

Momentum Metropolitan Life

Annual Financial Statements

for the year ended 30 June 2026



MOMENTUM METROPOLITAN LIFE LTD

Group Annual Financial Statements 2026

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SHAREHOLDER DIARY AND ADMINISTRATION

The preparation of the Group's audited consolidated results was supervised by the Group Finance Director, Risto Ketola (FIA, FASSA, CFA).

DIRECTORS' RESPONSIBILITY AND APPROVAL

Responsibility for financial statements

The Board of directors (Board) takes responsibility for overseeing that these financial statements accurately and fairly represent the state of affairs of Momentum Metropolitan Life Ltd (MML or the Company) and its subsidiaries (collectively Momentum Metropolitan Life Group or the Group) at the end of the financial year and the profits and losses for the year. The Board is also responsible for the accuracy and consistency of other information included in the financial statements.

To enable the Board to meet these responsibilities:

- The Group and Company financial statements are prepared by management. Opinions are obtained from the external auditors of the companies in the Group and also from the Heads of Actuarial Function (HAFs) of the insurance companies (life and non-life) regarding the statutory solvency of those entities.
- The Board is advised by the Audit Committee, comprising independent non-executive directors, and the Actuarial Committee. These committees meet regularly with the auditors, the Group HAF and the management of the Group to ensure that adequate internal controls are maintained, and that the financial information complies with IFRS® Accounting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB) and advisory practice notes issued by the Actuarial Society of South Africa (ASSA). The internal auditors, external auditors and the HAFs of the companies have unrestricted access to these committees or similar committees applicable at subsidiary level.

The Board is comfortable that the internal financial controls are effective and adequate to support the integrity of the preparation and presentation of the Annual Financial Statements (AFS).

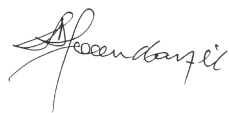
The financial statements have been prepared in accordance with the provisions of the South African Companies Act, 71 of 2008, as amended (Companies Act), the Long-term Insurance Act, 52 of 1998, the Short-term Insurance Act, 53 of 1998, and the Insurance Act, 18 of 2017, and in compliance with IFRS Accounting Standards as issued by the IASB including the IFRIC® interpretations (IFRIC interpretations) and guidelines issued by ASSA.

The Board is satisfied that the Group is a going concern and remains so for the foreseeable future, based on cash forecasts, liquidity, solvency and capital assessments.

It is the responsibility of the independent auditors to report on the fair presentation financial statements. In order to do so, they were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the Board of directors and committees of the Board. The independent auditor's report is presented on page 3.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements, presented on pages 17 to 260, were approved by the Board of directors on 15 September 2026 and are signed on its behalf by:



Tyrone Soondarjee
Group Chair

Centurion, 15 September 2026



Jeanette Marais (Cilliers)
Group Chief Executive Officer

Centurion, 15 September 2026

CEO AND FINANCIAL DIRECTOR CONFIRMATION OF FINANCIAL CONTROLS

Each of the directors, whose names are stated below, hereby confirms that:

- a) the AFS set out on pages 17 to 260, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards as issued by the IASB;
- b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the Annual Financial Statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries has been provided to effectively prepare the financial statements of the issuer;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the Annual Financial Statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- f) we are not aware of any fraud involving directors.



Jeanette Marais (Cilliers)
Group Chief Executive Officer

Centurion, 15 September 2026



Risto Ketola
Group Finance Director

Centurion, 15 September 2026

CERTIFICATE BY THE GROUP COMPANY SECRETARY

In accordance with the provisions of section 88(2)(e) of the South African Companies Act, 71 of 2008, as amended (Companies Act), I certify that for the year ended 30 June 2026 the companies have lodged with the registrar of companies all such returns as are required of a company in terms of the Companies Act, and that all such returns are true, correct and up to date.



Gcobisa Tyusha
Group Company Secretary

Centurion, 15 September 2026

INDEPENDENT AUDITORS' REPORT

To the shareholders of Momentum Metropolitan Life Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

We have audited the consolidated and separate financial statements of Momentum Metropolitan Life Limited and its subsidiaries (the Group and Company) set out on pages 17 to 254 which comprise:

- the consolidated and separate statements of financial position as at 30 June 2026;
- the consolidated and separate income statements for the year then ended;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Momentum Metropolitan Life Limited and its subsidiaries as at 30 June 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated and separate financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Reporting in terms of the IRBA Rule on Enhanced Auditor Reporting

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

The amount we set as final materiality represents a quantitative threshold used to evaluate the effects of misstatements to the consolidated and separate financial statements as a whole based on our professional judgement. Qualitative factors are also considered in making final determinations regarding what is material to the consolidated and separate financial statements.

	Consolidated financial statements	Separate financial statements
Final materiality	R398.0 million	R378.6 million
How we determined it	5% of consolidated profit before tax	5% of profit before tax
Rationale for the materiality benchmark applied	We identified consolidated profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most likely to be measured by users when evaluating a profit-oriented entity and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies and is further based on our professional judgement after consideration of qualitative factors that impact the Group.	We identified profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most likely to be measured by users when evaluating a profit-oriented entity and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies and is further based on our professional judgement after consideration of qualitative factors that impact the Company.

INDEPENDENT AUDITORS' REPORT CONTINUED

To the shareholders of Momentum Metropolitan Life Limited

Group and Company audit scope

We tailored the scope of our audit in order to obtain sufficient appropriate audit evidence to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group and Company, the accounting processes and controls, and the industry in which the Group and Company operate.

We considered the Group's and Company's organisational, legal, consolidation structures and their financial reporting processes when identifying components for purposes of planning and performing audit procedures. For purposes of our Group and Company audit scope, we considered a component to be a single reporting unit being consolidated.

In establishing the Group and Company audit scope, based on our risk assessment we determined the type of work that needed to be undertaken on the financial information of the components. In selecting components, we performed risk assessment procedures across the Group and Company and their components to identify risks of material misstatement. We then identified how the nature and size of the account balances at the components contributed to those risks and determined which account balances required an audit response.

We have identified 8 components for the Company and 20 components for the Group at which we determined that further audit procedures were required.

Of the 8 components we have identified for the Company all 8 components were subject to a full scope audit on the entire financial information of the component.

Of the 20 components we have identified for the Group:

- 8 components were subject to a full scope audit on the entire financial information of the component; and
- 12 components were subject to an audit of one or more account balances within the component financial information.

