



Short-form SENS Announcement

For the year ended 30 June 2025

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

MOMENTUM METROPOLITAN LIFE LIMITED
Incorporated in the Republic of South Africa
Registration number: 1904/002186/06
LEI: 378900E0A78B7549C212
Bond issuer code: MMIG
("Momentum Metropolitan Life")

Annual results for the year ended 30 June 2025, dividend declaration and availability of annual financial statements and integrated report

| | Basic | | | Diluted | | |
|--|-------|-------|--------|---------|--------|--------|
| | F2025 | F2024 | Change | F2025 | F2024 | Change |
| Earnings (R million) | 5 978 | 3 847 | 55% | 5 978 | 3 847 | 55% |
| Headline earnings (R million) | 6 002 | 4 061 | 48% | 6 002 | 4 098 | 46% |
| Normalised headline earnings (NHE, R million) ¹ | | | | 6 260 | 4 438 | 41% |
| Operating profit (R million) ² | | | | 5 481 | 3 608 | 52% |
| Investment return (R million) | | | | 779 | 830 | (6)% |
| Earnings per share (cents) | 445.1 | 282.9 | 57% | 435.4 | 276.0 | 58% |
| Headline earnings per share (cents) | 446.9 | 298.6 | 50% | 437.1 | 291.3 | 50% |
| Normalised headline earnings per share (cents) | | | | 451.0 | 309.7 | 46% |
| Dividend per share (cents) | | | | 175 | 125 | 40% |
| Closing CSM (R million) | | | | 20 435 | 19 398 | 5% |
| New business CSM (R million) | | | | 1 322 | 1 606 | (18)% |
| Present value of new business premiums (PVNBP, R million) | | | | 79 793 | 82 141 | (3)% |
| Value of new business (VNB, R million) | | | | 469 | 589 | (20)% |
| Value of new business margin | | | | 0.6% | 0.7% | |
| Diluted embedded value per share (R) | | | | 42.51 | 36.94 | 15% |
| Return on embedded value per share | | | | 19.1% | 13.3% | |
| Return on equity ³ | | | | 21.2% | 15.5% | |

¹ NHE adjusts the JSE definition of headline earnings for the impact of finance costs related to preference shares that can be converted into ordinary shares of the Group when it is anti-dilutive, the impact of treasury shares held by the iSabelo Trust, the amortisation of intangible assets arising from business combinations and broad-based black economic empowerment ("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 Momentum Group's treasury shares is amortised over a period of 10 years and recognised as a reduction to NHE. NHE is the responsibility of the directors and is presented for additional information purposes only.

² Operating profit represents the profit (net of tax) that is generated from the Group's operational activities and reflects NHE excluding the investment return on shareholders' funds.

³ Return on equity expresses NHE as a percentage of start-of-year net asset value. In this calculation, net asset value is adjusted for the items outlined in footnote 1, consistent with NHE.

Momentum Group delivers record earnings

Strength of our businesses drives growth

Introduction

Momentum Group delivered a remarkable set of results for the year ended 30 June 2025 (F2025 or the year), reflecting the strength of the Group's diversified portfolio and disciplined execution of the Impact strategy. Solid operational performance across business units underpinned these results, with notable contributions emanating from annuity profits in Momentum Investments, improved new business profitability in Metropolitan Life, higher earnings from the group risk business in Momentum Corporate, a significantly improved underwriting result in Momentum Insure and strong underwriting performance in Guardrisk. Earnings were further supported by positive actuarial assumption changes, and investment market returns.

The Group's solvency position, liquidity resilience and level of cash earnings remain strong relative to internal target levels.

Group financial performance

Momentum Group achieved normalised headline earnings (NHE) growth of 41% to R6 260 million for the year. NHE per share increased by 46% from 309.7 cents to 451.0 cents, reflecting the impact of the share buyback programme. Headline earnings per share improved by 50% from 298.6 cents to 446.9 cents and earnings per share increased by 57% from 282.9 cents to 445.1 cents.

Operating profit increased by 52% from R3 608 million to R5 481 million. This excellent performance was built on the higher contractual service margin (CSM) release across the life businesses, supported by a larger CSM balance compared to the prior year, which illustrates the underlying growth in our core life insurance operations. Momentum Retail benefited from higher mortality experience variance in the protection and traditional business, while Metropolitan Life saw improved new business profitability and persistency experience variances. Momentum Corporate continued to deliver strong results aided by positive mortality and morbidity trends. Momentum Insure delivered a notable improvement in underwriting results, while Guardrisk achieved steady growth in underwriting profit and fee income. The Group's results were further aided by positive investment market returns and higher market variances following favourable yield curve shifts over the year. The decline in Africa's operating profit followed lower market variances, higher new business strain and an increase in support costs. The operating loss in India narrowed, supported by strong gross written premium (GWP) growth, a reduction in the loss component and an improved combined ratio.

Net asset value

| R million | F2025 | Restated ⁴ F2024 | Change |
|---------------------|---------------|--------------------------------|------------|
| Total assets | 802 823 | 706 575 | 14% |
| Total liabilities | (769 869) | (676 518) | 14% |
| Total equity | 32 954 | 30 057 | 10% |

⁴ Refer to the Annual Financial Statements for more information on the restatements.

