Management fees		–	635	–	635
Investment fees		–	79	–	79
Underwriting fees		–	399	–	399
Other fee income		3	6	89	98
Investment income		76	166	33	275
Total income		2 832	1 285	466	4 583
Expenses and finance costs		(2 913)	(688)	(462)	(4 063)
Net payments to contract holders		(1 916)	–	(185)	(2 101)
Change in actuarial liabilities		–	–	19	19
Acquisition costs[1]		(206)	–	(73)	(279)
Other expenses		(791)	(673)	(223)	(1 687)
Finance costs		–	(15)	–	(15)
(Loss)/Profit before tax		(81)	597	4	520
Income tax expense		94	(149)	(4)	(59)
Non-controlling interest		–	–	(5)	(5)
Normalised headline earnings		13	448	(5)	456
Operating (loss)/profit before tax	2.2	(111)	558	(29)	418
Tax on operating (loss)/profit	2.2	102	(150)	(3)	(51)
Investment return		31	39	27	97
Tax on investment return		(9)	1	–	(8)
Normalised headline earnings		13	448	(5)	456
Momentum Insurance (including Admin)		13	–	–	13
Guardrisk Group		–	448	–	448
Momentum Insurance (Namibia)		–	–	8	8
Momentum Short-term Insurance (Namibia)		–	–	5	5
Cannon Short-term		–	–	(18)	(18)
		13	448	(5)	456

[1] The acquisition costs relating to the cell captive business are included in underwriting fees.

Notes to the summarised audited annual financial statements continued

NOTE 2.2.3 CONTINUED

NON-LIFE INSURANCE CONTINUED

	Notes	Non-life business Rm	Cell captive business Rm	Momentum Metropolitan Africa Rm	Total Rm
Restated					
12 mths to 30.06.2021[1]					
Gross written premiums		2 793	–	472	3 265
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
Total income		2 101	1 097	397	3 595
Expenses and finance costs		(1 861)	(587)	(369)	(2 817)
Net payments to contract holders		(926)	–	(139)	(1 065)
Change in actuarial liabilities		–	–	(26)	(26)
Acquisition costs[2]		(270)	–	(52)	(322)
Other expenses		(665)	(572)	(152)	(1 389)
Finance costs		–	(15)	–	(15)
Profit before tax		240	510	28	778
Income tax expense		(74)	(132)	(1)	(207)
Non-controlling interest		–	–	(2)	(2)
Normalised headline earnings		166	378	25	569
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)
Normalised headline earnings		166	378	25	569
Momentum Short-term Insurance (including Admin)		2	–	–	2
Momentum Insurance		164	–	–	164
Guardrisk Group		–	378	–	378
Momentum Insurance (Namibia)		–	–	1	1
Tanzania		–	–	–	–
Momentum Short-term Insurance (Namibia)		–	–	1	1
Cannon Short-term		–	–	23	23
		166	378	25	569

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

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

NOTE 2.2.4

INDIA – NON-COVERED BUSINESS[1]

	Notes	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Gross written premiums		**3 522**	2 710
Net earned premiums		**2 426**	1 765
Fee income		**21**	26
Net incurred claims		**(1 688)**	(883)
Total management expenses		**(1 545)**	(1 393)
Net commission expenses		**(39)**	(103)
Underwriting loss		**(825)**	(588)
Investment income		**145**	130
Operating loss		**(680)**	(458)
Investment income on excess		**48**	46
Loss before and after tax		**(632)**	(412)
MMH share of results (49%)		**(310)**	(202)
Group support costs		**(32)**	(28)
Group IT and IT services		**4**	–
Normalised headline earnings	2.2	**(338)**	(230)
Number of lives		**18 789 363**	13 414 469

1 The India results have been reported with a three month lag.

NOTE 2.3

SEGMENT IFRS 15 – REVENUE FROM CONTRACTS WITH CUSTOMERS

		Total revenue in scope of IFRS 15					
	Notes	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
12 mths to 30.06.2022							
Momentum Life		**1 043**	**20**	**–**	**–**	**170**	**1 233**
Momentum Investments		**1 561**	**1 243**	**–**	**–**	**172**	**2 976**
Metropolitan Life		**–**	**–**	**–**	**–**	**70**	**70**
Momentum Corporate		**759**	**431**	**–**	**–**	**44**	**1 234**
Momentum Metropolitan Health		**–**	**–**	**2 246**	**–**	**15**	**2 261**
Non-life Insurance		**121**	**–**	**–**	**1 496**	**68**	**1 685**
Momentum Metropolitan Africa		**49**	**26**	**–**	**–**	**114**	**189**
New Initiatives		**–**	**–**	**–**	**–**	**83**	**83**
Segmental total		**3 533**	**1 720**	**2 246**	**1 496**	**736**	**9 731**
Reconciling items		**–**	**(468)**	**–**	**–**	**4**	**(464)**
Total	2	**3 533**	**1 252**	**2 246**	**1 496**	**740**	**9 267**
Restated 12 mths to 30.06.2021[1]							
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		99	–	–	1 319	579	1 997
Momentum Metropolitan Africa		24	22	5	3	170	224
New Initiatives		–	–	–	–	69	69
Segmental total		3 119	1 624	2 107	1 322	1 321	9 493
Reconciling items		–	(474)	–	–	3	(471)
Total	2	3 119	1 150	2 107	1 322	1 324	9 022

1 Refer to note 12 for more information on the restatements.

Notes to the summarised audited annual financial statements continued

NOTE 2.4

SEGMENT REVENUE PER GEOGRAPHICAL BASIS

	Notes	SA Rm	Non-SA Rm	Total revenue Rm
12 mths to 30.06.2022				
Momentum Life		**11 122**	**–**	**11 122**
Momentum Investments		**33 020**	**688**	**33 708**
Metropolitan Life		**8 309**	**–**	**8 309**
Momentum Corporate		**18 743**	**–**	**18 743**
Momentum Metropolitan Health		**3 447**	**–**	**3 447**
Non-life Insurance		**14 840**	**880**	**15 720**
Momentum Metropolitan Africa		**–**	**5 809**	**5 809**
New Initiatives		**83**	**–**	**83**
Segmental total		**89 564**	**7 377**	**96 941**
Reconciling items		**(47 105)**	**(1 676)**	**(48 781)**
Total	2	**42 459**	**5 701**	**48 160**
Restated				
12 mths to 30.06.2021[1]				
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		11 875	1 268	13 143
Momentum Metropolitan Africa		–	5 063	5 063
New Initiatives		62	7	69
Segmental total		83 750	7 058	90 808
Reconciling items		(42 962)	(1 788)	(44 750)
Total	2	40 788	5 270	46 058

[1] Refer to note 12 for more information on the restatements.

NOTE 3

NON-CONTROLLING INTERESTS (legal percentages)

	30.06.2022 %	30.06.2021 %
Cannon General Insurance	**33.7**	33.7
Eris Property Group	**23.1**	23.1
Metropolitan Health Ghana	**15.0**	15.0
Cannon Life Assurance	**33.7**	33.7
Momentum Metropolitan Namibia	**0.8**	0.8
Momentum Mozambique	**33.0**	33.0
Metropolitan Health Corporate[1]	**29.5**	49.0
Momentum Short-term Insurance (Namibia)	**30.0**	30.0
Momentum Insurance (Namibia)	**30.0**	30.0
Momentum Health Solutions[1]	**27.0**	–

[1] A strategic restructuring resulted in a change of the non-controlling interest of these subsidiaries.

NOTE 4

BUSINESS COMBINATIONS

JUNE 2022

There were no significant business combinations for the 12 months ended June 2022.

JUNE 2021

Seneca Investment Managers Ltd (Seneca)

On 30 November 2020, the Group, through its wholly owned subsidiary, Momentum Global Investment Management Ltd (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.

Alexander Forbes Insurance Company Namibia Ltd (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 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 a purchase consideration of N$32 million which comprises a cash component of N$32 million and a contingent consideration of nil. The excess cash of N$8 million represents a receivable at the acquisition date. June 2021 has been restated accordingly.

Inniu Underwriting Services (Pty) Ltd (Inniu)

On 1 June 2021, the Group, through its wholly owned subsidiary, Guardrisk Group (Pty) Ltd, acquired 100% of the shares in Inniu for R41 million in cash and R19 million contingent consideration.
There were no other significant business combinations for the 12 months ended June 2021.

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:

	30.06.2021 Seneca Rm	Restated 30.06.2021[1] Other Rm	Restated 30.06.2021[1] Total Rm
Purchase consideration in total	283	92	375
Fair value of net assets			
Intangible assets	138	48	186
Tangible assets	1	18	19
Financial instrument assets	10	582	592
Reinsurance contract assets	–	125	125
Insurance and other receivables	–	22	22
Cash and cash equivalents[2]	26	17	43
Insurance contract liabilities	–	(721)	(721)
Other liabilities	(31)	(61)	(92)
Net identifiable assets acquired	144	30	174
Goodwill recognised	139	62	201
Contingent liability payments	(107)	(19)	(126)
Refund receivable	–	8	8
Purchase consideration in cash[2]	176	81	257
Revenue since acquisition	26	36	104
Earnings since acquisition	4	2	6

1 Refer to note 12 for more information on the restatements.

2 In the prior year, the acquisition of subsidiaries resulted in a cash outflow of R257 million relating to the purchase consideration in cash and an inflow of R43 million relating to cash and cash equivalents recognised as part of the net assets acquired. This resulted in a net cash outflow of R214 million relating to the purchase of subsidiaries.

In the current year the first contingent payment of £3 million (R64 million) was paid in relation to the acquisition of Seneca. Subsequently, the change in the United Kingdom macro-economic conditions has meant that the full criteria for the remaining contingent consideration to Seneca is not expected to be met. As such the estimated contingent consideration payable has been revised downward by R18 million. In the prior year, the above acquisitions resulted in a total of R201 million goodwill being recognised, attributable to certain anticipated operating synergies. The goodwill is not deductible for tax purposes. In the prior year, if the acquisitions were made on 1 July 2020, additional revenue of R26 million and loss after tax of R5 million would have been recognised.

NOTE 5

GOODWILL

	30.06.2022 Rm	Restated 30.06.2021[1] Rm
Cost	**2 968**	2 965
Accumulated impairment	**(1 194)**	(476)
Balance at end	**1 774**	2 489
Balance at beginning	**2 489**	2 288
Business combinations[2]	**1**	201
Impairment charges[3]	**(718)**	–
Exchange differences	**2**	–
Balance at end	**1 774**	2 489

1 Refer to note 12 for more information on the restatements.

2 June 2021 mainly related to the acquisition of Seneca.

3 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 year due to a revision of the 5-year forecast that 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

	30.06.2022 Rm	Restated 30.06.2021[1] Rm
Cost of trading positions	**1 286**	748
Subordinated debt	**345**	353
Cost of carry positions	**347**	198
Other finance costs	**204**	184
Redeemable preference shares	**145**	133
Total	**2 327**	1 616

1 Refer to note 12 for more information on the restatements.

NOTE 7

SIGNIFICANT RELATED PARTY TRANSACTIONS

R60 million of the ordinary dividends declared by MMH in September 2021 and R140 million of the ordinary dividends declared in March 2022 (R100 million of the ordinary dividends declared in March 2021) were attributable to RMI. As a result of RMI unbundling its shareholding in MMH on 25 April 2022, RMI is no longer a related party as of that date.

NOTE 8

DISPOSAL OF SUBSIDIARY

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

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

NOTE 9

OTHER RESERVES

	30.06.2022 Rm	30.06.2021 Rm
Land and building revaluation reserve	**311**	409
FCTR	**(16)**	(106)
Non-distributable reserve	**73**	66
Employee benefit revaluation reserve	**23**	84
Fair value adjustment for preference shares issued by MMH	**940**	940
Equity-settled share-based payment arrangements	**122**	76
Total	**1 453**	1 469

Notes to the summarised audited annual financial statements continued

NOTE 10

DIVIDENDS

	2022	2021
Ordinary listed MMH shares (cents per share)		
Interim – March	35	25
Final – September	65	15
Total	100	40

MMH convertible redeemable preference shares (issued to KTH)
The A3 MMH preference shares were 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 preference shares were not redeemed on 30 June 2022 and an extension was entered into in the current year for a further 5 months. 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.