For components out of scope, we performed risk assessment analytical procedures to confirm our risk assessment and, where appropriate, tested common controls implemented over components. In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements.

We determined the type of work that was needed to be performed by us, as the joint auditors of the Group, or component auditors from other network firms of the joint Group auditors or other firms operating under our instructions. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

In addition, the group audit team led specific audit procedures over certain central functions, the consolidation and certain specific account balances managed and accounted for centrally.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

Key Audit Matter	How our audit addressed the key audit matter
1. Valuation of insurance and reinsurance contract assets and liabilities	
Refer to the following accounting policies and notes to the consolidated and separate financial statements for the disclosures as it relates to this key audit matter: • Note 9 (Insurance Contracts) • Note 10 (Reinsurance Contracts) • Note 12 (Contract holder liabilities – Judgements, assumptions and Estimates) • Note 45.10 (Material group accounting policies – Insurance and Investment contracts) The Group and Company held insurance and reinsurance contract assets and liabilities due to their insurance operations during the year ended 30 June 2026. These contracts are recognised and measured in accordance with IFRS Accounting Standard 17: Insurance Contracts (IFRS 17). The following net liabilities and assets have been recognised as at 30 June 2026 in this regard: • Consolidated and separate net insurance liabilities: R176.4 billion (refer to note 9) • Consolidated and separate net reinsurance assets: R73 billion (refer to note 10) Management exercises professional judgement and utilises assumptions and estimates to measure its insurance and reinsurance contracts issued or held, which comprise a diverse portfolio of contracts including long-term and short-term products. These judgements are made in the context of the measurement methods applied in the context of IFRS 17, which include the General Measurement Model (GMM), the Variable Fee Approach (VFA) and the Premium Allocation Approach (PAA). The Present Value of Future Cash Flows (PVFCs) reflects management's best estimate of future net cash flows from insurance and reinsurance contracts, based on policy data and various financial and non-financial assumptions. The following assumptions are considered key in the valuation of the PVFCs of insurance and reinsurance contract assets and liabilities: • Mortality and morbidity assumptions; • Persistency assumptions (including lapse, surrender and alteration rates); • Directly attributable expenses (expense assumptions); and • Economic assumptions (including risk free, inflation curves and illiquidity premiums). Management applies complex models and methodologies in their measurement of the insurance and reinsurance contract assets and liabilities, which may materially impact the valuation thereof. We considered the valuation of insurance and reinsurance contract assets and liabilities to be a matter of most significance to our current year audit of the consolidated and separate financial statements due to: • The significant judgements and high degree of estimation uncertainty inherent in the valuation of the insurance and reinsurance contract assets and liabilities; • The complexity of the actuarial models and methodologies applied which increase the risk inherent in the valuations; and • The significance of insurance and reinsurance contract assets and liabilities to the consolidated and separate financial statements.	Using our actuarial expertise where applicable, we performed the following procedures with respect to this key audit matter: • Evaluated the models and methodology applied, considering whether they were appropriate based on our knowledge of the Group and Company, industry standards, regulatory requirements, and the requirements of IFRS 17. • Obtained an understanding of management's process for developing the core actuarial models and tested the design and implementation of key controls within the process. • For material components of liabilities modelled outside the core actuarial system, we evaluated the reasonability with reference to the applicable principles in IFRS 17. For material portfolios measured using the GMM and VFA approaches we considered the assumptions as follows: • Evaluated the mortality, morbidity and persistency assumptions through reviewing management's experience analysis, and testing the inputs into the experience analyses, to evaluate whether the assumptions were a reasonable output thereof. • Assessed the appropriateness of economic assumptions by comparing them to observable market variables, including discount rates (current and locked-in) and illiquidity premiums. • Assessed the expense assumptions adopted by management with reference to the Group's and Company's underlying expense bases. In doing so, we also considered the relevant functional cost analyses, and the split of attributable and non-attributable expenses for consistency with the applicable requirements of IFRS 17. • Reviewed the results of model reviews carried out as part of management's independent rolling model validation programme to ensure that models are fit for purpose and align with the requirements of IFRS 17. • Identified model changes made during the year, and evaluated the material methodology, inputs and assumption changes against supporting data and the requirements of IFRS 17. We further validated the impact of material model changes implemented during the year by setting an expectation for the impact of the change and comparing it to the actual impact. • Evaluated the build-up and changes in the different liability components (Best Estimate Liability (BEL), Risk Adjustment (RA) and Contractual Service Margin (CSM)), against our understanding of the business, prior year information alongside expected current year changes, and consistency with valuation basis changes. • Independently tested the CSM, Loss Component (LC) and Loss Recovery Component (LoRC) roll-forwards disclosed in the financial statements using the audited underlying BEL and RA build-up inputs and compared the results to management's calculations. For material portfolios measured using the PAA we: • Performed independent testing for various components of the liability for incurred claims and liability for remaining coverage. Outcome: In performing the procedures above, we determined a range of possible values for the assets and liabilities, and compared them to management's amounts, noting no material differences.