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

| R million | F2025 | | | F2024 | | | Change | | |
|---|-------------------------|-------------------|------------------------------|-------------------------|-------------------|------------------------------|------------------|-------------------|------------------------------|
| | Operating profit/(loss) | Investment return | Normalised headline earnings | Operating profit/(loss) | Investment return | Normalised headline earnings | Operating profit | Investment return | Normalised headline earnings |
| Momentum Retail | 1 192 | 164 | 1 356 | 907 | 202 | 1 109 | 31% | (19)% | 22% |
| Momentum Investments | 897 | 66 | 963 | 450 | 83 | 533 | 99% | (20)% | 81% |
| Metropolitan Life | 760 | 108 | 868 | 476 | 119 | 595 | 60% | (9)% | 46% |
| Momentum Corporate | 1 449 | 169 | 1 618 | 996 | 186 | 1 182 | 45% | (9)% | 37% |
| Momentum Health | 295 | - | 295 | 255 | - | 255 | 16% | - | 16% |
| Guardrisk | 797 | (22) | 775 | 668 | (15) | 653 | 19% | (47)% | 19% |
| Momentum Insure | 291 | 147 | 438 | 59 | 133 | 192 | >100% | 11% | >100% |
| Momentum Africa | (89) | 377 | 288 | (27) | 403 | 376 | <(100)% | (6)% | (23)% |
| India | (69) | 2 | (67) | (275) | 1 | (274) | 75% | 100% | 76% |
| Normalised headline earnings from operating business units | 5 523 | 1 011 | 6 534 | 3 509 | 1 112 | 4 621 | 57% | (9)% | 41% |
| Shareholders segment | (42) | (232) | (274) | 99 | (282) | (183) | <(100)% | 18% | (50)% |
| Normalised headline earnings | 5 481 | 779 | 6 260 | 3 608 | 830 | 4 438 | 52% | (6)% | 41% |

Group new business performance

| Key metrics | F2025 | F2024 | Change |
|--------------------------------|--------|--------|--------|
| Recurring premiums (R million) | 4 190 | 4 150 | 1% |
| Single premiums (R million) | 60 139 | 62 865 | (4)% |
| PVNB (R million) | 79 793 | 82 141 | (3)% |
| VNB (R million) | 469 | 589 | (20)% |
| New business margin | 0.6 | 0.7 | |

The Group's new business sales, as measured by the present value of new business premiums (PVNB), decreased by 3% to R79.8 billion. Momentum Retail delivered growth in long-term savings new business volumes, outpacing the more modest growth in protection new business volumes. Momentum Investments delivered strong growth on the Momentum Wealth platform, partially offset by decreased life annuity sales. Metropolitan Life's PVNB decreased following lower protection and life annuity new business volumes. This decline should be seen against the backdrop of the business's stringent focus on the quality of new business. Momentum Corporate's PVNB declined due to lower structured investment flows and a reduction in protection new business volumes. Africa delivered strong new business volumes following increased corporate protection new business volumes in Lesotho and Namibia, along with increased retail new business volumes in Namibia and Botswana.

The Group's VNB declined from R589 million to R469 million, highlighting the need for enhanced focus on improving VNB. This decline was largely impacted by lower life annuity new business volumes in Momentum Investments and a shift in Momentum Corporate's new business mix away from the more profitable FundsAtWork business. These pressures were partially offset by improved VNB contributions from Momentum Retail, Metropolitan Life, and Africa. Overall, the Group's new business margin declined to 0.6%.

Contractual service margin

Under IFRS 17, the CSM is a component of the insurance liability that represents the present value of expected future earnings on a large subset of the in-force insurance business. CSM has become an important metric for assessing the future earnings prospects of an insurance entity. The CSM increased by 5% to R20.4 billion, with new business contributing R1.3 billion, expected growth adding R2.0 billion, and changes in estimates contributing R0.5 billion to the opening balance. These positive factors were offset by R2.9 billion released from the CSM into current earnings.

Return on equity and embedded value

Return on equity (ROE) increased to 21.2%, up from 15.5% in the prior year, reflecting the higher NHE reported for the year. The Group's embedded value per share was R42.51 as of 30 June 2025, with a return on embedded value per share of 19.1% for the year.

Solvency

The solvency positions of most of the Group's regulated insurance entities remain close to the upper end of their specified target solvency ranges. For Momentum Metropolitan Life, the Group's main life insurance entity, the solvency cover (pre-foreseeable dividend) decreased from 2.10 times the solvency capital requirement (SCR) on 30 June 2024 to 1.96 times SCR on 30 June 2025, towards the upper end of the target range of 1.6 to 2.0 times SCR. Momentum Group Limited's solvency cover (pre-foreseeable dividend) decreased from 1.65 times SCR on 30 June 2024 to 1.58 times SCR on 30 June 2025 and remains within the target range of 1.35 to 1.65 times SCR.