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

NOTE 11

FINANCIAL INSTRUMENTS SUMMARISED BY MEASUREMENT CATEGORY IN TERMS OF IFRS 9

	FVPL					
	Mandatorily Rm	Designated[1] Rm	Total fair value Rm	Amortised cost Rm	Not in scope of IFRS 9 Rm	Total Rm
30.06.2022						
Unit-linked investments	184 886	–	184 886	–	–	184 886
Debt securities	45 386	129 395	174 781	481	–	175 262
Equity securities[2]	96 646	–	96 646	–	–	96 646
Carry positions	–	1 124	1 124	–	–	1 124
Funds on deposit and other money market instruments	13 442	16 718	30 160	263	–	30 423
Derivative financial assets	1 914	–	1 914	–	–	1 914
Financial assets at amortised cost	–	–	–	7 995	–	7 995
Insurance and other receivables (excluding accelerated rental and prepayments)	–	–	–	–	6 861	6 861
Cash and cash equivalents	–	–	–	28 720	–	28 720
Total financial assets	342 274	147 237	489 511	37 459	6 861	533 831
Investment contracts with DPF[3]	–	–	–	–	3 031	3 031
Investment contracts designated at FVPL	–	318 758	318 758	–	–	318 758
CIS liabilities	–	30 782	30 782	–	–	30 782
Subordinated call notes	–	5 327	5 327	–	–	5 327
Carry positions	–	7 723	7 723	–	–	7 723
Preference shares	–	337	337	–	–	337
Derivative financial liabilities	3 039	–	3 039	–	–	3 039
Other borrowings	878	55	933	–	–	933
Financial liabilities at amortised cost	–	–	–	4 148	188	4 336
Other payables (excluding premiums in advance and deferred revenue liability)	–	–	–	10 981	6 647	17 628
Total financial liabilities	3 917	362 982	366 899	15 129	9 866	391 894

1 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 both the current and prior year is immaterial.

2 Equity securities are classified as FVPL at inception.

3 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					
	Mandatorily Rm	Designated[1] Rm	Total fair value Rm	Amortised cost Rm	Not in scope of IFRS 9 Rm	Total Rm
Restated 30.06.2021[2]						
Unit-linked investments[3]	178 981	–	178 981	–	–	178 981
Debt securities[3, 4]	40 922	116 425	157 347	512	–	157 859
Equity securities[5]	105 163	–	105 163	–	–	105 163
Carry positions	–	4 461	4 461	–	–	4 461
Funds on deposit and other money market instruments[3, 4]	10 023	12 626	22 649	311	–	22 960
Derivative financial assets	2 761	–	2 761	–	–	2 761
Financial assets at amortised cost	–	–	–	7 145	–	7 145
Insurance and other receivables (excluding accelerated rental and prepayments)	–	–	–	–	5 613	5 613
Cash and cash equivalents	–	–	–	36 822	–	36 822
Total financial assets	337 850	133 512	471 362	44 790	5 613	521 765
Investment contracts with DPF	–	–	–	–	19 222	19 222
Investment contracts designated at FVPL	–	292 500	292 500	–	–	292 500
CIS liabilities	–	29 372	29 372	–	–	29 372
Subordinated call notes	–	4 429	4 429	–	–	4 429
Carry positions	–	11 692	11 692	–	–	11 692
Preference shares	–	357	357	–	–	357
Derivative financial liabilities	3 993	–	3 993	–	–	3 993
Other borrowings	1 170	–	1 170	–	–	1 170
Financial liabilities at amortised cost	–	–	–	3 944	220	4 164
Other payables (excluding premiums in advance and deferred revenue liability)	–	–	–	8 367	6 872	15 239
Total financial liabilities	5 163	338 350	343 513	12 311	26 314	382 138

1 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.

2 Refer to note 12 for more information on the restatements.

3 Upon further investigation it was concluded that funds on deposit classified as designated at FVPL of R643 million should have been classified as debt securities classified as designated at FVPL (R256 million) and unit-linked investments classified as mandatorily at FVPL (R386 million). June 2021 has been restated accordingly.

4 Upon further investigation it was concluded that funds on deposit and other money market instruments classified as mandatorily at FVPL (R569 million) and debt securities classified as mandatorily at FVPL (R3 billion) should have been classified as designated at FVPL. June 2021 has been restated accordingly.

5 Equity securities are classified as FVPL at inception.

Notes to the summarised audited annual financial statements continued

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
30.06.2022				
Securities at FVPL	339 107	144 216	6 188	489 511
Unit-linked investments				
CISs[1]				
Local unlisted or listed quoted	113 859	1 214	–	115 073
Local unlisted unquoted	–	16	–	16
Foreign unlisted or listed quoted	53 645	270	55	53 970
Foreign unlisted unquoted	–	1 529	58	1 587
Other unit-linked investments				
Local unlisted or listed quoted	3 364	1	–	3 365
Local unlisted unquoted	–	6 620	3 132	9 752
Foreign unlisted or listed quoted	463	–	–	463
Foreign unlisted unquoted	–	96	564	660
Debt securities				
Stock and loans to government and other public bodies				
Local listed	70 362	10 789	1	81 152
Foreign listed	1 590	3 652	2	5 244
Unlisted	–	3 650	1 371	5 021
Other debt instruments				
Local listed	1	43 832	3	43 836
Foreign listed	10	3 281	64	3 355
Unlisted	–	35 717	456	36 173
Equity securities				
Local listed	60 522	3	1	60 526
Foreign listed	35 221	567	146	35 934
Unlisted	–	27	159	186
Funds on deposit and other money market instruments	–	30 155	5	30 160
Carry positions	–	1 124	–	1 124
Derivative financial assets – held for trading	70	1 673	171	1 914
	339 107	144 216	6 188	489 511

[1] 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 year.

NOTE 11.1 CONTINUED

FINANCIAL INSTRUMENTS FAIR VALUE HIERARCHY CONTINUED

FINANCIAL ASSETS

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Restated 30.06.2021[1]				
Securities at FVPL	333 827	132 153	5 382	471 362
Unit-linked investments				
CISs[2]				
Local unlisted or listed quoted[3, 4, 5, 6]	112 026	1 182	–	113 208
Local unlisted unquoted	–	17	–	17
Foreign unlisted or listed quoted[7]	49 432	51	58	49 541
Foreign unlisted unquoted[8]	–	1 161	263	1 424
Other unit-linked investments				
Local unlisted or listed quoted[4]	3 330	2	–	3 332
Local unlisted unquoted[5]	–	7 542	2 427	9 969
Foreign unlisted or listed quoted[7]	187	108	54	349
Foreign unlisted unquoted[8]	3	948	190	1 141
Debt securities				
Stock and loans to government and other public bodies				
Local listed	62 641	11 111	820	74 572
Foreign listed	1 775	3 220	2	4 997
Unlisted[9]	–	3 578	672	4 250
Other debt instruments				
Local listed[6, 10]	–	39 868	103	39 971
Foreign listed	–	2 506	64	2 570
Unlisted[9]	–	30 675	312	30 987
Equity securities				
Local listed	68 291	3	1	68 295
Foreign listed	36 101	517	128	36 746
Unlisted	–	17	105	122
Funds on deposit and other money market instruments[6]	–	22 644	5	22 649
Carry positions	–	4 461	–	4 461
Derivative financial assets – held for trading	41	2 542	178	2 761
	333 827	132 153	5 382	471 362

1 Refer to note 12 for more information on the restatements other than footnotes 3, 4, 5, 6, 7, 8, 9 and 10.

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

3 Upon further interrogation is was noted that R280 million local unlisted or listed quoted CISs were inappropriately classified as level 1 and should have been classified as level 2. June 2021 has been restated accordingly.

4 Upon further interrogation it was noted that R17 million local unlisted or listed quoted other unit-linked investments included in level 2 was inappropriately classified as such and should have been classified as local unlisted or listed quoted CISs included in level 1. June 2021 has been restated accordingly.

5 Upon further interrogation it was noted that R33 million local unlisted unquoted other unit-linked investments included in level 3 was inappropriately classified as such and should have been classified as local unlisted or listed quoted CISs included in level 1. June 2021 has been restated accordingly.

6 Upon further interrogation it was concluded that funds of deposit of R643 million included in level 2 should have been classified as debt securities (R256 million) included in level 2 and CIS (R386 million) included in level 1. June 2021 has been restated accordingly.

7 Upon further interrogation is was noted that R108 million foreign unlisted or listed quoted CISs inlcuded in level 2 was inappropriately classified as such and should have been classified as foreign unlisted or listed quoted other unit-linked investments included in level 2. June 2021 has been restated accordingly.

8 Upon further interrogation it was noted that R932 million foreign unlisted unquoted CISs included in level 2 was inappropriately classified as such and should have been classified as foreign unlisted unquoted other unit-linked investments included in level 2. June 2021 has been restated accordingly.

9 Upon further interrogation it was noted that R153 million unlisted other debt instruments included in level 2 was inappropriately classified as such and should have been classified as unlisted stock and loans to government and other public bodies included in level 3. June 2021 has been restated accordingly.

10 Upon further interrogation it was noted that R94 million local listed other debt instruments was inappropriately included in level 2 and should have been included in level 3. June 2021 has been restated accordingly.

There were no significant transfers in and out of level 1 and 2 respectively in the prior year.

Notes to the summarised audited annual financial statements continued

NOTE 11.1 CONTINUED

FINANCIAL INSTRUMENTS FAIR VALUE HIERARCHY CONTINUED

FINANCIAL LIABILITIES

	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
30.06.2022				
Investment contracts designated at FVPL	–	318 748	10	318 758
Financial liabilities at FVPL	31 577	16 142	422	48 141
CIS liabilities	30 768	–	14	30 782
Subordinated call notes	–	5 327	–	5 327
Carry positions	–	7 723	–	7 723
Preference shares	–	43	294	337
Derivative financial liabilities – held for trading	3	3 036	–	3 039
Other borrowings	806	13	114	933
	31 577	**334 890**	**432**	**366 899**
Restated **30.06.2021**[1]				
Investment contracts designated at FVPL	–	292 477	23	292 500
Financial liabilities at FVPL	30 304	20 177	532	51 013
CIS liabilities	29 354	–	18	29 372
Subordinated call notes	–	4 429	–	4 429
Carry positions	–	11 692	–	11 692
Preference shares	–	44	313	357
Derivative financial liabilities – held for trading	1	3 992	–	3 993
Other borrowings	949	20	201	1 170
	30 304	312 654	555	343 513

[1] Refer to note 12 for more information on the restatements.

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

NOTE 11.2

FAIR VALUE OF LEVEL 3 FINANCIAL ASSETS

	At FVPL					
	Unit-linked investments Rm	Debt securities Rm	Equity securities Rm	Funds on deposit and other money market instruments Rm	Derivative financial assets Rm	Total Rm
12 mths to 30.06.2022						
Opening balance	**2 992**	**1 973**	**234**	**5**	**178**	**5 382**
Total gains/(losses) in net realised and unrealised fair value gains in the income statement						
Realised gains/(losses)	**107**	**17**	**(49)**	**–**	**–**	**75**
Unrealised gains/(losses)	**998**	**(40)**	**39**	**–**	**3**	**1 000**
Foreign exchange adjustments	**(3)**	**–**	**1**	**–**	**2**	**–**
Accrued interest in investment income in the income statement	**–**	**56**	**–**	**–**	**–**	**56**
Other	**(4)**	**(3)**	**–**	**–**	**–**	**(7)**
Purchases	**459**	**865**	**176**	**–**	**–**	**1 500**
Sales	**(284)**	**(916)**	**(133)**	**–**	**–**	**(1 333)**
Settlements	**(464)**	**(68)**	**–**	**–**	**(12)**	**(544)**
Transfers into level 3 from level 2[1]	**8**	**13**	**69**	**–**	**–**	**90**
Transfers out to level 2[2]	**–**	**–**	**(31)**	**–**	**–**	**(31)**
Closing balance	**3 809**	**1 897**	**306**	**5**	**171**	**6 188**
Restated 12 mths to 30.06.2021[3]						
Opening balance	2 667	1 166	296	5	–	4 134
Transfer to assets relating to disposal groups held for sale	(10)	–	–	–	–	(10)
Transfer to 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	1 281	42	–	–	1 949
Sales	(343)	(862)	(1)	–	–	(1 206)
Settlements	(10)	(279)	–	–	–	(289)
Transfers into level 3 from level 1[4]	–	–	1	–	–	1
Transfers into level 3 from level 2[4]	25	825	33	–	–	883
Transfers out to level 2[2]	–	–	(38)	–	–	(38)
Transfers out to level 1[5]	(33)	–	–	–	–	(33)
Closing balance	2 992	1 973	234	5	178	5 382

1 Level 2 equity securities (R52 million) were transferred to level 3 as the instrument's price was stale for more than 30 days.

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

3 Refer to note 12 for more information on the restatements.

4 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.

5 Upon further investigation it was noted that R33 million other unit-linked investments included in level 3 was inappropriately classified as such and should have been classified as local unlisted or listed quoted CIS included in level 1. June 2021 has been restated accordingly.

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

Notes to the summarised audited annual financial statements continued

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**
30.06.2022		
Carrying amount	**3 809**	**1 897**
Assumption change	**10% increase/ (decrease) in unit price**	**1% increase/ (decrease) in discount rates**
Effect of increase in assumption	**381**	**1**
Effect of decrease in assumption	**(381)**	**3**
Restated 30.06.2021[1, 2]		
Carrying amount	2 992	1 973
Assumption change	10% increase/ (decrease) in unit price	1% increase/ (decrease) in discount rates
Effect of increase in assumption	299	3
Effect of decrease in assumption	(299)	(13)

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

2 The carrying amount on which the assumptions are applied has been corrected. June 2021 sensitivities have been restated accordingly.