INDEPENDENT AUDITORS' REPORT CONTINUED

To the shareholders of Momentum Metropolitan Life Limited

Key Audit Matter	How our audit addressed the key audit matter
2. Valuation of level 3 assets Refer to the following accounting policies and notes to the consolidated and separate financial statements for the disclosures as it relates to this key audit matter: • Note 3.1 (Owner-occupied properties) • Note 4 (Investment properties) • Note 6.1 (Financial assets at fair value through profit and loss) • Note 6.6 (Financial assets fair value hierarchy) • Note 43 (Valuation techniques) • Note 45.5 (Material Group accounting policies - Owner-occupied properties) • Note 45.6 (Material Group accounting policies - Investment properties) • Note 45.7 (Material Group accounting policies - Financial assets) The Group and Company recognised certain assets within the asset categories below that are classified as level 3 in terms of IFRS Accounting Standard 13: Fair value measurements (IFRS 13), implying that their value is determined using unobservable inputs. The following level 3 assets have been recognised as at 30 June 2026 in this regard and are included in the scope of this key audit matter: • Owner occupied properties (refer to note 3.1): – Consolidated: R1.5 billion • Investment properties (refer to note 4): – Consolidated: R9.5 billion – Separate: R4.0 billion • Financial assets (refer to note 6.6): – Consolidated: R3.9 billion – Separate: R5.3 billion Management exercises professional judgment and utilises assumptions and estimates to value these assets, as further explained below: Owner-occupied properties and investment properties These assets are valued using a discounted cash flow (DCF) methodology which discounts the net rental income to the present, using the market rates applicable at reporting date; or income capitalisation approach based on the aggregate contractual or market-related rent receivable less associated costs. The significant assumptions and judgements applied in the DCF models are capitalisation rates, vacancy rates and discount rates.	We performed the following procedures with respect to this key audit matter: Owner-occupied and Investment properties Evaluated the design and implementation of the controls supporting the valuations of investment properties by inspecting the minutes of the Investment Committee meetings, which included the appointment of experienced and qualified management experts and approvals of the valuations by the Investment Committee. Assessed the competence, objectivity and capabilities of the registered professional valuers appointed by management, by confirming their affiliation with applicable professional bodies, and inspecting their valuation reports and comparing their methodology to industry norms. Using our valuations expertise, for a sample of owner-occupied and investment properties, we assessed the reasonableness of the fair values by performing the following procedures: • Reviewed the methodology being used to determine the fair value against industry available information and the applicable IFRS 13 requirements. We compared the methodologies utilised to the prior year and evaluated the reasonability for any significant changes based on our understanding of the nature of the property. • Reviewed the assumptions underlying the calculation of fair value, ensuring that the assumptions reflect market participant assumptions and contractual data where applicable. We also considered whether the cash flows are reasonable with reference to contractual or market-linked cash flows as applicable. • Assessed whether the forecasts used in the valuation are consistent with market expectations and, where available, compared forecasts to up to date budgets and business plans that have been formally approved by management. • Evaluated the reasonability of the capitalisation rate, where applicable, and valuation adjustments, where applicable, taking into consideration relevant industry benchmarks and market data. • Assessed the reasonability of the discount rate, where applicable, against relevant market data, adjusted for property specific circumstances. • Independently recalculated the valuations utilising the inputs and assumptions referred to above, in accordance with the valuation approach, and compared our results with that of management. Outcome: In performing the procedures above, we determined a range of possible values for the applicable assets and compared them to management's valuations, noting no material differences.

Key Audit Matter**How our audit addressed the key audit matter****2. Valuation of level 3 assets continued****Financial assets at fair value through profit or loss**

- Equity securities: Where such assets are valued based on published prices, significant assumptions and judgement are applied with respect to adjustments made to those prices, due to low liquidity or trade inactivity. Where the valuation is based on a net asset value-based valuation model, significant assumptions and judgement are applied with respect to underlying property valuations impacted by capitalisation rates, vacancy rates and potential capitalisation of project costs.
- Debt instruments: Where such assets are valued using a DCF methodology, significant assumptions and judgements are applied with respect to discount rates, volatilities or yield curves. Where the valuation is based on published prices of listed debt instruments, judgement may be applied in adjusting these prices to account for low liquidity or trade inactivity.
- Unit-linked investments: Assets valued based on net asset values (NAVs) or adjusted NAVs are determined by underlying investment valuations impacted by funding rounds, market dynamics, economic conditions and internal business metrics. Management may also apply judgement to determine if adjustment is required to such NAV values, due to significant changes in the above input variables. Assets may also be valued using a market approach such as a DCF or earning multiple methodology. Significant judgement applied in relation to these assets include the valuation multiple, enterprise value, surplus assets, excess liabilities, financial instrument ranking and/or discount rates.

We considered the valuation of the identified level 3 assets to be a matter of most significance to our current year audit of the consolidated and separate financial statements due to:

- The significant judgements and high degree of estimation uncertainty inherent in the valuation of the identified level 3 assets; and
- The extent of effort required in assessing the completeness and accuracy of data and assumptions utilised in the valuation models which increase the risk inherent in the valuations.

Financial assets at fair value through profit or loss

- We obtained an understanding of management's process for determining the fair value of these assets and evaluated the design and implementation of key controls relevant to the valuation of these assets.
- We assessed the appropriateness of the valuation methodologies applied by management against the applicable requirements in IFRS 13.

For both equity securities and debt instruments we performed the following procedures:

- We tested the accuracy of data inputs used in the relevant valuation models by agreeing them on a sample basis to appropriate source documents (such as underlying contracts) or comparing them to available market benchmarks.
- We evaluated and challenged the key assumptions applied in determining fair value by making a comparison to our own understanding of the market, comparable evidence relied upon by management and to industry benchmarks.
- Where applicable, we used our valuation expertise to perform independent valuations on a sample basis, using independently developed models and assumptions.

For unit-linked investments we performed the following procedures:

- We obtained comfort over the units held in the relevant unit-linked investment fund by confirming them directly with external counterparties.
- In order to obtain comfort over the NAV price applied at year-end:
 - We obtained and evaluated the signed financial statements of the unit-linked investment fund and compared the audited NAV to the NAV price applied at year-end.
 - Where the year-end of the unit-linked investment fund was not coterminous, we further compared material NAV price movements to relevant observable market benchmarks for the comparable period.
 - Where recent audited financial statements of the investee entity were not available, we obtained evidence on the NAV by performing appropriate audit procedures on the valuation of the underlying assets held within that investee entity, relative to the asset type.
- We recalculated the fair value of the investment in the unit-linked investment fund by multiplying the units held by the NAV price as at year-end.

Outcome:

In performing the procedures above, we determined an independent valuation for the applicable financial instruments, and compared it to management's valuation, noting no material differences.

INDEPENDENT AUDITORS' REPORT CONTINUED

To the shareholders of Momentum Metropolitan Life Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the documents titled "Momentum Metropolitan Life Annual Financial Statements for the year ended 30 June 2026", which includes the Directors' Report, Report of the Audit Committee, and the Certificate by the Group Company Secretary as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Incorporated and Ernst & Young Incorporated have been the joint auditors of Momentum Metropolitan Life Limited for 2 years, and previous to that Ernst & Young Incorporated was the single auditor of Momentum Metropolitan Life Limited for 5 years (Ernst & Young Incorporated therefore having served 7 years in total).

Signed by:

PricewaterhouseCoopers Inc.

AE099EB252B141A...

PricewaterhouseCoopers Inc.

Director: Dilshad Khalfey

Chartered Accountant (SA)

Registered Auditor

16 September 2026

5 Silo Square
V&A Waterfront
Cape Town
8002
South Africa

Signed by:

Ernst & Young Inc.

7917FFDD8DF44EE...

Ernst & Young Inc.