Share buyback programme

Given our strong capital and liquidity position and in accordance with our Capital Management Framework, the Board has approved a further R1 billion for the buyback programme of the Group's ordinary shares (subject to Prudential Authority approval). This decision is underpinned by the prevailing discount to embedded value.

By 12 September 2025, the Group had completed share buyback programmes totalling R2 billion. This includes the R1 billion share buyback communicated at the F2024 annual results announcement and the R1 billion share buyback announced at the interim results. Under the second programme, the Group repurchased 29.1 million shares at an average price of R34.42 per share for a total consideration of R1 billion including costs. This represents an average discount of 19% to the embedded value of R42.51 per share on 30 June 2025.

Dividends

The Board has approved an updated dividend policy that targets an ordinary dividend payout range of 40% to 60% of NHE. The previous dividend policy targeted an ordinary dividend payout range of 33% to 50% of NHE. This revised policy underscores the Group's strengthened cash generation and robust financial position. It reflects our commitment to maintaining a sustainable and predictable ordinary dividend while preserving flexibility to distribute surplus capital through share buybacks or special dividends. The Momentum Group has declared a final dividend of 90 cents per ordinary share, bringing the total dividend for the financial year to 175 cents per ordinary share. The F2025 final dividend represents a payout ratio of 44% of NHE for the second half, towards the lower end of the Group's revised dividend payout range.

The final dividend is payable from income reserves to all holders of ordinary shares recorded in the Company's register on the record date. The final 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 72 cents per ordinary share for those shareholders who are not exempt from paying dividend tax. The number of ordinary shares at the declaration date was 1 362 044 968.

The income tax number of the Momentum Group is 975 2050 147.

| | |
|---------------------------------|------------------------------|
| Publication of declaration date | Wednesday, 17 September 2025 |
| Last date to trade cum-dividend | Tuesday, 7 October 2025 |
| Trading ex-dividend | Wednesday, 8 October 2025 |
| Record date | Friday, 10 October 2025 |
| Payment date | Monday, 13 October 2025 |

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 October 2025 and Friday, 10 October 2025, both days inclusive.

Outlook

Globally, we remain mindful of elevated uncertainty, fiscal pressures and market volatility. In South Africa, economic growth remains subdued. Although inflation has moderated and interest rates have started to decline, the high cost of living is expected to continue affecting new business volumes which place pressure on margins. The combination of lower inflation, easing interest rates and improved energy availability could gradually restore consumer confidence, support employment and boost disposable income.

We are encouraged by the excellent earnings delivered by Momentum Group, underpinned by the strong operational performance of our empowered, accountable business units. While pleased with the earnings performance, we recognise the importance of sustaining this momentum and have enhanced our focus on improving VNB and driving sales volume growth of profitable products.

Our Impact strategy positions us well to achieve this. Advice continues to differentiate us in the market, enabling us to deepen client relationships and strengthen our financial adviser channels. By leveraging technology to

enhance the client experience and empower our advisers, we ensure that our solutions remain relevant, accessible, and tailored to evolving client needs, while being delivered with a human touch.

We continue our focus on delivering on the Impact strategy and believe that the financial ambitions for F2027 (NHE of R7 billion, ROE of 20% and VNB margin of 1% to 2%) are achievable.

Results announcement statement

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

Our outlook is based on several assumptions including continued recovery in consumer confidence and disposable income due to easing inflation and interest rates, experience aligned to recent trends, successful execution of strategic initiatives under the Impact strategy and no material adverse changes to regulation, tax or macroeconomic conditions. These ambitions were initially published on 23 July 2024 and should be read in conjunction with the Group's previously published results, specifically NHE (income statement), shareholders' equity (statement of financial position) and VNB (EV statement) in the Annual Financial Statements (AFS) toward our F2027 ambitions.

The AFS for the year ended 30 June 2025 are accessible from Wednesday, 17 September 2025 and can be found on the Group's website at: <https://www.momentumgroupltd.co.za/investor-relations/reporting-centre/annual-results> and via the JSE cloudlink at: <https://senspdf.jse.co.za/documents/2025/jse/isse/MTME/FY25Result.pdf>

Any investment decisions should be based on the AFS as the information in this results announcement does not provide all the details.

The AFS have been audited by the Group's auditors, Ernst & Young Inc. and PricewaterhouseCoopers Inc., and their unqualified audit report is available for inspection at the registered offices of the Momentum Group together with the AFS identified in the audit opinion.

In addition, shareholders are advised that a combined pack including the operating update, summarised financial statements and the results presentation is accessible from Wednesday, 17 September 2025, via the Group's website at <https://www.momentumgroupltd.co.za/investor-relations/reporting-centre/annual-results>.

Availability of integrated report

While the AFS are available as indicated above, shareholders are advised that the 2025 Integrated Report, will be available on the Group's website at <https://www.momentumgroupltd.co.za/investor-relations/reporting-centre> on Wednesday, 17 September 2025.

SENS issue: 17 September 2025

Equity sponsor

Tamela Holdings (Pty) Limited

Sponsor in Namibia

Simonis Storm Securities (Pty) Limited

Debt sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited