momentum
group

Short-form SENS Announcement

momentum METROPOLITAN GUARDRISK

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")

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 2026, dividend declaration and availability of annual financial statements

	Basic			Diluted		
	F2026	**F2025**	**Change**	**F2026**	**F2025**	**Change**
Earnings (R million)	**6 643**	5 978	11%	**6 643**	5 978	11%
Headline earnings (R million)	**6 804**	6 002	13%	**6 804**	6 002	13%
Normalised headline earnings (NHE, R million)[1]				**7 060**	6 260	13%
Operating profit (R million)[2]				**5 971**	5 481	9%
Investment return (R million)				**1 089**	779	40%
Earnings per share (cents)	**516.2**	445.1	16%	**499.5**	435.4	15%
Headline earnings per share (cents)	**528.7**	446.9	18%	**511.6**	437.1	17%
NHE per share (cents)[1]				**530.0**	451.0	18%
Dividend per share (cents)				**230**	175	31%
Closing composite margin (R million)[3]				**25 680**	24 414	5%
Present value of new business premiums (PVNBP, R million)				**93 800**	79 793	18%
Value of new business (VNB, R million)				**491**	469	5%
Value of new business margin				**0.5%**	0.6%	
Diluted embedded value per share (Rand)				**50.60**	42.51	19%
Return on embedded value per share				**23.7%**	19.1%	
Return on equity (ROE)[4]				**21.7%**	21.2%	

1 NHE adjusts the JSE Limited definition of headline earnings for the impact of treasury shares held by the iSabelo Trust and the amortisation of intangible assets arising from business combinations. 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 to the Group, and the discount at which the iSabelo Trust acquired the Momentum Group Limited'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 of the Group and is presented for additional information purposes only.

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

3 The composite margin is the sum of the contractual service margin (CSM) and risk adjustment (RA) and is a measure of the total expected profit to be released as insurance revenue in future from existing policies covered under the IFRS 17 accounting standard.

4 Return on equity expresses NHE as a percentage of start-of-year net asset value (NAV). In this calculation, NAV is adjusted for the items outlined in footnote 1 to create consistency in the measurement.

Momentum Group delivers R7 billion in earnings – a year ahead of target

Introduction

Momentum Group has delivered a record set of results. Most pleasing is the fact that normalised headline earnings (NHE) have exceeded the R7 billion Impact strategy ambition one year earlier than originally envisioned. These results were underpinned by stronger operational performance across most business units, five of which have now achieved NHE of more than R1 billion for the year.

Despite the shift in long-term yields following the South African Reserve Bank's decision to lower the inflation target, the Group's solvency position and liquidity resilience remain strong relative to our internal targets, supported by ongoing capital optimisation initiatives. Higher underlying earnings and a lower discount rate lifted embedded value per share to R50.60, up from R42.51, with particularly strong contributions from our non-life businesses.

Group financial performance

Momentum Group continues to deliver strong earnings results, reporting NHE of R7 060 million for the financial year ended 30 June 2026, up 13% compared to the prior year (F2025). NHE per share increased by 18% from 451.0 cents to 530.0 cents, headline earnings per share improved by 18% from 446.9 cents to 528.7 cents, and earnings per share increased by 16% from 445.1 cents to 516.2 cents. All financial per share metrics further benefited from the buyback programme completed during the year.

Operating profit increased by 9% from R5 481 million to R5 971 million. Life insurance earnings were positively impacted by improved persistency and alterations experience in Momentum Retail, fewer onerous contracts and strong annuity profits in Momentum Investments, positive mortality and expense experience and fewer onerous contracts in Metropolitan Life, strong underwriting results from Momentum Corporate, and improved operating profit in Momentum Africa. Earnings in asset management activities benefited from favourable equity market conditions that bolstered asset-based fee income. Non-life earnings were assisted by strong underwriting performance in Guardrisk, improved underwriting results in Momentum Insure and favourable claims experience on capitation contracts in Momentum Health. Our health insurance business in India contributed positively to earnings, achieving positive annual IFRS 17 earnings for the first time. Negative market impacts on the protection business, due to the downward pivot in long-term yields and increased reinsurance rates resulting in assumption changes, detracted from Momentum Retail's NHE.