Director: Christo Du Toit

Chartered Accountant (SA)

Registered Auditor

16 September 2026

3 Dock Road
V&A Waterfront
Cape Town
8001
South Africa

DIRECTORS' REPORT

The Board is pleased to present the audited financial statements of MML and its subsidiaries (collectively Momentum Metropolitan Life Group or the Group) for the year ended 30 June 2026. The Board is comfortable that the Group is in compliance with the South African Companies Act, 71 of 2008, as amended (Companies Act) as well as the Company's Memorandum of Incorporation.

Nature of activities

MML is a South African based financial services company that offers a comprehensive range of products and administration services, including life insurance, employee benefits and health insurance products.

Corporate events

Listed debt

On 12 August 2025, MML redeemed the MMIG04 subordinated debt instrument, with a nominal amount of R270 million, on the first call date. On 19 May 2026, MML listed two subordinated debt instruments, the MML10 floating rate bond and the MML11 fixed rate bond, with a combined value of R1 500 million on the JSE Ltd. The issuance aimed to optimise the Group's capital structure.

Disposals

During the year, the Company disposed of its interests in the Taung Square Mall and MMH Rosslyn subsidiaries, together with certain investment properties, to Momentum RCIS QI Property Hedge Fund and Momentum RCIS QI Multi Sector Property Fund, respectively, in exchange for units in the respective funds. As the Company and the acquiring funds are under the common control of the Group, these transactions are accounted for as common control transactions.

Presentation of financial statements

The statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, as set out in these financial statements, have been prepared in accordance with:

- IFRS Accounting Standards as issued by the IASB.
- IFRIC interpretations by the IFRS Interpretations Committee issued and effective at the time of preparing these statements.
- JSE Debt Listings Requirements.
- Companies Act.
- Financial Pronouncements (as issued by the Financial Reporting Standards Council).
- South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides (as issued by the Accounting Practices Committee).

The accounting policies of the Group have been applied consistently to all years presented, except specific restatements listed in the restatement note of the AFS. The preparation of financial statements in accordance with IFRS Accounting Standards requires the use of certain accounting estimates as well as the exercise of managerial judgement in the application of the Group's accounting policies. Such judgement, assumptions and estimates are disclosed in the Critical judgements and accounting estimates note on page 24 of the AFS, including changes in estimates that are an integral part of the insurance business.

Solvency assessment and going concern

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

MML is a wholly owned subsidiary of Momentum Group Limited (MGL) and is included in MGL's application of the King Code. The Board is satisfied that MML and its subsidiaries have applied the principles and outcomes of effective corporate governance in accordance with the King Report on Corporate Governance™ for South Africa, 2025 (King V)¹, which MGL elected to early adopt, throughout the year under review. Further details are provided in MGL's Integrated Report and King V Application Report available on MGL's website at <https://www.momentumgrouppltd.co.za/investor-relations/reports/integrated-reports>.

¹ Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Board evaluation

The Board has executed its responsibilities under the evaluation policy.

¹ Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

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 has no capital commitments at 30 June 2026 that were not in the ordinary course of business other than what is disclosed in note 31.

Results of operations

The operating results and the financial position of the Group are reflected in the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows, segmental report and the notes thereto.

Earnings attributable to equity holders for the year under review were R5 001 million (2025: R4 879 million). Earnings per share for the year were 2 632 cents per share (2025: 2 568 cents per share). Normalised headline earnings were R5 047 million (2025: earnings of R4 990 million) and normalised headline earnings per share 2 656 cents (2025: 2 626 cents earnings). Refer to note 1 for a reconciliation of earnings to normalised headline earnings.

Normalised headline earnings are reported by segment and disclosed in the segmental report. For the current year and prior year it is as follows:

Analysis of normalised headline earnings	2026 Rm	2025 Rm
Momentum Retail	1 015	1 375
Momentum Investments	1 106	945
Metropolitan Life	1 148	868
Momentum Corporate	1 406	1 614
Momentum Health	53	70
Shareholders	269	38
Other	50	80
Total	5 047	4 990

Subsidiaries and associates

Details of significant subsidiary companies are contained in note 41. Details of associates are contained in note 42.

Share capital

Share issue and repurchase

There were no changes in the authorised or issued share capital of Momentum Metropolitan Life Ltd during the financial year.

Share options

The Group has not issued any options on MML shares. The Group awards units to employees as part of cash-settled share-based schemes. Refer to note 15.2 for more details.

The iSabelo Trust (the Trust) has been set up to hold and administer 3% of total issued MGL shares until such time as the shares are allocated to employees. At commencement of the programme, units in the Trust were allocated to all current South African employees. Units will also be allocated on a semi-annual basis to new South African employees who joined after the commencement date. Vesting will occur as follows: 10% to vest in year one and 15% thereafter for years two to seven. The shares will be allocated to employees at the end of the 10th anniversary of their initial allocation. Refer to note 17.7 for more details.

Shareholder dividend

Ordinary share dividend

The following dividends were declared:

	2026 cents per share	2025 cents per share
Interim – March	488	1 555
Final – September	799	791
	1 287	2 346

DIRECTORS' REPORT CONTINUED

Shareholders

Momentum Metropolitan Life Ltd Group is a wholly owned subsidiary of Momentum Group Ltd.

Directorate, secretary and auditor

The Company had the following directors as at 30 June 2026:

T Soondarjee (Chair)	Independent non-executive
JC Marais (Cilliers) (Group Chief Executive Officer)	Executive
RS Ketola (Group Finance Director)	Executive
DM Mbethe	Executive
L de Beer	Independent non-executive
NJ Dunkley	Independent non-executive
T Gobalsamy	Independent non-executive
SC Jurisich	Independent non-executive
AF Leautier	Independent non-executive
P Matlakala	Independent non-executive
HP Meyer	Non-executive
D Park	Independent non-executive
S Rapeti	Independent non-executive
JJ Sieberhagen	Independent non-executive

Paul Baloyi resigned as Chair of the Board on 7 November 2025 and as a director of the Board on 20 November 2025. Tyrone Soondarjee was appointed as Interim Chair of the Board on 7 November 2025 and subsequently appointed as Chair of the Board on 17 March 2026. Peter Cooper retired as a non-executive director on the Board on 20 November 2025.

Detailed information regarding the directors, including their brief CVs and Board committees and information regarding the Company Secretary is provided in the Integrated Report of Momentum Group Ltd which is available in print and online in PDF format at <https://www.momentumgrouppltd.co.za/investor-relations/reports/integrated-reports>.

In accordance with section 90(6) of the Companies Act, Ernst & Young Inc. and PricewaterhouseCoopers Inc are joint auditors.

Directors' shareholding

The aggregate direct and indirect holdings in MGL of the directors of the Company at 30 June 2026 are set out below:

	Direct Beneficial '000	Indirect Beneficial '000	Total 2026 '000	Total 2025 '000
Listed				
Executive directors	402	-	402	366
Non-executive directors	373	514	887	2 299
	775	514	1 289	2 665

No changes occurred between the reporting date and the date of approval of the financial statements.

Directors' remuneration

The executive directors have standard employment contracts with the Company or its subsidiaries with a minimum of a one-month notice period. The aggregate remuneration of the MML directors for the period ended 30 June 2026 is set out below.

	Fees R'000	Expense allowance R'000	Salary R'000	Short-term incentive payments ¹ R'000	Retirement fund R'000	Medical aid R'000	Long-term incentive payment R'000	Total 2026 R'000	Total 2025 R'000
Executive	-	124	19 139	16 725	1 011	224	72 348	109 571	83 578
Non-executive	24 490	-	-	-	-	-	-	24 490	24 365
Total	24 490	124	19 139	16 725	1 011	224	72 348	134 061	107 943

¹ Bonus payments relate to the 2025 financial year's bonus. Refer to note 44 for more details on directors' remuneration.

Refer to note 44 for additional information regarding directors' emoluments, including information regarding the recognition of the Long-term Incentive Plan (LTIP) and deferred bonus units.

Debt officer

The Board has, with effect from 5 December 2022, appointed Ms Lebogang Moepye as the debt officer pursuant to paragraph 7.3(g) of the JSE Debt Listings Requirements. The Board has considered and is satisfied with the competence, qualifications and experience of the appointed debt officer.

Borrowing powers

In terms of the Company's Memorandum of Incorporation directors have unlimited borrowing powers (subject to section 45 of the Companies Act); however, Financial Sector Conduct Authority (FSCA) approval is required for any borrowings within a life insurance company in the Group.

Events after the reporting period

In September 2026 MML declared a R1 515 million final ordinary dividend to Momentum Group Limited for the year-ended 30 June 2026 to be paid in October 2026.

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

REPORT OF THE AUDIT COMMITTEE

The Audit Committee (the Committee) of Momentum Group Limited (the Company) presents its report for the financial year ended 30 June 2026. The Company, together with its subsidiaries, is referred to as the Momentum Group. The Momentum Group includes Momentum Metropolitan Life Limited (MML Company) and its subsidiaries, collectively referred to as MML Group.

Function of the Committee

The Committee has discharged its responsibilities as mandated by the Board, its statutory duties in compliance with the Companies Act, the Insurance Act, 18 of 2017, the JSE Debt and Specialist Securities Listings Requirements, as well as best practices in corporate governance, set out in King V™.

The Committee's oversight responsibilities delegated to the Committee by the Board include:

- The integrity of financial reporting.
- The internal audit function, including the annual internal audit plan as well as objectivity and performance of the function.
- Assessment of the internal control environment.
- Combined assurance.
- External audit, including independence and audit quality.

The Committee's terms of reference, which are regularly reviewed and are available on our website at https://www.momentumgrouppltd.co.za/remote-assets/s3/clt_mmh_s3/static-assets/documents/about-us/governance/group-audit-committee-terms-of-reference.pdf, are aligned with the above legislation, regulations and practices.

An overview of the Committee's responsibilities, focus areas for the current year and 2027 objectives are included in Momentum Group's 2026 Integrated Report. This report does not elaborate on the complete list of responsibilities of the Committee, as set out in its terms of reference, but instead focuses on the more pertinent matters and required assessments, sign-offs and attestations by the Committee.

Committee composition, attendees and meetings

The Committee comprises only independent non-executive directors. The Chair of the Board of the MML Company is not a member of the Committee.

The Committee's composition during the year was as follows:

- Linda de Beer (Chair)
- David Park
- Nigel Dunkley
- Seelan Gobalsamy
- Tyrone Soondarjee (resigned from the Committee with effect from 31 May 2026 following his appointment as Chair of the Board)

A brief profile of the current members can be viewed in the 2026 Integrated Report and the Momentum Group's website at www.momentumgrouppltd.co.za.

The Committee had five scheduled meetings during the year. Three further meetings were held, these were mostly to consider information for the purposes of trading updates. Member attendance is reflected in the 2026 Integrated Report, which is available on the Momentum Group's website.

Key members of management as well as heads of the control functions, namely Risk, Compliance, Actuarial and Group Internal Audit, attend meetings of the Committee by invitation. Closed sessions of Committee members only with Internal Audit, External Audit and management are held on a regular basis.

Focus areas of the Committee for the year

During the current year, the Committee, in addition to its regular agenda as per its terms of reference, paid specific attention to the following:

- Ongoing focus on regulatory matters and compliance, where required in collaboration with the Risk, Capital and Compliance Committee.
- Automation of the Momentum Group financial reporting consolidation process.
- Enhancement of IFRS 17 disclosures.
- Creating greater capacity through the expansion of independent assurance services to support the Group Internal Audit function.
- Monitoring the potential balance sheet impact of the transition from the Johannesburg Interbank Average Rate (JIBAR) to the South African Overnight Index Average (ZARONIA) as South Africa's primary reference rate for financial transactions.

These matters are elaborated on further in the Integrated Report.

In addition to the above focus areas, already identified and reported in the 2025 Integrated Report, the Committee placed specific focus on engaging one level deeper within the organisational structure to obtain input and feedback from business unit management on the remediation of significant and high-rated Internal and External Audit findings, delays in the completion of subsidiary financial statements and tax returns, and the timely correction of audit differences.

Annual confirmations by the Committee

On an annual basis the Committee assesses the following:

Group financial reporting practice processes and Annual Financial Statements

As required by the JSE Debt and Specialist Securities Listings Requirements, the Committee considered the appropriateness of financial reporting procedures and whether these are operational in all entities in the MML Group, to effectively prepare and report on the financial statements. This oversight by the Committee is supported by the combined assurance activities of the MML Group, as further explained below.

Furthermore, the Committee considered all related guidance and requirements issued by the JSE, including its 2025 Proactive Monitoring of Financial Statements, the JSE's IFRS 17 limited-scope thematic review and the matters arising from the JSE's review of MML, in assessing their impact on the MML Group's financial reporting and disclosures.

The Committee recommended the MML Group Annual Financial Statements (AFS) to the Board for approval.