NOTE 11.3

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**
12 mths to 30.06.2022					
Opening balance	**23**	**18**	**313**	**201**	**555**
Total gains in net realised and unrealised fair value gains in the income statement					
Unrealised gains	**(2)**	**(1)**	**(13)**	**(61)**	**(77)**
Issues	**–**	**4**	**–**	**35**	**39**
Sales	**–**	**(4)**	**–**	**–**	**(4)**
Settlements	**–**	**(3)**	**(6)**	**(64)**	**(73)**
Contract holder movements					
Benefits paid	**(11)**	**–**	**–**	**–**	**(11)**
Exchange differences	**–**	**–**	**–**	**3**	**3**
Closing balance	**10**	**14**	**294**	**114**	**432**
12 mths to 30.06.2021					
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

Sensitivity: Increasing/decreasing the net asset value of the underlying entity by 10% would decrease/increase the carrying amount of level 3 other borrowings by nil and nil (30.06.2021: nil and nil), respectively. Increasing/decreasing the assets under management growth rate by 10% would decrease/increase the carrying amount of the contingent consideration, included in other borrowings, in level 3 by R1.1 million and R1.1 million (30.06.2021: R1 million and nil) 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.

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

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

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
Securities at FVPL				
Equity securities				
– Foreign listed	Published prices	Adjustments for low liquidity or inactivity	Liquidity discount: 0% to 30% (30.06.2021: 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[1]	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[1]
	Adjusted NAV or NAV	Price per unit	Could vary significantly based on the assets and liabilities held by the investee[1]	The higher the NAV, the greater the fair value[1]
	DCF	Discount rate	Multiple unobservable inputs[1]	The higher the discount rate, the lower the fair value of the assets
Debt securities				
Stock and loans to government and other public bodies				
– Unlisted	DCF	Discount rate	8% to 13% (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[1]	Adjustments would result in lower fair value
Other debt instruments				
– Unlisted	DCF, Black-scholes model	Discount rate, volatilities, yield curve	Multiple unobservable inputs[1]	Could vary significantly based on multiple inputs[1]
	DCF	Discount rate	6.41% to 17.92% (2021: 5% to 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 (30.06.2021: 78c)	The higher the price per unit, the higher the fair value
Unit-linked investments				
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[1]	The higher the NAV, the greater the fair value[1]

[1] 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	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Securities at FVPL continued				
Other unit-linked investments				
– Local unlisted unquoted	Adjusted NAV or NAV	Price per unit	Could vary significantly due to range of holdings[1]	The higher the price per unit, the higher the fair value[1]
	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 changes in market dynamics, economic conditions and internal business metrics.	Could vary significantly due to range of holdings[1]	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[1]	The higher the price per unit, the higher the fair value[1]
	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[1]	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. 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 inputs [1]	The fair value varies based on any changes to the underlying investment valuations and judgemental adjustments applied by management
Financial liabilities				
Financial liabilities at FVPL				
Other borrowings	DCF	AUM growth rate	3.25% (30.06.2021: 2.75% to 3.25%)	The higher the rate, the higher the fair value
Preference shares	DCF	Discount rate	3% (30.06.2021: 12.22%)	The higher the discount rate, the lower the fair value of the liability

[1] 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 year.

Notes to the summarised audited annual financial statements continued

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 30.06.2021	Before restatement Rm	Finance costs correction[1] Rm	Share portfolios reclassification[2] Rm	Hedge fund consolidation[3] Rm	Re-intermediation[4] Rm	CIS consolidation[5] Rm	AFIN[6] Rm	Contingency cells[7] Rm	Guardrisk cell reclassification[8] Rm	CGT variance[9] Rm	After restatement Rm
Intangible assets	9 888	–	–	–	–	–	51	–	–	–	9 939
Financial assets at FVPL	466 280	–	1 726	3 356	–	–	–	–	–	–	471 362
Financial assets at amortised cost	9 598	–	–	(1 630)	–	–	–	–	–	–	7 968
Reinsurance contract assets	6 717	–	–	–	–	–	132	–	–	–	6 849
Insurance and other receivables	6 406	–	–	–	–	–	(71)	–	(95)	–	6 240
Cash and cash equivalents	38 121	–	(1 726)	427	–	–	–	–	–	–	36 822
Insurance contract liabilities											
Long-term insurance contracts	(128 889)	–	–	–	–	–	–	154	–	(190)	(128 925)
Non-life insurance contracts	(13 349)	–	–	–	–	–	(92)	–	(122)	–	(13 563)
Investment contracts											
– designated at FVPL	(292 563)	–	–	–	–	–	–	(154)	217	–	(292 500)
Financial liabilities at FVPL	(47 420)	–	–	(3 603)	–	–	10	–	–	–	(51 013)
Deferred income tax	(2 722)	–	–	–	–	–	(7)	–	–	–	(2 729)
Other payables	(18 829)	–	–	1 450	245	–	(23)	–	–	190	(16 967)
Provisions	(38)	–	–	–	(245)	–	–	–	–	–	(283)
as at 01.07.2020											
Financial assets at FVPL	427 917	–	1 292	3 977	–	–	–	–	–	–	433 186
Financial assets at amortised cost	8 244	–	–	(2 181)	–	–	–	–	–	–	6 063
Insurance and other receivables	5 371	–	–	–	–	–	–	–	9	–	5 380
Cash and cash equivalents	31 596	–	(1 292)	110	–	–	–	–	–	–	30 414
Insurance contract liabilities											
Long-term insurance contracts	(114 554)	–	–	–	–	–	–	158	–	–	(114 396)
Non-life insurance contracts	(11 287)	–	–	–	–	–	–	–	(158)	–	(11 445)
Investment contracts											
– designated at FVPL	(261 627)	–	–	–	–	–	–	(158)	149	–	(261 636)
Financial liabilities at FVPL	(47 645)	–	–	(4 662)	–	–	–	–	–	–	(52 307)
Other payables	(17 790)	–	–	2 756	245	–	–	–	–	–	(14 789)
Provisions	(76)	–	–	–	(245)	–	–	–	–	–	(321)

1 Finance costs correction relating to the elimination of an intercompany transaction. 30 June 2021 has been restated accordingly.

2 Investments held in share portfolios were previously incorrectly classified as cash and cash equivalents. These share portfolios have now been correctly split into the underlying assets. June 2021 and June 2020 has been restated accordingly. Additionally, realised fair value gains on certain share portfolios incorrectly included dividends received. June 2021 has been restated accordingly.

3 The Group invests into Qualified Investor Hedge funds that, as a result of the requirements in IFRS 10 - Consolidated financial statements, are consolidated. As a result of a further detailed review of the financial instruments held by these hedge funds, a number of refining correcting adjustments were required to the MMH statement of financial position and income statement. These adjustments do not impact the net asset value of the hedge fund nor that of MMH. The adjustments made in respect of the statement of financial position relate to the following:
1) the offset and classification of interest rate derivatives and carry positions.
2) the offset and recording of financed trade positions carried out in the funds.

The statement of financial position for June 2021 and June 2020 have been restated accordingly.

The adjustments made in respect of the income statement relate to the following:
1) inappropriate application of the offsetting criteria applied in respect of interest income and finance costs.
2) consolidation of the full income statement disclosures of the hedge funds, which resulted in a reclassification between the relevant lines of the income statement and fair value adjustments on CIS liabilities.
June 2021 has been restated accordingly.

4 In accordance with the Financial Advisory and Intermediary Services Act 37 of 2002 as well as the Policyholder Protection Rules, there is an obligation to reintermediate clients that are not linked to a financial advisor. Accumulated balances that were due to the financial advisors originally linked to policyholders, were previously reported as other payables. However, when these financial advisors went out of force, the balance was no longer contractually payable and therefore the payable should have been changed to a provision for the expected cost of reintermediation that is required in order to settle the obligation towards policyholders. In previous reporting periods this balance was however reported as a payable and has therefore been retrospectively corrected from a payable to a provision to provide for the cost that is required to reintermediate these clients with in-force policies, but no financial advisors. 30 June 2021 and 1 July 2020 have been restated accordingly.

5 Fee income correction relating to the over-elimination of asset management fees received on the CISs being consolidated into the Group. 30 June 2021 has been restated accordingly.

6 The initial accounting for the AFIN acquisition was provisionally determined and was presented as preliminary at 30 June 2021. The accounting has been finalised and 30 June 2021 has been restated accordingly

7 Contingency policies were previously classified as insurance contracts in accordance with IFRS 4 – Insurance contracts. After reassessing the policy wording it was identified that there is no risk transfer as the policy benefits are limited to the funds available in the policy comprising of premiums plus investment growth less claims and policy fees. These policies should therefore have been classified as investment contract liabilities in terms of IFRS 9 - Financial instruments. 30 June 2021 and 1 July 2020 have been restated accordingly.

8 A cell previously classified as 1st party in terms of IFRS 9 – Financial instruments, has been reassessed based on the type of business underwritten in the cell to instead be classified in terms of IFRS 4 – Insurance contracts. 30 June 2021 and 1 July 2020 have been restated accordingly.

9 Long-term insurance companies are required to pay tax on behalf of policyholders according to the five-funds tax approach as required by section 29A of the South African Income Tax Act of 1962. The approach requires the insurer to collect taxation in respect of policies held, determined by reference to different rates of tax (including effective capital gains tax rates) to be applied to different categories of policyholders. In practice, the collection of tax from policyholders and specifically capital gains tax, follows a more simplistic approach than the calculation that is used for the income tax calculation when submitting a tax return to the South African tax authorities. This difference in methodology, resulted in over-recoveries from policyholders. The over-recovery was accounted for as an other payable. Management has re-assessed the recognition of this balance and has created an actuarial data reserve. As such, the balance has subsequently been re-classified from other payables to insurance liabilities. 30 June 2021 has been restated accordingly.

NOTE 12 CONTINUED

RESTATEMENTS CONTINUED

Income statement **for the 12 mths to 30.06.2021**	Before restatement Rm	Finance costs correction[1] Rm	Share portfolios reclassification[2] Rm	Hedge fund consolidation[3] Rm	Re-intermediation[4] Rm	CIS consolidation[5] Rm	AFIN[6] Rm	Contingency cells[7] Rm	Guardrisk cell reclassification[8] Rm	CGT variance[9] Rm	After restatement Rm
Net insurance premiums	36 832	–	–	–	–	–	–	(1)	205	–	37 036
Fee income	8 911	–	–	–	–	109	–	3	(1)	–	9 022
Investment income	21 102	–	208	730	–	–	–	–	–	–	22 040
Net realised and unrealised fair value gains/(losses)	40 233	(41)	(208)	278	–	–	–	–	–	–	40 262
Net insurance benefits and claims	(31 141)	–	–	–	–	–	–	3	–	–	(31 138)
Change in actuarial liabilities and related reinsurance											
Change in long-term insurance contract liabilities	(12 808)	–	–	–	–	–	–	(4)	–	(190)	(13 002)
Change in non-life insurance contract liabilities	77	–	–	–	–	–	–	–	1	–	78
Change in reinsurance assets	140	–	–	–	–	–	–	2	–	–	142
Fair value adjustments on investment contract liabilities	(34 188)	–	–	–	–	–	–	(3)	(1)	–	(34 192)
Fair value adjustments on CIS liabilities	(2 816)	–	–	(275)	–	–	–	–	–	–	(3 091)
Sales remuneration	(6 989)	–	–	–	–	–	–	–	(204)	–	(7 193)
Other expenses	(7 402)	–	–	15	–	(109)	–	–	–	190	(7 306)
Finance costs	(909)	41	–	(748)	–	–	–	–	–	–	(1 616)
Earnings for the year	544	–	–	–	–	–	–	–	–	–	544
Statement of cash flows **for the 12 mths to 30.06.2021**											
Cash utilised in operations	(6 998)	(41)	(642)	331	–	–	–	–	–	–	(7 350)
Interest paid	(897)	41	–	(748)	–	–	–	–	–	–	(1 604)
Interest and dividends received	19 683	–	208	734	–	–	–	–	–	–	20 625
Cash resources and funds on deposit at beginning	31 621	–	(1 292)	110	–	–	–	–	–	–	30 439
Cash resources and funds on deposit at end	38 121	–	(1 726)	427	–	–	–	–	–	–	36 822

1 Finance costs correction relating to the elimination of an intercompany transaction. 30 June 2021 has been restated accordingly.

2 Investments held in share portfolios were previously incorrectly classified as cash and cash equivalents. These share portfolios have now been correctly split into the underlying assets. June 2021 and June 2020 has been restated accordingly. Additionally, realised fair value gains on certain share portfolios incorrectly included dividends received. June 2021 has been restated accordingly.

3 The Group invests into Qualified Investor Hedge funds that, as a result of the requirements in IFRS 10 - Consolidated financial statements, are consolidated. As a result of a further detailed review of the financial instruments held by these hedge funds, a number of refining correcting adjustments were required to the MMH statement of financial position and income statement. These adjustments do not impact the net asset value of the hedge fund nor that of MMH. The adjustments made in respect of the statement of financial position relate to the following:
1) the offset and classification of interest rate derivatives and carry positions.
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The statement of financial position for June 2021 and June 2020 have been restated accordingly.

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2) consolidation of the full income statement disclosures of the hedge funds, which resulted in a reclassification between the relevant lines of the income statement and fair value adjustments on CIS liabilities.
June 2021 has been restated accordingly.

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8 A cell previously classified as 1st party in terms of IFRS 9 – Financial instruments, has been reassessed based on the type of business underwritten in the cell to instead be classified in terms of IFRS 4 – Insurance contracts. 30 June 2021 and 1 July 2020 have been restated accordingly.

9 Long-term insurance companies are required to pay tax on behalf of policyholders according to the five-funds tax approach as required by section 29A of the South African Income Tax Act of 1962. The approach requires the insurer to collect taxation in respect of policies held, determined by reference to different rates of tax (including effective capital gains tax rates) to be applied to different categories of policyholders. In practice, the collection of tax from policyholders and specifically capital gains tax, follows a more simplistic approach than the calculation that is used for the income tax calculation when submitting a tax return to the South African tax authorities. This difference in methodology, resulted in over-recoveries from policyholders. The over-recovery was accounted for as an other payable. Management has re-assessed the recognition of this balance and has created an actuarial data reserve. As such, the balance has subsequently been re-classified from other payables to insurance liabilities. 30 June 2021 has been restated accordingly.

Embedded value information

Embedded value results	30.06.2022 Rm	30.06.2021 Rm
Covered business		
Equity attributable to owners of the parent	**24 620**	21 575
Fair value adjustments on Metropolitan business acquisition and other consolidation adjustments	**(2 015)**	(2 014)
Net assets – non-covered business within life insurance companies	**(3 394)**	(3 982)
Net assets – non-covered business outside life insurance companies	**(6 631)**	(6 387)
Diluted adjusted net worth – covered business	**12 580**	9 192
Net value of in-force business	**20 650**	20 706
Diluted embedded value – covered business	**33 230**	29 898
Non-covered business		
Net assets – non-covered business within life insurance companies	**3 394**	3 982
Net assets – non-covered business outside life insurance companies	**6 631**	6 387
Consolidation adjustments[1]	**(1 548)**	(2 550)
Adjustments for dilution[2]	**1 422**	1 510
Diluted adjusted net worth – non-covered business	**9 899**	9 329
Write-up to directors' value	**2 299**	2 101
Non-covered business	**5 247**	5 475
Holding company expenses[3]	**(1 839)**	(2 204)
International holding company expenses[3]	**(1 109)**	(1 170)
Diluted embedded value – non-covered business	**12 198**	11 430
Diluted adjusted net worth	**22 479**	18 521
Net value of in-force business	**20 650**	20 706
Write-up to directors' value	**2 299**	2 101
Diluted embedded value	**45 428**	41 328
Required capital – covered business (adjusted for qualifying debt)[4]	**6 633**	6 451
Free surplus – covered business	**5 947**	2 741
Diluted embedded value per share (cents)	**2 977**	2 708
Diluted adjusted net worth per share (cents)	**1 473**	1 214
Diluted number of shares in issue (million)[5]	**1 526**	1 526

1 Consolidation adjustments include mainly goodwill and intangibles in subsidiaries that are eliminated.

2 Adjustments for dilution are made up as follows:
- Treasury shares held on behalf of contract holders: R407 million (30.06.2021: R587 million)
- Liabilities related to iSabelo transaction: R763 million (30.06.2021: R678 million); and
- Liability – MMH convertible preference shares issued to KTH: R252 million (30.06.2021: R245 million).

3 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.

4 The required capital for in-force covered business amounts to R10 936 million (30.06.2021: R10 881 million) and is adjusted for qualifying debt of R4 303 million (the total qualifying debt amounts to R5 327 million when including R1 024 million of subordinated debt to be redeemed in August 2022 (including accrued interest); 30.06.2021: R4 430 million).

5 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.

Analysis of net value of in-force business	30.06.2022 Rm	30.06.2021 Rm
Momentum Life	**9 832**	9 501
Gross value of in-force business	**10 585**	10 330
Less cost of required capital	**(753)**	(829)
Momentum Investments[1]	**1 410**	1 389
Gross value of in-force business	**1 794**	1 707
Less cost of required capital	**(384)**	(318)
Metropolitan Life	**3 950**	4 190
Gross value of in-force business	**4 425**	4 593
Less cost of required capital	**(475)**	(403)
Momentum Corporate	**2 948**	3 136
Gross value of in-force business	**4 080**	4 092
Less cost of required capital	**(1 132)**	(956)
Momentum Metropolitan Africa	**2 510**	2 490
Gross value of in-force business	**2 885**	2 856
Less cost of required capital	**(375)**	(366)
Net value of in-force business	**20 650**	20 706

1 Included in covered business is Wealth business not deemed to be long-term insurance business with a value of in-force of R160 million (30.06.2021: R51 million).

Embedded value detail	Adjusted net worth[2, 3] Rm	Net value of in-force Rm	30.06.2022 Rm	Restated 30.06.2021[2] Rm
Covered business				
Momentum Life	2 600	9 832	**12 432**	13 001
Momentum Investments[1]	1 707	1 410	**3 117**	2 405
Metropolitan Life	1 800	3 950	**5 750**	5 990
Momentum Corporate	3 600	2 948	**6 548**	6 536
Momentum Metropolitan Africa	1 229	2 510	**3 739**	3 655
Operating segments[2]	10 936	20 650	**31 586**	31 587
Qualifying Debt	(4 303)	–	**(4 303)**	(4 430)
Free Surplus	5 947	–	**5 947**	2 741
Total covered business	12 580	20 650	**33 230**	29 898

1 Included in covered business is Wealth business not deemed to be long-term insurance business with a value of in-force of R160 million (30.06.2021: R51 million).

2 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:

	30.06.2022 Rm	Restated 30.06.2021 Rm
Required capital	**10 936**	10 881
Net value of in-force	**20 650**	20 706
Operating segments embedded value	**31 586**	31 587

3 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[2] Rm**	**Write-up to directors' value Rm**	**30.06.2022 Rm**	**30.06.2021 Rm**
Non-covered business				
Momentum Life	156	(620)	**(464)**	(563)
Momentum Multiply	144	(620)	**(476)**	(566)
Other	12	–	**12**	3
Momentum Investments	1 159	1 423	**2 582**	2 559
Investment and savings	1 050	1 429	**2 479**	2 334
Other	109	(6)	**103**	225
Metropolitan Life	9	–	**9**	7
Other	9	–	**9**	7
Momentum Corporate	109	–	**109**	80
Other	109	–	**109**	80
Momentum Metropolitan Health	467	599	**1 066**	1 234
Health	467	599	**1 066**	1 234
Non-life Insurance	3 859	2 763	**6 622**	6 776
Non-life insurance	1 403	599	**2 002**	2 666
Cell captives	2 456	2 164	**4 620**	4 110
Momentum Metropolitan Africa	572	(1 140)	**(568)**	(349)
Life insurance	223	(205)	**18**	47
Health	300	83	**383**	541
Non-life insurance	62	25	**87**	73
Other	(13)	66	**53**	160
International holding company expenses[1]	–	(1 109)	**(1 109)**	(1 170)
New Initiatives	1 129	1 113	**2 242**	1 876
New initiatives India	1 030	1 113	**2 143**	1 547
New initiatives aYo	–	–	**–**	220
Other	99	–	**99**	109
Shareholders	2 439	(1 839)	**600**	(190)
Other	2 439	–	**2 439**	2 014
Holding company expenses[1]	–	(1 839)	**(1 839)**	(2 204)
Total non-covered business	9 899	2 299	**12 198**	11 430
Total embedded value	22 479	22 949	**45 428**	41 328

1 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.

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

Analysis of changes in Group embedded value	Notes	Covered business Adjusted net worth (ANW) Rm	Gross value of in-force (VIF) Rm	Cost of required capital Rm	12 mths to 30.06.2022 Total EV Rm	12 mths to 30.06.2021 Total EV Rm
Profit from new business		(824)	1 790	(277)	**689**	783
Embedded value from new business	A	(824)	1 727	(277)	**626**	725
Expected return to end of period	B	–	63	–	**63**	58
Profit from existing business		3 951	(1 108)	294	**3 137**	(1 328)
Expected return – unwinding of RDR	B	–	1 907	(268)	**1 639**	1 495
Release from the cost of required capital	C	–	–	488	**488**	570
Expected (or actual) net of tax profit transfer to net worth	D	3 223	(3 223)	–	**–**	–
Operating experience variances	E	82	(109)	–	**(27)**	(528)
Development expenses	F	(52)	–	–	**(52)**	(37)
Operating assumption changes	G	698	317	74	**1 089**	(2 828)
Embedded value profit/(loss) from operations		3 127	682	17	**3 826**	(545)
Investment return on adjusted net worth	H	246	–	–	**246**	124
Investment variances	I	388	(650)	(355)	**(617)**	1 130
Economic assumption changes	J	(35)	157	92	**214**	535
Exchange rate movements	K	3	3	(1)	**5**	(91)
Embedded value profit/(loss) – covered business		3 729	192	(247)	**3 674**	1 153
Transfer of business to non-covered business	L	–	–	–	**–**	(10)
Other capital transfers	M	519	(1)	–	**518**	118
Dividend paid		(860)	–	–	**(860)**	(1 892)
Change in embedded value – covered business		3 388	191	(247)	**3 332**	(631)
Non-covered business						
Change in directors' valuation and other items					**687**	2 519
Change in holding company expenses					**426**	(853)
Embedded value profit – non-covered business					**1 113**	1 666
Transfer of business from covered business	L				**–**	10
Other capital transfers	M				**(518)**	(118)
Dividend received					**125**	1 527
Allowance for shareholder flows related to iSabelo transaction					**85**	387
Finance costs – preference shares					**(37)**	(37)
Change in embedded value – non-covered business					**768**	3 435
Total change in Group embedded value					**4 100**	2 804
Total embedded value profit					**4 787**	2 819
Return on embedded value (%) – annualised internal rate of return					**11.6%**	7.3%

Embedded value information continued

A. VALUE OF NEW BUSINESS

Value of new business[1, 2, 3]	Momentum Life Rm	Momentum Investments[4] Rm	Metropolitan Life Rm	Momentum Corporate Rm	Momentum Metropolitan Africa Rm	Total Rm
12 mths to 30.06.2022						
Value of new business	**(20)**	**346**	**244**	**68**	**(12)**	**626**
Gross	**35**	**404**	**317**	**133**	**14**	**903**
Less cost of required capital	**(55)**	**(58)**	**(73)**	**(65)**	**(26)**	**(277)**
New business premiums	**3 255**	**41 854**	**3 555**	**5 789**	**2 039**	**56 492**
Recurring premiums	**1 053**	**205**	**1 710**	**1 239**	**400**	**4 607**
Protection	**459**	**–**	**1 219**	**784**	**148**	**2 610**
Long-term savings	**594**	**189**	**483**	**453**	**252**	**1 971**
Annuities and structured products	**–**	**16**	**8**	**2**	**–**	**26**
Single premiums	**2 202**	**41 649**	**1 845**	**4 550**	**1 639**	**51 885**
Protection	**–**	**–**	**–**	**1**	**105**	**106**
Long-term savings	**2 202**	**36 129**	**474**	**4 521**	**886**	**44 212**
Annuities and structured products	**–**	**5 520**	**1 371**	**28**	**648**	**7 567**
New business premiums (APE)	**1 273**	**4 370**	**1 894**	**1 694**	**565**	**9 796**
Protection	**459**	**–**	**1 219**	**784**	**159**	**2 621**
Long-term savings	**814**	**3 802**	**530**	**905**	**341**	**6 392**
Annuities and structured products	**–**	**568**	**145**	**5**	**65**	**783**
Present value of new business premiums (PVNBP)	**7 291**	**42 476**	**7 160**	**12 276**	**3 470**	**72 673**
Profitability of new business as a percentage of APE	**(1.6)**	**7.9**	**12.9**	**4.0**	**(2.1)**	**6.4**
Profitability of new business as a percentage of PVNBP	**(0.3)**	**0.8**	**3.4**	**0.6**	**(0.3)**	**0.9**
12 mths to 30.06.2021						
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
Present value of new business premiums (PVNBP)	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 PVNBP	1.0	0.9	4.3	0.1	(0.1)	1.1

1 Value of new business and new business premiums are net of non-controlling interests.

2 The value of new business has been calculated using opening demographic and point of sale economic 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.

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

4 Included in covered business is Wealth business not deemed to be long-term insurance business with value of new business of R68 million (30.06.2021: R75 million).

A. VALUE OF NEW BUSINESS CONTINUED

Reconciliation of lump sum inflows	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Total lump sum inflows	**41 593**	38 905
Inflows not included in value of new business	**(6 723)**	(6 618)
Wealth off-balance sheet business	**15 270**	13 637
Term extensions on maturing policies	**242**	321
Automatically Continued Policies	**1 510**	1 255
Non-controlling interests and other adjustments	**(7)**	(3)
Single premiums included in value of new business	**51 885**	47 497

Principal assumptions (South Africa)[1, 2]	30.06.2022 %	30.06.2021 %
Pre-tax investment return		
Equities	**15.5**	13.9
Properties	**13.0**	11.4
Government stock	**12.0**	10.4
Other fixed-interest stocks	**12.5**	10.9
Cash	**11.0**	9.4
Risk-free return[3]	**12.0**	10.4
Risk discount rate (RDR)[4]	**14.4**	12.8
Investment return (before tax) – balanced portfolio[3]	**14.2**	12.6
Renewal expense inflation rate[5]	**7.7**	6.5

1 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.

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

3 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.

4 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 (the parameters used to derive the cost of debt have been updated to reflect the current market inputs and expectations).

5 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 7.7% 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.

Embedded value information continued

E. OPERATING EXPERIENCE VARIANCES

Operating experience variances	Notes	12 mths to 30.06.2022 ANW Rm	Gross VIF Rm	Cost of required capital Rm	EV Rm	12 mths to 30.06.2021 EV Rm
Momentum Life		(147)	22	–	(125)	(159)
Mortality and morbidity	1	(261)	(11)	–	(272)	(316)
Terminations, premium cessations and policy alterations	2	76	142	–	218	228
Expense variance		27	–	–	27	82
Other	3	11	(109)	–	(98)	(153)
Momentum Investments		212	(38)	–	174	178
Mortality and morbidity	4	125	(8)	–	117	81
Terminations, premium cessations and policy alterations	5	(7)	(32)	–	(39)	(68)
Expense variance		39	–	–	39	84
Credit risk variance		47	–	–	47	29
Other		8	2	–	10	52
Metropolitan Life		(113)	(75)	–	(188)	3
Mortality and morbidity	6	25	(9)	–	16	(107)
Terminations, premium cessations and policy alterations	7	(200)	(72)	–	(272)	40
Expense variance		(2)	–	–	(2)	18
Credit risk variance		25	–	–	25	34
Other		39	6	–	45	18
Momentum Corporate		304	21	–	325	(552)
Mortality and morbidity	8	320	(3)	–	317	(266)
Terminations, premium cessations and policy alterations	9	5	22	–	27	(298)
Expense variance		(78)	–	–	(78)	64
Credit risk variance		11	–	–	11	(6)
Other	10	46	2	–	48	(46)
Momentum Metropolitan Africa		(120)	(39)	–	(159)	(39)
Mortality and morbidity	11	(126)	9	–	(117)	61
Terminations, premium cessations and policy alterations	12	(7)	(57)	–	(64)	(100)
Expense variance		(4)	–	–	(4)	(11)
Other		17	9	–	26	11
Shareholders		(54)	–	–	(54)	41
Total operating experience variances		82	(109)	–	(27)	(528)

Notes

1 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.

2 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.

3 In line with premium changes for new business (and voluntary premium growth), the mortality basis for in-force business has also been adjusted. The positive impact on the VIF relating to voluntary premium pricing partly offset the negative impact of mortality basis change on in-force business.

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

5 Reprice of contracts, fee changes and drawdowns on living annuities.

6 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.

7 The deterioration in persistency and alteration experience includes once-off operational impacts and deterioration observed in the lapse experience.

8 The ANW was positively impacted by morbidity experience on the PHI book as well as positive mortality experience on the CPI annuity and Group Risk book.

9 The VIF benefited mainly from better-than-expected termination experience on the Investments book.

10 Mainly relates to admin fees exceeding expectations.

11 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.

12 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. The reduction in VIF is as a result of schemes being terminated in Lesotho as well as moving from higher to lower margin products.

F. DEVELOPMENT EXPENSES

Business development expenses within segments.

G. OPERATING ASSUMPTION CHANGES

Operating assumption changes	Notes	12 mths to 30.06.2022 ANW Rm	Gross VIF Rm	Cost of required capital Rm	EV Rm	12 mths to 30.06.2021 EV Rm
Momentum Life		**254**	**299**	**293**	**846**	(916)
Mortality and morbidity assumptions	1	(64)	–	–	(64)	(876)
Termination assumptions	2	(679)	558	–	(121)	(245)
Renewal expense assumptions		296	(114)	–	182	188
Modelling, methodology and other changes	3, 4	701	(145)	293	849	17
Momentum Investments		**103**	**244**	**(157)**	**190**	(248)
Mortality and morbidity assumptions		–	–	–	–	20
Termination assumptions		–	(10)	–	(10)	39
Renewal expense assumptions		29	271	–	300	(338)
Modelling, methodology and other changes	4, 5	74	(17)	(157)	(100)	31
Metropolitan Life		**52**	**–**	**–**	**52**	(453)
Mortality and morbidity assumptions	1	196	–	–	196	(387)
Termination assumptions	6	(34)	(65)	–	(99)	–
Renewal expense assumptions		(41)	(7)	–	(48)	39
Modelling, methodology and other changes	7	(69)	72	–	3	(105)
Momentum Corporate		**251**	**(229)**	**(62)**	**(40)**	(1 185)
Mortality and morbidity assumptions	1, 8	206	40	–	246	(1 176)
Termination assumptions		–	–	–	–	(130)
Renewal expense assumptions		(34)	(298)	–	(332)	178
Modelling, methodology and other changes	4, 5	79	29	(62)	46	(57)
Momentum Metropolitan Africa		**38**	**3**	**–**	**41**	(26)
Mortality and morbidity assumptions	9	(8)	(28)	–	(36)	(78)
Termination assumptions	10	(50)	6	–	(44)	(12)
Renewal expense assumptions		11	33	–	44	(50)
Modelling, methodology and other changes	11	85	(8)	–	77	114
Total operating assumption changes		**698**	**317**	**74**	**1 089**	(2 828)

Notes

1 No mortality basis changes were implemented other than changes to the Covid-19 provisions (releases in Momentum Corporate and Metropolitan Life; increase in Momentum Life).

2 The impact noted relates to an increase in the long-term persistency for Protection business (mostly impacting ANW). This has been offset (in VIF) by an adjustment in the allowance for take-up of voluntary premium growth.

3 Changes to the modelling of ancillary benefits (and other features of the Protection models) resulted in a net release of reserves. In addition some provisions have been assessed and formally aligned with internal projects resulting in some movements in these (overall a net release of these provisions are recognised).

4 Cost of capital impact mainly due to an adjustment in the capital allocation basis between segments.

5 Release of data reserves.

6 Funeral lapse basis assumptions updated in line with experience excluding the once-off operational losses.

7 The impact consists of a number of changes, including margin direction and asset allocation assumption updates.

8 Assumption changes on the PHI book which impacted the claims margins.

9 The impact is due to the revision of EB profit margins across all countries.

10 Mainly due to the update of lapse rates in Namibia on the Myriad business.

11 Mainly due to asset fee corrections, margin direction updates and reserve releases in Namibia.

Embedded value information continued

H. INVESTMENT RETURN ON ADJUSTED NET WORTH

Investment return on adjusted net worth	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Investment income	**491**	420
Capital appreciation and other[1]	**(245)**	(296)
Preference share dividends paid	**–**	–
Investment return on adjusted net worth	**246**	124

[1] 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).

Covered business: sensitivities – 30.06.2022	Adjusted net worth Rm	In-force business Net value Rm	In-force business Gross value Rm	In-force business Cost of required capital[3] Rm	New business written Net value Rm	New business written Gross value Rm	New business written Cost of required capital[3] Rm
Base value	12 580	20 650	23 769	(3 119)	626	903	(277)
1% increase in risk discount rate		18 998	22 447	(3 449)	497	803	(306)
% change		(8)	(6)	11	(21)	(11)	10
1% reduction in risk discount rate		22 500	25 247	(2 747)	785	1 030	(245)
% change		9	6	(12)	25	14	(12)
10% decrease in future expenses		22 462	25 581	(3 119)	819	1 096	(277)
% change[1]		9	8	–	31	21	–
10% decrease in lapse, paid-up and surrender rates		21 211	24 330	(3 119)	818	1 095	(277)
% change		3	2	–	31	21	–
5% decrease in mortality and morbidity for assurance business		23 596	26 715	(3 119)	813	1 090	(277)
% change		14	12	–	30	21	–
5% decrease in mortality for annuity business		20 255	23 374	(3 119)	597	874	(277)
% change		(2)	(2)	–	(5)	(3)	–
1% reduction in gross investment return, inflation rate and risk discount rate	12 580	20 711	23 830	(3 119)	655	932	(277)
% change[2]	–	–	–	–	5	3	–
1% reduction in inflation rate		21 606	24 725	(3 119)	735	1 012	(277)
% change		5	4	–	17	12	–
10% fall in market value of equities and properties	12 488	19 700	22 819	(3 119)			
% change[2]	(1)	(5)	(4)	–			
10% reduction in premium indexation take-up rate		19 939	23 058	(3 119)	584	861	(277)
% change		(3)	(3)	–	(7)	(5)	–
10% decrease in non-commission-related acquisition expenses					768	1 045	(277)
% change					23	16	–
1% increase in equity/property risk premium		21 138	24 257	(3 119)	663	940	(277)
% change		2	2	–	6	4	–

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

2 Bonus rates are assumed to change commensurately.

3 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.

Embedded value information continued

ANALYSIS OF CHANGES IN GROUP EMBEDDED VALUE	Adjusted net worth (ANW) Rm	Gross value of in-force (VIF) Rm	Cost of required capital Rm	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Momentum Life					
Embedded value from new business	(342)	377	(55)	(20)	72
Expected return – unwinding of RDR	–	690	(57)	633	523
Release from the cost of required capital	–	–	173	173	271
Expected (or actual) net of tax profit transfer to net worth	1 250	(1 250)	–	–	–
Operating experience variances	(147)	22	–	(125)	(159)
Development expenses	(30)	–	–	(30)	(9)
Operating assumption changes	254	299	293	846	(916)
Embedded value profit/(loss) from operations	985	138	354	1 477	(218)
Investment return on adjusted net worth	61	–	–	61	106
Investment variances	53	39	(300)	(208)	(292)
Economic assumption changes	–	78	22	100	656
Embedded value profit – covered business	1 099	255	76	1 430	252
Momentum Investments					
Embedded value from new business	(8)	412	(58)	346	392
Expected return – unwinding of RDR	–	116	(25)	91	98
Release from the cost of required capital	–	–	60	60	54
Expected (or actual) net of tax profit transfer to net worth	286	(286)	–	–	–
Operating experience variances	212	(38)	–	174	178
Development expenses	(1)	–	–	(1)	(6)
Operating assumption changes	103	244	(157)	190	(248)
Embedded value profit/(loss) from operations	592	448	(180)	860	468
Investment return on adjusted net worth	58	–	–	58	(49)
Investment variances	33	(372)	112	(227)	487
Economic assumption changes	–	9	2	11	(239)
Embedded value profit/(loss) – covered business	683	85	(66)	702	667
Metropolitan Life					
Embedded value from new business	(160)	477	(73)	244	253
Expected return – unwinding of RDR	–	330	(20)	310	273
Release from the cost of required capital	–	–	88	88	77
Expected (or actual) net of tax profit transfer to net worth	809	(809)	–	–	–
Operating experience variances	(113)	(75)	–	(188)	3
Development expenses	(20)	–	–	(20)	(9)
Operating assumption changes	52	–	–	52	(453)
Embedded value profit/(loss) from operations	568	(77)	(5)	486	144
Investment return on adjusted net worth	32	–	–	32	59
Investment variances	43	(88)	(68)	(113)	325
Economic assumption changes	–	(2)	–	(2)	(15)
Embedded value profit/(loss) – covered business	643	(167)	(73)	403	513

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	12 mths to 30.06.2022 Rm	12 mths to 30.06.2021 Rm
Momentum Corporate					
Embedded value from new business	(140)	273	(65)	68	11
Expected return – unwinding of RDR	–	566	(117)	449	420
Release from the cost of required capital	–	–	167	167	168
Expected (or actual) net of tax profit transfer to net worth	485	(485)	–	–	–
Operating experience variances	304	21	–	325	(552)
Development expenses	(1)	–	–	(1)	(13)
Operating assumption changes	251	(229)	(62)	(40)	(1 185)
Embedded value profit/(loss) from operations	899	146	(77)	968	(1 151)
Investment return on adjusted net worth	60	–	–	60	48
Investment variances	150	(212)	(99)	(161)	420
Economic assumption changes	(2)	55	–	53	117
Embedded value profit/(loss) - covered business	1 107	(11)	(176)	920	(566)
Momentum Metropolitan Africa					
Embedded value from new business	(174)	188	(26)	(12)	(3)
Expected return – unwinding of RDR	–	268	(49)	219	239
Expected (or actual) net of tax profit transfer to net worth	393	(393)	–	–	–
Operating experience variances	(120)	(39)	–	(159)	(39)
Operating assumption changes	38	3	–	41	(26)
Embedded value profit/(loss) from operations	137	27	(75)	89	171
Investment return on adjusted net worth	131	–	–	131	118
Investment variances	34	(17)	–	17	159
Economic assumption changes	(33)	17	68	52	16
Exchange rate movements	3	3	(1)	5	(91)
Embedded value profit/(loss) – covered business	272	30	(8)	294	373
Shareholders					
Operating experience variances	(54)	–	–	(54)	41
Embedded value (loss)/profit from operations	(54)	–	–	(54)	41
Investment return on adjusted net worth	(96)	–	–	(96)	(158)
Investment variances	75	–	–	75	31
Embedded value loss – covered business	(75)	–	–	(75)	(86)