The following table outlines the movement in the total assets and liabilities during the financial year:

Net asset value

R million	F2026	F2025 Restated[1]	Change
Total assets	**917 887**	802 342	14%
Total liabilities	**(882 969)**	(769 388)	15%
Total equity	**34 918**	32 954	6%

[1] The F2025 total assets and total liabilities have been restated as a result of reclassification and remeasurement of certain assets and liabilities, with no impact on Group earnings, equity or cash flows. Refer to note 1 in the Annual Financial Statements for more information.

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

	F2026			F2025 Restated			Change		
R million	Operating profit	Investment return	Normalised headline earnings	Operating profit/ (loss)	Investment return	Normalised headline earnings	Operating profit	Investment return	Normalised headline earnings
Momentum Retail	**712**	**295**	**1 007**	1 192	164	1 356	(40)%	80%	(26)%
Momentum Investments	**1 106**	**84**	**1 190**	897	66	963	23%	27%	24%
Metropolitan Life	**1 034**	**114**	**1 148**	760	108	868	36%	6%	32%
Momentum Corporate	**1 175**	**242**	**1 417**	1 449	169	1 618	(19)%	43%	(12)%
Momentum Africa	**29**	**358**	**387**	(129)	345	216	>100%	4%	79%
Guardrisk	**1 048**	**(8)**	**1 040**	820	3	823	28%	<(100)%	26%
Momentum Insure	**336**	**138**	**474**	291	147	438	15%	(6)%	8%
Momentum Health	**355**	**12**	**367**	312	7	319	14%	71%	15%
India	**20**	**2**	**22**	(69)	2	(67)	>100%	0%	>100%
Normalised headline earnings from operating business units	**5 815**	**1 237**	**7 052**	5 523	1 011	6 534	5%	22%	8%
Shareholders segment	**156**	**(148)**	**8**	(42)	(232)	(274)	>100%	36%	>100%
Normalised headline earnings	**5 971**	**1 089**	**7 060**	5 481	779	6 260	9%	40%	13%

Operating model change

Throughout this announcement, segmental reporting for F2025 has been restated to align with the operating model changes to aid comparison. The short-term insurance business that was previously reported within the Momentum Africa is now reported within Guardrisk, while the health insurance businesses previously reported within Momentum Africa, except for the Namibia health administration business, are now reported within Momentum Health.

Group new business performance

The Group's new business sales as measured by PVNBP improved by 18% to R93.8 billion. Momentum Retail delivered strong growth in long-term savings new business volumes. Momentum Investments achieved good growth on the Wealth platform, partially offset by lower guaranteed annuity sales. Momentum Corporate delivered new business growth driven by large single premium structured investment, living annuity and FundsAtWork deals. Momentum Africa achieved strong new business volumes following increased corporate protection new business volumes in Lesotho, Namibia and Botswana, along with increased retail new business volumes in Namibia. Metropolitan Life's PVNBP decreased following the business's stringent focus on the quality of new business and salesforce management.

The Group's VNB increased from R469 million to R491 million, with all business units contributing positively except Momentum Investments, which was largely impacted by lower guaranteed annuity new business volumes. Overall, the Group's new business margin declined to 0.5%.

Composite margin

The composite margin represents the total expected profit embedded in our existing book that we have not yet recognised. It has two parts: the contractual service margin (CSM), which is our stored future service profit that we release as we provide cover; and the risk adjustment (RA), which is the buffer we hold for bearing uncertainty and which unwinds into profit as that uncertainty is resolved. Together, the CSM and RA provide a forward-looking indicator of earnings that the in-force business will generate. The composite margin grew by 5% to R25.7 billion over the year, supported by a R1.1 billion addition from new business. The expected growth contributed R2.4 billion and changes in estimates added R1.3 billion. The composite margin release to earnings was R3.6 billion for the year.

Return on equity and embedded value

The strong earnings drove a favourable ROE of 21.7%. The Group's embedded value per share was R50.60 as of 30 June 2026, with a return on embedded value per share of 24% for the year.