Going concern

The Committee considered management's assessment of the ability of the MML Group to continue as a going concern, including key assumptions, forecasts, current and future liquidity, solvency and capital adequacy and has made a recommendation to the Board in accordance with this assessment. The Board's statement on the going concern is included on page 1 of the AFS.

Group Finance Director and finance function

The Committee considered and satisfied itself that the Group Finance Director has the appropriate skills and experience to fulfil the responsibilities of the role and that the finance function is adequately skilled and experienced. Furthermore, the Committee considered whether the finance function has established appropriate financial reporting procedures across all entities included in the consolidated MML Group financial statements, to allow complete information and effective preparation of the MML Group's financial reports.

Integrated Report

The Committee considered the Momentum Group's 2026 Integrated Report to satisfy itself as to the integrity thereof, including an appropriate and consistent view of the Momentum Group's position and performance relative to operational and financial information known to the Committee. The Integrated Report was recommended to the Board for approval.

External Audit quality and independence

The Committee assessed and is satisfied with the suitability of Ernst & Young Inc. (EY) and PricewaterhouseCoopers Inc. (PwC) as the joint auditors of the MML Group, as well as Christo du Toit and Dilshad Khalfey as the lead engagement partners.

To support the above, all requirements in line with the JSE Debt and Specialist Securities Listings Requirements and in accordance with section 94(8) of the Companies Act, were considered and the Committee was satisfied with the suitability, independence and objectivity of EY and PwC, as well as Christo du Toit and Dilshad Khalfey in carrying out their duties as External Auditors.

External Audit fees are disclosed on page 171 within note 25 to the AFS. All the non-audit services (disclosed on page 171 note 25 of the AFS) provided by the External Auditors were approved by the Committee in accordance with the policy for the provision of non-audit services.

Internal audit

Otsile Sehularo, Chief Audit Executive (CAE), oversees the Group Internal Audit function and the internal audit co-sourced relationship with KPMG. The Committee annually assesses the performance of the CAE and Group Internal Audit and remains satisfied that the co-sourced internal audit model results in the appropriate independence of Group Internal Audit, provides access to subject matter assurance expertise and has the authority to fulfil its duties as per its mandate, which is outlined in the internal audit charter.

The charter and the risk-based internal audit plan are reviewed annually and approved by the Committee. Progress in terms of the internal audit plan is monitored by the Committee. Similarly, the Committee requires business units where cause for concern findings in respect of specific internal controls is raised by Group Internal Audit, to report to the Committee to better understand the remedial action(s) put in place, and progress made to enhance internal controls.

Combined assurance and internal financial control assessment

The Momentum Group has a well-established combined assurance framework and practices to enable integrated planning, execution and reporting of the various assurance activities across the business. These assurance activities include all internal assurance functions, namely Compliance, Risk, Actuarial and Group Internal Audit; as well as external assurance providers, most pertinently External Audit. This integrated approach allows for improved effectiveness and adequacy of risk coverage by all relevant Momentum Group assurance providers.

As Chair of this Committee, I am a member of the Board's Risk, Capital and Compliance Committee and the Chair of the Risk, Capital and Compliance Committee is a member of this Committee. The dual membership contributed to both committees being that the Committee is appropriately made aware of material matters that may impact the Momentum Group's financial reporting.

The Committee has carried out its responsibilities with the support of the Combined Assurance Forums that represent the various operating structures within the Momentum Group. The Combined Assurance Forums' reports are charged with the Committee every quarter.

Details of the Momentum Group's combined assurance framework and the results of the assurance work in 2026 are provided in the Integrated Report.

Through the work of the quarterly Combined Assurance Forums and the various assurance activities, the Committee was able to assess that the review of the design, implementation and effectiveness of the Group's internal controls, with specific focus on internal financial controls, was performed.

Based on the feedback from the Combined Assurance Forums, the annual self-assessments by the management of the various businesses, the work done to support the CEO and FD conclusion and sign off on the financial controls to support the accuracy of the financial statements, as well as the assurance provided by Group Internal Audit, the Committee concluded that internal financial controls are effective and adequate to support the integrity of the preparation and presentation of the AFS.

REPORT OF THE AUDIT COMMITTEE CONTINUED

The Committee's response to key audit matters reported by the external auditor

Key audit matters (KAMs) are matters that, in the external auditor's professional judgement, were of most significance in the audit of the AFS for the current financial year.

The Committee considers these matters as follows:

Valuation of insurance and reinsurance contract assets and liabilities

The valuation of insurance and reinsurance contract assets and liabilities is a critical focus area for the Committee. The Committee considers the key judgements and assumptions applied, as well as other adjustments and changes to valuation methods and accounting policies, to understand the impact it would have on the valuations.

The Committee relies on the Board's Actuarial Committee to interrogate the consistency and appropriateness of the actuarial assumptions, methodology and modelling applied in determining the appropriate level of provisioning, and the reasonableness of basis changes, as these involve complex and significant judgements about future events, both internal and external to the business for which small changes can result in a material impact to the resultant valuation. Feedback from the Chair of the Actuarial Committee was given to the Committee.

Comfort on the accuracy and completeness of the actuarial data is obtained through the Group's combined assurance model, supported by the various assurance functions and service providers.

The Committee is satisfied that the valuation of insurance and reinsurance contract assets and liabilities was adequately considered.

Valuation of level 3 assets

The Committee has considered the appropriateness and consistency of the methodology applied, as well as the assumptions and judgements made by management to determine the fair value of its property portfolio, investment in non-listed entities and credit exposure in respect of lending activities.

In particular, the Committee dedicated time to the Momentum Group's venture capital investments and the valuation thereof. This entailed the Committee revisiting the appropriateness of the investment philosophy, assessing management judgements, assumptions and considering management decisions in respect of measurement requirements in compliance with IFRS Accounting Standards.

The Committee was comfortable with these valuations and that the related judgements in this regard are adequately considered and disclosed.

Planned focus areas of the Committee for 2027

In 2027, the Committee will focus on the following, in addition to its ongoing responsibilities in terms of the Committee terms of reference:

- Monitor the implementation of IFRS 18 – Presentation and Disclosure in Financial Statements, including its impact on the presentation of the financial statements, management-defined performance measures, and related financial statement disclosures.
- Oversee Internal Audit's use of data analytics and automated audit procedures to improve audit effectiveness, expand assurance coverage and enable earlier identification of emerging risks and control weaknesses.
- Strengthen independent assurance services to provide greater optionality and less dependency on a single service provider.
- Oversee the automation of the Momentum Group financial reporting processes to improve efficiency, strengthen controls and enhance reporting quality.
- Monitor the ongoing work in key subsidiaries in respect of strengthening and maturing the IFRS 17 – Insurance Contracts reporting process to support the Momentum Group's year end reporting timelines.