Additional information

ANALYSIS OF ASSETS MANAGED AND/OR ADMINISTERED[1]	30.06.2022 Rm	Restated 30.06.2021[2] Rm
Managed and/or administered by Investments		
Financial assets	**502 218**	477 068
Momentum Manager of Managers	**150 285**	90 087
Equilibrium Investment Management *(previously Momentum Investment Consultants)*	**13 607**	10 922
Momentum Collective Investments	**96 744**	92 454
Momentum Asset Management	**137 071**	165 627
Momentum Global Investments	**70 000**	77 071
Momentum Alternative Investments	**8 763**	7 682
Momentum Securities[3]	**25 748**	33 225
Properties – Eris Property Group	**16 509**	15 588
On-balance sheet[4]	**9 302**	9 410
Off-balance sheet[4]	**7 207**	6 178
Momentum Wealth linked product assets under administration	**206 630**	198 829
On-balance sheet[5,6]	**135 121**	129 387
Off-balance sheet	**71 509**	69 442
Managed internally or by other managers within the Group (on-balance sheet)[5]	**86 440**	85 787
Managed by external managers (on-balance sheet)	**14 397**	16 993
Properties managed internally or by other managers within the Group or externally[4]	**2 761**	2 528
Non-life Insurance – cell captives on-balance sheet[7]	**30 377**	25 541
Total assets managed and/or administered	**859 332**	822 334
Managed and/or administered by Investments		
On-balance sheet	**258 141**	231 703
Off-balance sheet	**244 077**	245 365
	502 218	477 068
Admin and brokerage assets	**119 350**	135 882
Other assets	**382 868**	341 186
	502 218	477 068

1 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.

2 Refer to note 12 for more information on the restatements other than footnotes 3, 4, 5, 6 and 7.

3 R346 million restatement relates to a market value movement that was not included in the June 2021 closing balance for Momentum Securities.

4 R1.5 billion was misallocated between on- and off-balance sheet assets. June 2021 has been restated accordingly.

5 Upon further investigation it was noted that R11 billion on-balance sheet assets were better suited to be disclosed as Momentum Wealth linked assets rather than Managed internally or by other managers within the Group. 30 June 2021 has been restated accordingly.

6 R7 billion in on-balance sheet assets were incorrectly calculated in Momentum Wealth linked assets. 30 June 2021 has been restated accordingly.

7 R5 billion restatement relates to a calculation error in the closing balance of cell captives on-balance sheet assets.

NET FUNDS RECEIVED FROM CLIENTS[1]	Gross single inflows Rm	Gross recurring inflows Rm	Gross inflow Rm	Gross outflow Rm	Net inflow/ (outflow) Rm
12 mths to 30.06.2022					
Momentum Life	**497**	**9 392**	**9 889**	**(11 250)**	**(1 361)**
Momentum Investments	**29 863**	**869**	**30 732**	**(27 035)**	**3 697**
Metropolitan Life	**1 789**	**6 450**	**8 239**	**(6 485)**	**1 754**
Momentum Corporate	**4 711**	**12 798**	**17 509**	**(19 917)**	**(2 408)**
Momentum Metropolitan Health	**-**	**1 186**	**1 186**	**(724)**	**462**
Non-life Insurance	**3 128**	**10 907**	**14 035**	**(6 373)**	**7 662**
Momentum Metropolitan Africa	**1 605**	**4 015**	**5 620**	**(3 418)**	**2 202**
Long-term insurance business fund flows	**41 593**	**45 617**	**87 210**	**(75 202)**	**12 008**
Off-balance sheet fund flows					
Managed and/or administered by Investments			**97 003**	**(99 080)**	**(2 077)**
Properties – Eris Property Group			**1 119**	**(90)**	**1 029**
Momentum Wealth linked product assets under administration			**13 289**	**(10 702)**	**2 587**
Total net funds received from clients			**198 621**	**(185 074)**	**13 547**
Restated					
12 mths to 30.06.2021[2]					
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	9 291	11 146	(6 840)	4 306
Momentum Metropolitan Africa	972	3 867	4 839	(2 701)	2 138
Long-term insurance business fund flows	38 905	42 410	81 315	(75 109)	6 206
Off-balance sheet fund flows					
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
Total net funds received from clients			185 637	(172 922)	12 715

1 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.

2 Refer to note 12 for more information on the restatements.

Additional information continued

ANALYSIS OF ASSETS BACKING SHAREHOLDER EXCESS	30.06.2022 Rm	30.06.2022 %	30.06.2021 Rm	30.06.2021 %
Equity securities	**1 161**	**4.7**	1 659	7.7
Preference shares	**356**	**1.4**	859	4.0
CISs	**966**	**3.9**	1 059	4.9
Debt securities	**7 208**	**29.3**	7 030	32.6
Properties	**3 850**	**15.7**	3 761	17.4
Owner-occupied properties	**2 477**	**10.1**	2 454	11.4
Investment properties	**1 373**	**5.6**	1 307	6.1
Cash and cash equivalents and funds on deposit	**10 400**	**42.2**	5 172	24.0
Intangible assets	**4 617**	**18.8**	5 168	24.0
Other net assets	**2 690**	**10.9**	3 004	13.9
	31 248	**126.9**	27 712	128.4
Redeemable preference shares	**(252)**	**(1.0)**	(245)	(1.1)
Subordinated redeemable debt	**(5 327)**	**(21.6)**	(4 429)	(20.5)
Treasury shares held on behalf of employees	**(641)**	**(2.6)**	(876)	(4.1)
Treasury shares held on behalf of contract holders	**(407)**	**(1.7)**	(587)	(2.7)
Shareholder excess per reporting basis	**24 621**	**100.0**	21 575	100.0

NUMBER OF EMPLOYEES	30.06.2022	30.06.2021
Indoor staff	**9 940**	9 882
SA	**8 867**	8 841
International	**1 073**	1 041
Field staff	**6 618**	6 601
Momentum Life & Investments	**1 430**	1 105
Metropolitan Life	**4 002**	4 208
International	**1 186**	1 288
Total	**16 558**	16 483

Stock exchange performance

	30.06.2022	30.06.2021
12 months		
Value of listed shares traded (rand million)	**15 944**	18 628
Volume of listed shares traded (million)	**885**	1 156
Shares traded (% of average listed shares in issue)	**62**	81
Trade prices		
Highest (cents per share)	**2 270**	2 098
Lowest (cents per share)	**1 405**	1 282
Last sale of period (cents per share)	**1 426**	1 950
Percentage (%) change during year	**(27)**	11
Percentage (%) change – life insurance sector (J857)	**(8)**	9
Percentage (%) change – top 40 index (J200)	**–**	20
30 June		
Price/normalised headline earnings (segmental) ratio	**5.0**	29.1
Dividend yield % (dividend on listed shares)	**7.0**	2.1
Dividend yield % – top 40 index (J200)	**3.8**	2.4
Total shares issued (million)		
Ordinary shares listed on JSE	**1 498**	1 498
Treasury shares held on behalf of employees	**(45)**	(45)
Treasury shares held on behalf of contract holders	**(29)**	(30)
Basic number of shares in issue	**1 424**	1 423
Adjustment to employee share scheme[1]	**7**	–
Convertible redeemable preference shares[2]	**28**	–
Diluted number of shares in issue	**1 459**	1 423
Adjustment to employee share scheme[1]	**(7)**	–
Convertible redeemable preference shares[2]	**–**	28
Treasury shares held on behalf of contract holders	**29**	30
Treasury shares held on behalf of employees	**45**	45
Diluted number of shares in issue for normalised headline earnings purposes[3]	**1 526**	1 526
Market capitalisation at end (Rbn)[4]	**22**	30

1 The diluted number of shares in issue includes the dilutive potential ordinary shares from the iSabelo employee scheme. The diluted number of shares in issue for normalised headline earnings does not include this adjustment as these shares are deemed to be issued.

2 On a diluted basis, the KTH preference shares were anti-dilutive in the prior year. For diluted earnings and headline earnings, these preference shares were therefore ignored in accordance with IAS 33 for that year. 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.

3 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.

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

Report by the Social, Ethics and Transformation Committee (the "Committee")

This report from the Committee is presented in accordance with the requirements of the Companies Act, 71 of 2008 and the King IV Report. The Committee is required to report through one of its members to the Company's shareholders on the matters within its mandate at the Company's Annual General Meeting (AGM) to be held on 24 November 2022. The Committee Chair and fellow members will be attending the AGM to deal with any questions.

Reporting on the Committee's composition, meeting attendance, performance, role, focus areas and activities are contained in the Integrated Report and inaugural Sustainability Report. Shareholders are referred to the detailed Integrated and Sustainability Reports published on the Company's website.

The Committee is satisfied that is has fulfilled its responsibilities as prescribed by the Companies Act and its Terms of Reference. The Committee contributed in ensuring that the Board was equipped to fulfil its role and responsibilities as envisaged by Principles 1, 2, 3, 13 and 16 of King IV.

Questions to the Committee may be sent to the Group Company Secretary prior to or during the AGM.

Sharron L. McPherson

Sharron McPherson
Chairperson: Momentum Metropolitan Social, Ethics and Transformation Committee

Notice of Annual General Meeting

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

NOTICE OF MEETING

Notice is hereby given that the 21st (twenty first) Annual General Meeting (AGM) of Momentum Metropolitan Holdings will be held on Thursday, 24 November 2022 at 08:30 (SA time), at the Momentum Metropolitan offices, 268 West Avenue, Centurion.

This notice is important and requires your immediate attention
If you are in any doubt about what action you should take, consult your broker, Central Securities Depository Participant (CSDP), banker, financial adviser, accountant or other professional adviser immediately.

If you have disposed of all your shares in the Company, please forward this document, together with the enclosed form of proxy, to the purchaser of such shares or the broker, banker or other agent through whom you disposed of such shares.

Identification

In accordance with the provisions of section 63(1) of the Companies Act, all attendees and participants at the AGM will be required to provide reasonably satisfactory identification (such as a valid passport or South African identity document, smartcard, or driver's licence).

Any shareholder of the Company that is a legal entity must authorise a person to act as its representative at the AGM through a letter of representation. This process may be facilitated by the Company's transfer secretaries (JSE Investor Services Pty Ltd).

Proxy forms
It is requested that proxy forms must be lodged with the transfer secretaries (JSE Investor Services Pty Ltd). Completed proxy forms must be sent by email to meetfax@jseinvestorservices.co.za or posted to JSE Investor Services Pty Ltd, 13th Floor 19 Ameshoff Street, Braamfontein, 2001, to reach them 48 hours before the AGM, by no later than 08:30 (SA time) on Tuesday, 22 November 2022.

Documentary evidence establishing the authority of a person signing the proxy form in a representative capacity must be attached to the proxy form unless previously recorded by the transfer secretaries or waived by the chairman of the AGM.

REPORTS AVAILABLE ONLINE

The following documents are available online at https://www.momentummetropolitan.co.za/en/investor-relations/financial-results:
- The 2022 Integrated Report and accompanying Sustainability Report, together with the report of the Social, Ethics and Transformation Committee
- 2022 Notice of AGM (this/the "Notice"). This Notice is distributed to all registered holders of the Company's shares (as at the relevant record date)
- The complete set of Annual Financial Statements
- The remuneration policy and implementation plan

PURPOSE OF MEETING

The purpose of this AGM is to:
- present the audited annual financial statements of the Company and its subsidiaries (the Group) for the year ended 30 June 2022 (including the directors' report and the Group audit and actuarial committee reports) in accordance with section 30(3)(d) and section 61(8)(a) of the Companies Act
- consider and, if deemed fit, pass, with or without modification, the resolutions set out below
- consider any other matters raised by shareholders.

1. Ordinary resolution number 1

Election of directors appointed to the Board during the year

"Resolved that the following director, who was appointed to the Board subsequent to the 2021 AGM, and is eligible for election, be and is hereby elected as director of the Company:

1.1 Mr Paul Cambo Baloyi, as Chairman and independent non-executive director

A brief biography of the director is available on page 79 of this Notice.

Explanatory note:

In accordance with the provisions of the Company's MOI, a director appointed by the Board is obliged to retire at the first AGM after their appointment. The above director therefore retires at this AGM and is eligible for election by shareholders.

Based on the recommendation of the Nominations Committee regarding the composition of the Board, the Board is recommending the election of the director listed above.