Solvency

The solvency positions of the Group's regulated insurance entities remain within the specified target solvency ranges. For Momentum Metropolitan Life, the Group's main life insurance entity, the solvency cover (pre-foreseeable dividend) decreased marginally from 1.96 times the solvency capital requirement (SCR) on 30 June 2025 to 1.92 times SCR on 30 June 2026.

Momentum Group's solvency cover (pre-foreseeable dividend) decreased from 1.58 times SCR on 30 June 2025 to 1.50 times SCR on 30 June 2026 and remains comfortably within the target range of 1.35 to 1.65 times SCR. The increase in capital requirements from the lower-yield environment emerging in South Africa was largely mitigated by the successful implementation of several capital optimising initiatives over the year.

Share buyback programme

By 8 April 2026, the Group had completed its planned R1 billion share buyback programme announced at the previous year's results. The Group repurchased 27.4 million shares at an average price of R36.45 per share for a total consideration of R1 billion including costs. This represents an average discount of 28% to the embedded value of R50.60 per share on 30 June 2026, creating R388 million increase in value for remaining shareholders. This programme brought total shares bought in the financial year to 45 million at a total cost of R1.6 billion.

Dividends

The Momentum Group has declared a final dividend of 120 cents per ordinary share, bringing the total dividend for the financial year to 230 cents per ordinary share (up 31% on the prior year). The total dividend for F2026 represents a payout ratio of 43% of NHE per share for the financial year, which is within the Group's revised dividend payout range of 40% to 60% of NHE.

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 96 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 1 315 589 862.

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

Publication of declaration date	Thursday, 17 September 2026
Last date to trade cum dividend	Tuesday, 06 October 2026
Trading ex-dividend	Wednesday, 07 October 2026
Record date	Friday, 09 October 2026
Payment date	Monday, 12 October 2026

Share certificates may not be dematerialised or rematerialised between Wednesday, 7 October 2026 and Friday, 9 October 2026, both days inclusive.

Outlook

The operating environment remains challenging on several fronts. Geopolitical tensions in the Middle East and persistent market volatility continue to weigh on the global outlook, unsettling investment markets and adding pressure to supply chain costs. Closer to home, South Africa's economy is growing only modestly, and affordability remains a real constraint for consumers. Although inflation has cooled and interest rates have started to decline, households are still absorbing the effects of several years of high living costs, particularly transport, electricity and other essential expenses. We expect this to keep shaping, the financial choices people make and the demand for our financial products and services.

We are encouraged by the excellent earnings delivered by Momentum Group. It reflects the strength and discipline of our business units, each of them empowered and accountable for their results. We are proud of what they have delivered and the future base being built, but we are equally aware that sustaining this trajectory means sharpening our focus on VNB and growing sales volumes and market share in profitable products.

We intend to deepen our use of AI and automation to help improve accuracy, strengthen decision-making and unlock capacity for higher-value work, while continuing to invest in digital skills, tools and modern ways of working to enhance employee agility, responsiveness and delivery speeds.

Our Impact strategy positions us well to achieve our ambitions. Advice remains our key differentiator, allowing us to build deeper client relationships and strengthen the adviser channels that serve them.

Results announcement statement

This announcement is the responsibility of the directors and has been prepared in compliance with the JSE Limited Listings Requirements.

The information in this announcement, including the financial information on which the outlook is based and any non-IFRS financial measures (which are prepared for illustrative purposes only and which, because of their nature, may not fairly present Momentum Group's financial position, changes in equity, results of operations or cash flow) is the responsibility of the directors and has not been reviewed and reported on by Momentum Group's external auditors.

This 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.

The Impact strategy 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.

The Annual Financial Statements for the year ended 30 June 2026, on which the joint auditors, Ernst & Young Inc. and PricewaterhouseCoopers Inc., issued an unmodified audit report, are available from Thursday, 17 September 2026, 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/2026/jse/isse/MTME/FY26Result.pdf

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

In addition, shareholders are advised that a combined pack including the operating update, summarised financial statements and the results presentation is available from Thursday, 17 September 2026, on the Group's website at: https://www.momentumgroupltd.co.za/investor-relations/reporting-centre/annual-results. The Integrated Report will be available from 23 September 2026.

SENS issue: 17 September 2026

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