Linda de Beer

Chair: Audit Committee

15 September 2026

STATEMENT OF FINANCIAL POSITION

at 30 June 2026

	Group			Company			Notes
	2026 Rm	Restated 2025 ¹ Rm	Restated 1 July 2024 ¹ Rm	2026 Rm	Restated 2025 ¹ Rm	Restated 1 July 2024 ¹ Rm	
ASSETS							
Intangible assets	2 733	2 780	2 697	2 586	2 597	2 509	2
Owner-occupied properties	1 586	1 622	1 533	45	45	70	3.1
Fixed assets	339	359	370	292	337	347	3.2
Investment properties	9 537	9 587	9 279	3 996	5 557	5 303	4
Interest in subsidiaries	-	-	-	149 649	135 655	117 189	5
Investments in associates	153	114	87	-	-	-	
Investment in joint ventures	6	7	6	-	2	2	
Employee benefit assets	-	467	429	-	467	429	15.3
Financial assets at fair value through profit and loss (FVPL)	746 470	644 091	559 803	560 606	476 131	413 981	6.1
Financial assets at amortised cost	7 701	6 227	5 969	6 243	4 646	4 712	6.2
Insurance contract assets	5 589	5 252	4 564	5 589	5 252	4 564	9
Reinsurance contract assets	7 347	5 854	5 401	7 347	5 854	5 401	10
Deferred income tax	132	185	178	-	-	-	14
Other receivables	445	547	567	223	315	334	7
Assets relating to disposal groups held for sale	489	-	103	489	-	103	8
Current income tax assets	19	11	4	-	-	-	28.2
Cash and cash equivalents	27 312	25 272	23 778	20 119	17 370	17 382	6.3
Total assets	809 858	702 375	614 768	757 184	654 228	572 326	
EQUITY							
Equity attributable to owners of the parent	21 759	19 261	18 129	24 387	20 929	19 516	
Share capital	1 041	1 041	1 041	1 041	1 041	1 041	16
Other components of equity	10 880	10 929	10 808	10 802	9 779	9 263	17
Retained earnings	9 838	7 291	6 280	12 544	10 109	9 212	
Non-controlling interests	40	74	81	-	-	-	
Total equity	21 799	19 335	18 210	24 387	20 929	19 516	
LIABILITIES							
Insurance contract liabilities	182 027	155 191	138 711	182 027	155 191	138 711	9
Investment contracts designated at FVPL	510 824	445 690	384 121	508 137	442 943	381 515	11
Financial liabilities at FVPL	78 306	66 820	59 353	28 981	23 167	21 414	13.1
Financial liabilities at amortised cost	1 022	1 204	1 247	53	61	89	13.2
Reinsurance contract liabilities	68	44	33	68	44	33	10
Deferred income tax	2 368	2 495	2 395	2 039	2 184	2 106	14
Provisions	310	227	348	218	201	230	18
Employee benefit obligations	2 108	2 109	1 467	1 861	1 865	1 308	15
Other payables	10 755	8 824	8 748	9 155	7 211	7 279	13.3
Current income tax liabilities	271	436	135	258	432	125	28.2
Total liabilities	788 059	683 040	596 558	732 797	633 299	552 810	
Total equity and liabilities	809 858	702 375	614 768	757 184	654 228	572 326	

¹ The prior years have been restated. Refer to the restatement note for more information.

INCOME STATEMENT

for the year ended 30 June 2026

	Group		Company		Notes
	2026 Rm	Restated 2025 ¹ Rm	2026 Rm	Restated 2025 ¹ Rm	
Insurance revenue	28 800	27 250	28 800	27 250	19
Insurance service expenses	(22 754)	(21 259)	(22 754)	(21 259)	20
Allocation of reinsurance premiums	(3 478)	(3 564)	(3 478)	(3 564)	21
Amounts recoverable from reinsurers for incurred claims	2 823	2 887	2 823	2 887	22
Insurance service result	5 391	5 314	5 391	5 314	
Investment income	11 212	10 024	8 479	7 370	23.1
Amortised cost	1 669	1 799	1 148	1 300	
Other investment income	9 543	8 225	7 331	6 070	
Net realised and unrealised fair value gains	87 631	81 920	83 329	77 617	23.2
Net impairment reversal/(loss) on financial assets	73	(22)	63	(11)	23.3
Finance expenses from insurance contracts issued	(36 035)	(21 609)	(36 035)	(21 609)	23.4
Finance income from reinsurance contracts held	1 769	642	1 769	642	23.5
Fair value adjustments on investment contract liabilities	(52 297)	(58 536)	(52 318)	(58 370)	11
Fair value adjustments on collective investment scheme (CIS) liabilities	(5 259)	(5 265)	-	-	
Net investment result	7 094	7 154	5 287	5 639	23
Fee income	6 458	5 922	5 297	4 815	24
Contract administration	4 618	4 175	4 614	4 172	
Trust and fiduciary services	1 320	1 349	615	574	
Other fee income	520	398	68	69	
Other operating expenses	(8 873)	(8 423)	(6 633)	(6 423)	25
Results of operations	10 070	9 967	9 342	9 345	
Share of profit of associates	13	3	-	-	
Share of profit of joint ventures	5	1	-	-	
Other finance costs	(2 128)	(2 022)	(1 771)	(1 709)	26
Profit before tax	7 960	7 949	7 571	7 636	
Income tax expense	(2 958)	(3 081)	(2 684)	(2 844)	27
Earnings for the year	5 002	4 868	4 887	4 792	
Attributable to:					
Owners of the parent	5 001	4 879	4 887	4 792	
Non-controlling interests	1	(11)	-	-	
Earnings for the year	5 002	4 868	4 887	4 792	
Earnings per ordinary share (cents)	2 632.1	2 567.9	2 572.1	2 522.1	1

¹ The prior years have been restated. Refer to the restatement note for more information.