2. Ordinary resolution number 2

Directors retiring by rotation in terms of the Company's MOI and in compliance with the JSE Listings Requirements.

2.1 "Resolved that Ms Lisa Masozi Chiume, who retires by rotation in accordance with the MOI of the Company and is eligible for re-election, be and is hereby re-elected as an independent non-executive director of the Company."

2.2 "Resolved that Mr Stephen Craig Jurisich, who retires by rotation in accordance with the MOI of the Company and is eligible for re-election, be and is hereby re-elected as an independent non-executive director of the Company."

2.3 "Resolved that Mr David James Park, who retires by rotation in accordance with the MOI of the Company and is eligible for re-election, be and is hereby re-elected as an independent non-executive director of the Company."

Brief biographies of the three directors available for re-election are available on page 79 of this Notice.

Explanatory note:

The MOI of the Company and the JSE Listings Requirements require that one third of the directors shall retire at every AGM and that, if eligible, such directors may be re-elected by shareholders.

Mr Vuyisa Nkonyeni, having reached nine-year tenure, retires from the Board, with effect from the conclusion of this AGM.

3. Ordinary resolution number 3

Re-appointment of independent auditors

"Resolved as an ordinary resolution that the Company hereby approves the re-appointment of Ernst & Young Inc. as the independent auditors of the Company, with Ms Cornea de Villiers as the designated audit partner, for the ensuing financial year or until the next AGM, whichever is the later date"

.

Explanatory note:

In terms of section 90(1) of the Companies Act, the auditor of a Company must be appointed at the AGM each year. To be re-appointed, the auditor must satisfy the requirements of section 22.15(h) of the JSE Listings Requirements. The Audit Committee has reviewed the required information in compliance with the JSE Listings Requirements and the provisions of the Companies Act and in order to assess the suitability as required in terms of paragraph 3.84(g)(iii) of the JSE Listings Requirements, and has recommended the re-appointment of Ernst & Young Inc. as auditors of the Company, with Ms Cornea de Villiers as the designated audit partner for the ensuing year.

4. Ordinary resolution number 4

Election of members of the Audit Committee

"Resolved that the following independent non-executive directors of the Company be and are hereby appointed with immediate effect to serve as members of the Audit Committee, each by way of separate vote:

4.1 To re-appoint Ms Linda de Beer as member and Chair of the Audit Committee;
4.2 To re-appoint Mr Nigel John Dunkley as member of the Audit Committee;
4.3 To re-appoint Mr Thanaseelan Gobalsamy as member of the Audit Committee;
4.4 To appoint Ms Lisa Masozi Chiume as a member of the Audit Committee; and
4.5 To appoint Mr David James Park as a member of the Audit Committee."

Brief biographies of each director are available on page 79 of this Notice.

Explanatory note:

In terms of section 94(2) of the Companies Act, the Company is required to elect an audit committee comprising at least three members, each of whom must satisfy the requirements set out in section 94(4) of the Companies Act.

5. Ordinary resolution number 5
Authority to implement resolutions

"Resolved that any director of the Company or the Group Company Secretary be and is hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement all resolutions passed at the AGM at which this Ordinary Resolution number 5 is considered."

Explanatory note:
The directors of the Company or the Group Company Secretary are authorised in terms of this resolution to implement the Resolutions adopted at this AGM, and to take all such actions as may be necessary for this purpose.

6. Non-binding advisory vote 1
Remuneration policy as set out in the Remuneration Report of the Company

"Resolved that, by way of a non-binding advisory vote, the shareholders endorse the remuneration policies of the Company as set out in the Remuneration Report, available online at https://www.momentummetropolitan.co.za/en/investor-relations/financial-results"

Explanatory note:
The King IV Report on Corporate Governance ("King IV") recommends that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each AGM. This enables shareholders to express their views on the remuneration policies adopted.

This resolution is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration arrangements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.

7. Non-binding advisory vote 2
Implementation report as set out in the Remuneration Report of the Company

"Resolved that, by way of a non-binding advisory vote, the shareholders endorse the implementation report as set out in the remuneration report of the Company, available online at https://www.momentummetropolitan.co.za/en/investor-relations/financial-results"

Explanatory note:
In terms of principle 14 of King IV, the Company's implementation report should be tabled to the shareholders to endorse the non-binding advisory vote in the same manner as an ordinary resolution at the AGM. This enables shareholders to express their views on the implementation report adopted. Failure to endorse the non-binding advisory vote will not have any legal consequences for existing arrangements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's implementation report.

The minimum percentage of voting rights required for the advisory votes to be endorsed is 50% plus 1 (fifty percent plus one) of the voting rights exercised by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights.

In the event that at least 25% (twenty-five percent) of the voting rights exercised on the advisory votes are against either the remuneration policy or the implementation report or both, the Board will then commit to implementing the consultation process set out in the remuneration policy read together with King IV and the JSE Listings Requirements.

8. Special resolution number 1
General authority to repurchase shares

"Resolved that the Board of directors of the Company is hereby authorised, by way of a renewable general authority, to approve the purchase of its own ordinary shares by the Company, or to approve the purchase of ordinary shares in the Company by any subsidiary of the Company, upon such terms and conditions as the Board of directors of the Company may from time to time determine, provided that:
- the general repurchase of ordinary shares in the aggregate in any one financial year by the Company does not exceed 5% (five percent) of the Company's issued ordinary share capital as at the beginning of the financial year
- the general repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited)
- authorisation thereto has been given by the Company's MOI
- this general authority shall only be valid until the Company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this Special Resolution
- general repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected (the JSE should be consulted for a ruling if the applicant's securities have not traded in such five-day business day period)
- at any point in time, a Company may only appoint one agent to effect any repurchases on the Company's behalf
- a resolution has been passed by the Board of directors confirming that the Board has authorised the general repurchase, that the Company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Group

- any such general repurchase will be subject to the applicable provisions of the Companies Act
- any such general repurchases are subject to exchange control regulations and approval at that point in time
- the number of shares purchased and held by a subsidiary or subsidiaries of the Company shall not exceed 10% (ten percent) in aggregate of the number of issued shares in the Company at the relevant times
- the Company or its subsidiary may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period
- when the Company has cumulatively repurchased 3% (three percent) of the initial number of the relevant class of securities, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, an announcement will be made in accordance with paragraph 11.27 of the JSE Listings Requirements."

Explanatory note:
The purpose of this resolution is to provide a general approval and authority in terms of Section 48 of the Companies Act and paragraph 5.72 of the JSE Listings Requirements for the Company and/or a subsidiary of the Company to acquire the Company's issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company, subject to the limitations set out in the notes to this resolution.

The directors of the Company currently have no specific intention to act in terms of the authority to be granted by the passing of this resolution, but will continually review the Company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect any repurchases as contemplated in this resolution.

The directors undertake that, after considering the effect of the general repurchase of shares as contemplated in Special Resolution number 1, they will not undertake any such general repurchase of shares unless:

- the Company and the Group will be able to repay their debts as they become due in the ordinary course of business for a period of 12 months following the date of such repurchase;
- the Company and the Group's assets will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months following the date of the repurchase.

9. Special resolution number 2

General authority to provide financial assistance to subsidiaries and other related and inter-related entities in terms of sections 44 and 45 of the Companies Act

"Resolved that the directors of the Company may, to the extent required by the Companies Act, and subject to compliance with the requirements of the Company's MOI and the JSE Listings Requirements, authorise the Company to provide direct or indirect financial assistance, including by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the Company or any of its subsidiaries, and/or to any shareholder of such subsidiary or related or inter-related company or entity, all as contemplated in section 44 and/or section 45 of the Companies Act, for such amounts and on such terms and conditions as the directors of the Company may determine."

Explanatory note:
This resolution is to authorise the provision by the Company of financial assistance to subsidiaries and other related and inter-related entities, specifically and only for the purpose of facilitating the Group's normal commercial and financing activities within and among Group companies.

This special resolution number 2 deliberately excludes from its scope any reference to "any person" (as provided for in section 44 of the Companies Act) and also excludes from its ambit "directors and officers" (as provided for in section 45 of the Companies Act).

In the absence of this special resolution number 2 the Company would be unable to undertake its normal day-to-day business and financing operations within the Group.

This special resolution number 2 is required:

- in terms of section 44 of the Companies Act, to authorise the directors of the Company to permit the Company to provide financial assistance to the entities reflected in the text of the Special Resolution for the purpose of, or in connection with, the subscription for any securities or options issued or to be issued by the Company or any company related or inter-related to the Company, or for the purchase of any securities of the Company or a company related or inter-related to the Company; and
- in terms of section 45 of the Companies Act, to grant the directors of the Company a general authority to authorise the Company to grant direct or indirect financial assistance, including in the form of loans or the guaranteeing of their debts to (among others) the category of persons set out in the text of the resolution, subject to the Board not authorising any financial assistance to any such persons unless it is satisfied that:
  - considering all reasonably foreseeable financial circumstances of the Company at that time, the Company will, immediately after providing such financial assistance, satisfy the solvency and liquidity test stipulated in the Companies Act;
  - the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and
  - any conditions or restrictions in respect of the granting of financial assistance set out in the Company's MOI have been satisfied.

10. Special resolution number 3

Non-executive directors' remuneration

"Resolved that the Company be and is hereby authorised, in terms of section 66(9) of the Companies Act, to pay the fees, as set out below, to its non-executive directors for their services as directors with effect from 1 January 2023 for a period of twelve months, plus any value-added tax (VAT) applicable."

		Current fees	Proposed fees
10.1	Chairman of the Board (as an all-inclusive fee)	2 166 500	2 270 000
10.2	Non-executive director	496 000	520 000
10.3	Actuarial Committee Chairman	415 000	435 000
10.4	Actuarial Committee Member	210 000	220 000
10.5	Audit Committee Chairman	440 000	461 000
10.6	Audit Committee Member	210 000	220 000
10.7	Fair Practices Committee Chairman	280 000	293 000
10.8	Fair Practices Committee Member	170 000	178 000
10.9	Investments Committee Chairman	280 000	293 000
10.10	Investments Committee Member	170 000	178 000
10.11	Nominations Committee Chairman	Part of Board Chair fee	
10.12	Nominations Committee Member	122 000	128 000
10.13	Remuneration Committee Chairman	345 000	362 000
10.14	Remuneration Committee Member	170 000	178 000
10.15	Risk, Capital and Compliance Committee Chairman	415 000	435 000
10.16	Risk, Capital and Compliance Committee Member	210 000	220 000
10.17	Social, Ethics and Transformation Committee Chairman	280 000	293 000
10.18	Social, Ethics and Transformation Committee Member	170 000	178 000
10.19	Ad hoc fee per hour	4 850	5 090
10.20	Permanent invitee - the fee will be the membership fee of the committee that the invitee sits on		

The above amounts exclude VAT

Explanatory note:
This resolution is to authorise the Company to pay fees (including any applicable VAT thereon) to its non-executive directors for their services as directors effective 1 January 2023 for a period of twelve months.

The Board has resolved, on the recommendation of the Remuneration Committee, to propose for approval Special Resolution number 3, authorising the payment of fees to the non-executive directors of the Company for their services as directors, in accordance with the existing all-inclusive fee model, together with the payment of any applicable VAT, as stipulated in the scale of fees above.

MAJORITY REQUIRED FOR THE ADOPTION OF RESOLUTIONS
Unless otherwise indicated, in order for the Ordinary Resolutions to be adopted, the support of a simple majority (that is, 50% plus one share) of the total number of voting rights exercised on the resolutions is required unless a higher requirement has been prescribed in terms of the JSE Listings Requirements.

The **Non-binding Resolutions** are of an advisory nature only and failure to pass these resolutions will therefore not have any legal consequences relating to the existing arrangements. Should 25% or more of the votes exercised on these non-binding resolutions be cast against either or both of these non-binding resolutions, the Board undertakes to engage with identified dissenting shareholders as to the reasons therefore and take appropriate action (as determined at the discretion of the Board) to reasonably address issues raised as envisaged in King IV and the JSE Listings Requirements.
In order for the **Special Resolutions** to be adopted, the support of at least 75% of the total number of voting rights exercised on the resolutions is required.

Votes recorded as abstentions are not taken into account for the purposes of determining the final percentage of votes cast in favour of the resolutions.

ELECTRONIC PARTICIPATION

Shareholders or their proxies may also participate in the AGM by way of electronic means. Such shareholder will need to contact Momentum Metropolitan Holdings Group Company Secretary, gcobisa.tyusha@mmltd.co.za or +27 12 673 1931 by no later than 08:30 on Tuesday, 22 November 2022 so that the Company can provide for a teleconference dial-in facility. Please note that shareholders or their proxies will not be entitled to exercise voting rights at the AGM by way of teleconference call. Shareholders must ensure that, when intending to participate via teleconference that the voting proxies are sent through to the transfer secretaries by no later than 08:30 on Tuesday, 22 November 2022. Participants must dial the provided teleconference number, five minutes prior to the start of the AGM.

Disclosure in terms of section 11.26 of the JSE Listings Requirements

- **Major shareholders:** Can be found on the Company's website https://www.momentummetropolitan.co.za/en/about/shareholder-structure
- **Share capital:** Information relating to the share capital of the Company can be found on pages 37 and 105 of the Annual Financial Statements.
- **Material changes:** There has been no material change in the financial or trading position of the Company and its subsidiaries subsequent to the publication of the Company's audited financial statements for the year ended 30 June 2022 and the date of this Notice.
- **Directors' responsibility statement:** The directors, whose names are set out in the integrated report (which is available at https://www.momentummetropolitan.co.za/en/investor-relations/financial-results, collectively and individually, accept full responsibility for the accuracy of the information pertaining to all the resolutions set out in this Notice and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that these resolutions contain all information required by law and the JSE Listings Requirements.

RECORD DATES

Record date to receive the notice: **Friday, 23 September 2022**
Date of posting of notice: **Friday, 30 September 2022**
Last date to trade to be eligible to attend and vote at the AGM: **Tuesday, 15 November 2022**
Record date to be eligible to vote: **Friday, 18 November 2022**
Last date of lodging of proxy forms: **Tuesday, 22 November 2022 at 08:30**

PROXIES AND VOTING

Voting on all resolutions will take place by ballot. Every shareholder of the Company present in person or represented by proxy shall have one vote for every share in the Company held by such shareholder.

If you are a registered shareholder as at the record date:

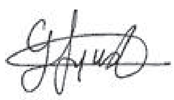
- You are entitled to attend the AGM in person and vote at the AGM
- Alternatively, you may appoint a proxy to attend, participate and vote at the AGM, on your behalf. Any appointment of a proxy:
  - may be effected by using the attached form of proxy
  - must be delivered in accordance with the instructions contained in the attached form of proxy, failing which it will not be effective.
- A proxy need not be a shareholder of the Company.

If you hold dematerialised shares, through a CSDP or broker, other than dematerialised shareholders with "own name" registration as at the record date:

- and wish to attend the AGM, you must inform your CSDP or broker of your intention to attend and obtain the necessary letter of representation in order to attend the AGM
- and do not wish to attend the AGM but would like your vote to be recorded at the AGM, you should provide your CSDP or broker with your voting instructions. This must be done in the manner and time stipulated in the mandate between you and the CSDP or broker concerned
- you must not complete the attached proxy form.

Included in this notice are the following:

- The resolutions to be proposed at the AGM, together with explanatory notes. There are also guidance notes if you wish to attend the AGM or to vote by proxy
- A proxy form for completion, signature and submission to the transfer secretaries of the Company by shareholders holding the Company's ordinary shares in certificated form or recorded in sub-registered electronic form in own name.



By order of the Board
Group Company Secretary

Annexure 1 – Directors' profiles

PROFILES OF DIRECTORS TO BE ELECTED TO THE BOARD OR AUDIT COMMITTEE

Paul Cambo Baloyi

MBA (Bangor University, United Kingdom), AMP (Instead), SEP (Harvard)

Paul has extensive experience in the financial services industry, gained from many years as an Executive and Board member, locally an internationally. His governance and operational experience include that of Board Chairman and member on numerous board committees, with a proven record as a leader in diverse and complex organisations. He spent many years as an Executive at Standard Bank, Nedbank, and the Development Bank of South Africa (DBSA), the last as CEO for six years. Since his departure from the DBSA in 2012, his board roles have varied across the private and public sectors. He currently serves on various boards, including Peermont Group, ENX Group and Bidcorp Limited.

Lisa Masozi Chiume

BCom Business Finance and Economics, CFA

Lisa is a senior investment executive at Rand Merchant Investment Holdings (RMI) and RMB Holdings Limited (RMH) and is responsible for a number of RMI and RMH's key investments. She is co-portfolio manager for AlphaCode (RMI's fintech and next generation financial services incubator), with primary responsibility for identifying, partnering with and growing black financial services businesses as part of RMI's enterprise development programme. She was previously Country Coverage and Investment Banking Director at Deutsche Bank South Africa.

Stephen Craig Jurisich

BSc Hons Actuarial Science, FFA, FASSA

Stephen is the Head of the School of Statistics and Actuarial Science at the University of Witwatersrand, with a wealth of actuarial experience, including previously being a director and consulting actuary at Quindiem Consulting and an executive committee member at Swiss Re Life Health in South Africa. He is a Fellow of the Institute of Actuaries and Fellow of the Actuarial Society of SA. Stephen is also a member of various industry and actuarial professional committees.

David James Park

BSc Actuarial Science, FFA, FASSA

David is an independent consultant specializing in life insurance. He is an active member of the Actuarial Society of South Africa, where he sits on the Professional Matters Board and is involved in the development and provision of technical and professional training to trainee actuaries. He was previously director/partner at Deloitte, where he was the statutory actuary of a number of life insurance companies, a key adviser to several insurance companies, and was involved in the development of the current South African insurance legislation.

Linda de Beer

CA(SA), MCom (Tax), Chartered Director

Linda's background is in technical accounting, corporate governance, JSE Listings Requirements and international standard setting. She currently chairs the Public Interest Oversight Board (PIOB), based in Spain, that monitors the setting of international standards for accountants and auditors, and serves on the Board of Trustees of the International Valuations Standards Council in London. Linda is also an honorary professor (professor in practice) at the University of Johannesburg. She currently serves on the boards of Aspen Holdings, Shoprite Holdings and Tongaat Hulett Limited.

Nigel John Dunkley

BCompt Hons, CA(SA), AMP (Oxford), Advanced Taxation Certificate

Nigel has extensive and varied experience in the insurance industry, which includes twenty-two years spent in various executive positions within the Momentum Group (now Momentum Metropolitan) until 2013. He left to own and manage a hotel golf and leisure business, whilst acting as a non-executive director of MMH interests in the UK, Guernsey, Gibraltar and South Africa. Nigel is currently resident in the United Kingdom, has experience as both an executive, non-executive board member and board chair.

Thanaseelan (Seelan) Gobalsamy

BCom (Accountancy and Law), Postgraduate Diploma in Accounting, Advanced Taxation Certificate, CA(SA), AMP (Harvard)

Seelan is currently the group chief executive officer of Omnia Holdings Limited, having previously held CEO positions at STANLIB Asset Management, Liberty Holdings Emerging Markets, Liberty Corporate and Old Mutual Corporate. With extensive international experience gained across multiple geographies and sectors in complex emerging and developed markets, Seelan has a proven track record of redefining the strategic direction of companies, turning around businesses and delivering sustainable growth.

Form of proxy

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

This proxy form relates to the 21st (twenty first) annual general meeting (AGM) of Momentum Metropolitan Holdings to be held on Thursday, 24 November 2022 at 08:30 (SA time), at the Momentum Metropolitan offices, 268 West Avenue, Centurion.

The proxy is for use by certificated and dematerialised shareholders whose shares are registered in their own names by the record date, Friday, 18 November 2022. All other dematerialised shareholders must contact their CSDP or broker to make the relevant arrangements concerning voting and attendance at the meeting.

Please print clearly when using this form and see the instructions and notes at the end of this form for an explanation of the use of this proxy form and the rights of the shareholder and the proxy.

I/We (full names) ____ __

of (address) ____

Contact details: (mobile) _______________ (work) _____________ (email) _________________

Being a shareholder of the Company and being the registered owner/s of _________ordinary shares in the company

Hereby appoint ____

Or failing him/her, the chairman of the meeting, to attend and participate in the meeting and to speak for me/us on my/our behalf and to vote or abstain from voting on my/our behalf at the AGM of the Company and/or any adjournment or postponement thereof.

My proxy shall vote as below (indicate with a cross how you wish your votes to be cast. If you do not do so, the proxy may vote or abstain at his/her discretion).

Ordinary resolutions		For	Against	Abstain
1.1	To elect Mr Paul Cambo Baloyi as Chairman and independent non-executive director			
2.1	To re-elect Ms Lisa Masozi Chiume as an independent non-executive director			
2.2	To re-elect Mr Stephen Craig Jurisich as an independent non-executive director			
2.3	To re-elect Mr David James Park as an independent non-executive director			
3.	To re-appoint Ernst & Young Inc. as the independent auditors of the company, with Ms Cornea de Villiers as the designated audit partner for the ensuing year			
4.1	To re-appoint Ms Linda de Beer to serve as a member and Chair of the Audit Committee			
4.2	To re-appoint Mr Nigel John Dunkley to serve as a member of the Audit Committee			
4.3	To re-appoint Mr Thanaseelan Gobalsamy to serve as a member of the Audit Committee			
4.4	To appoint Ms Lisa Masozi Chiume to serve as a member of the Audit Committee			
4.5	To appoint Mr David James Park to serve as a member of the Audit Committee			
5.	Authorisation for a director or Group Company Secretary of the Company to implement resolutions			
Non-binding advisory resolutions				
6.	Non-binding advisory vote on the remuneration policy of the Company			
7.	Non-binding advisory vote on the implementation report as set out in the remuneration report of the Company			
Special resolutions				
8.	General authority to repurchase shares			
9.	General authority to provide financial assistance to subsidiaries and other related and inter-related entities in terms of sections 44 and 45 of the Companies Act			
10.	Approval of Non-executive directors' fees for the 2023 financial year			
10.1	Chairman of the Board			
10.2	Non-executive Director			
10.3	Actuarial Committee Chairman			
10.4	Actuarial Committee Member			
10.5	Audit Committee Chairman			
10.6	Audit Committee Member			
10.7	Fair Practices Committee Chairman			
10.8	Fair Practices Committee Member			
10.9	Investments Committee Chairman			
10.10	Investments Committee Member			
10.11	Nominations Committee Chairman			
10.12	Nominations Committee Member			
10.13	Remuneration Committee Chairman			
10.14	Remuneration Committee Member			
10.15	Risk, Capital and Compliance Committee Chairman			
10.16	Risk, Capital and Compliance Committee Member			
10.17	Social, Ethics and Transformation Committee Chairman			
10.18	Social, Ethics and Transformation Committee Member			
10.19	Ad hoc fee per hour			
10.20	Permanent invitee – the fee will be the membership fee of the committee that the invitee sits on			

Insert an “X” in the relevant spaces above according to how you wish your votes to be cast. Unless otherwise directed, the proxy will vote as he/she thinks fit.

However, if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares which you desire to vote.

Signed at ____________________________________ on ______________________________2022

Signature ____

Please read the notes to the proxy as set out overleaf.

NOTES TO THE PROXY FORM

SUMMARY OF THE RIGHTS OF A SHAREHOLDER TO BE REPRESENTED BY PROXY IN TERMS OF SECTION 58 OF THE COMPANIES ACT, READ WITH THE COMPANY’S MEMORANDUM OF INCORPORATION

1. At any time, a shareholder may appoint any individual, including an individual who is not a shareholder of the company, as a proxy to:
    - participate in, and speak and vote at a shareholders’ meeting on behalf of the shareholder, or
    - give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60 of the Companies Act.
2. A shareholder of the company may not appoint two or more persons concurrently as proxies.
3. A proxy may not delegate the proxy’s authority to act on behalf of the shareholder to another person.
4. Irrespective of the form of instrument used to appoint a proxy, the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder; the appointment is revocable unless the proxy appointment expressly states otherwise; and if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy’s authority to act on behalf of the shareholder.
5. A registered shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder’s choice in the space(s) provided overleaf, with or without deleting “the chairman of the AGM”, but any such deletion must be initialled by the shareholder. Should this space be left blank, the proxy will be exercised by the chairman of the AGM. The person whose name appears first on the proxy form and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
6. A shareholder’s voting instructions to the proxy must be indicated by the insertion of an “X”, or the number of votes exercisable by that shareholder, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholder’s exercisable votes. A shareholder or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholder or by his/her proxy.
7. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
8. The completed proxy forms must be lodged with JSE Investor Services Pty Ltd by email to meetfax@jseinvestorservices.co.za or posted to JSE Investor Services Pty Ltd 13th Floor 19 Ameshoff Street Braamfontein 2001, to reach them 48 hours before the AGM, that is by Tuesday, 22 November 2022 at 08:30 (SA time). Documentary evidence establishing the authority of a person signing the proxy form in a representative capacity must be attached to the proxy form prior to the proxy exercising a shareholder’s right at the meeting, unless previously recorded or waived by the chairman of the AGM.
9. The proxy form must be dated and signed. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this proxy form must be initialled by the signatory/ies.
10. The proxy appointment in terms of the proxy form shall remain valid only until the end of the AGM to be held on Thursday, 24 November 2022 or at any adjournment thereof.

Administration

DIRECTORS
PC Baloyi (Chair), HP Meyer (Group Chief Executive), JC Cilliers (Marais) (Deputy Chief Executive), RS Ketola (Group Finance Director), LM Chiume, P Cooper, 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

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

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

SPONSOR – SOUTH AFRICA:
Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

SENS ISSUE
14 September 2022

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

LEI
378900E0A78B7549C212

COMPANY CODE
MMIG