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2026

	Group		Company		Notes
	2026 Rm	2025 Rm	2026 Rm	2025 Rm	
Earnings for the year	5 002	4 868	4 887	4 792	
Other comprehensive (loss)/income, net of tax	(83)	123	989	492	
Items that may subsequently be reclassified to income	(131)	24	-	-	
Exchange differences on translating foreign operations	(131)	24	-	-	17
Items that will not be reclassified to income	48	99	989	492	
Land and building revaluation	36	80	-	-	17
Revaluation of subsidiaries	-	-	973	469	17
Remeasurements of post-employee benefit funds	(2)	5	(2)	5	17
Own credit gain on financial liabilities designated at FVPL	-	18	-	18	13.1
Artwork revaluation	18	-	18	-	
Income tax relating to items that will not be reclassified	(4)	(4)	-	-	17
Total comprehensive income for the year	4 919	4 991	5 876	5 284	
Total comprehensive income attributable to:					
Owners of the parent	4 918	5 002	5 876	5 284	
Non-controlling interests	1	(11)	-	-	
Total comprehensive income for the year	4 919	4 991	5 876	5 284	

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2026

Group	Share capital Rm	Share premium Rm	Other reserves Rm	Retained earnings Rm	Total attributable to owners of the parent Rm	Non-controlling interests Rm	Total equity Rm	Notes
Balance at 1 July 2024	9	1 032	10 808	6 280	18 129	81	18 210	
Total comprehensive income/(loss)	-	-	105	4 897	5 002	(11)	4 991	
Profit/(loss) for the period	-	-	-	4 879	4 879	(11)	4 868	
Other comprehensive income	-	-	105	18	123	-	123	
Dividend declared	-	-	-	(3 872)	(3 872)	-	(3 872)	
Transfer to other reserves from retained earnings	-	-	-	-	-	-	-	17
Other	-	-	-	-	-	4	4	
Capital contribution to Group companies ¹	-	-	-	(14)	(14)	-	(14)	
Equity-settled share-based payment arrangements	-	-	16	-	16	-	16	
Balance at 1 July 2025	9	1 032	10 929	7 291	19 261	74	19 335	
Total comprehensive (loss)/ income	-	-	(83)	5 001	4 918	1	4 919	
Profit/(loss) for the period	-	-	-	5 001	5 001	1	5 002	
Other comprehensive loss	-	-	(83)	-	(83)	-	(83)	
Dividend declared	-	-	-	(2 425)	(2 425)	-	(2 425)	
Deregistered entity	-	-	-	(6)	(6)	-	(6)	
Transfer to retained earnings from other reserves	-	-	21	(21)	-	-	-	17
Transfer out of cash-settled scheme arrangements	-	-	-	12	12	-	12	
Other	-	-	-	-	-	(35)	(35)	
Capital contribution to Group companies ¹	-	-	-	(14)	(14)	-	(14)	
Equity-settled share-based payment arrangements	-	-	13	-	13	-	13	
Balance at 30 June 2026	9	1 032	10 880	9 838	21 759	40	21 799	

¹ The capital contribution to Group companies is the result of the difference in fair value and transaction price of an interest free loan advanced to Momentum Health Solutions, a fellow subsidiary of MGL, which is repayable in 2027.

Company	Share capital Rm	Share premium Rm	Other reserves Rm	Retained earnings Rm	Total attributable to owners of the parent Rm	Total equity Rm
Balance at 1 July 2024	9	1 032	9 263	9 212	19 516	19 516
Total comprehensive income	-	-	474	4 810	5 284	5 284
Profit for the period	-	-	-	4 792	4 792	4 792
Other comprehensive income	-	-	474	18	492	492
Dividend declared	-	-	-	(3 872)	(3 872)	(3 872)
Transfer to retained earnings from other reserves	-	-	27	(27)	-	-
Capital contribution to Group companies ¹	-	-	-	(14)	(14)	(14)
Equity-settled share-based payment arrangements	-	-	15	-	15	15
Balance at 1 July 2025	9	1 032	9 779	10 109	20 929	20 929
Total comprehensive income	-	-	989	4 887	5 876	5 876
Profit for the period	-	-	-	4 887	4 887	4 887
Other comprehensive income	-	-	989	-	989	989
Dividend declared	-	-	-	(2 425)	(2 425)	(2 425)
Transfer to retained earnings from other reserves	-	-	21	(21)	-	-
Transfer out of cash-settled scheme arrangements	-	-	-	9	9	9
Capital contribution to Group companies ¹	-	-	-	(15)	(15)	(15)
Equity-settled share-based payment arrangements	-	-	13	-	13	13
Balance at 30 June 2026	9	1 032	10 802	12 544	24 387	24 387

¹ The capital contribution to Group companies is the result of the difference in fair value and transaction price of an interest free loan advanced to Momentum Health Solutions, a fellow subsidiary of MGL, which is repayable in 2027.

STATEMENT OF CASH FLOWS

for the year ended 30 June 2026

	Group		Company		Notes
	2026 Rm	Restated 2025 ¹ Rm	2026 Rm	Restated 2025 ¹ Rm	
Cash flow from operating activities					
Cash utilised in operations	(20 470)	(16 604)	(13 707)	(11 451)	28.1
Interest received	19 689	19 430	15 775	15 492	
Dividends received	5 602	3 924	2 742	1 246	
Income tax paid	(3 273)	(2 694)	(3 003)	(2 459)	28.2
Interest paid	(2 212)	(2 095)	(1 859)	(1 755)	28.3
Net cash (outflow)/inflow from operating activities	(664)	1 961	(52)	1 073	
Cash flow from investing activities					
Additional investment in subsidiaries	-	-	-	(17)	
Net cash outflow from the disposal of Momentum Life Botswana Ltd	-	(15)	-	-	28.5
Investments in associates and joint ventures	(27)	(24)	-	-	
Purchase of owner-occupied properties	(9)	(5)	-	-	3.1.1
Purchase of property and equipment	(92)	(107)	(54)	(95)	
Net cash outflow from investing activities	(128)	(151)	(54)	(112)	
Cash flow from financing activities					
Subordinated debt instruments issued	1 500	750	1 500	750	28.4.1
Subordinated debt instruments repaid	(270)	(750)	(270)	(750)	28.4.1
Proceeds from carry positions	322 613	266 798	288 572	245 682	28.4.2
Repayment of carry positions	(318 105)	(263 548)	(284 437)	(242 739)	28.4.2
Proceeds from other borrowings measured at fair value	122	309	-	-	28.4.4
Repayment of other borrowings measured at fair value	(294)	(5)	-	-	28.4.4
Repayment of borrowings measured at amortised cost	(134)	-	-	-	28.4.5
Proceeds from borrowings measured at amortised cost	10	49	-	-	28.4.5
Payment of principal portion of lease liability	(50)	(70)	(47)	(57)	28.4.5
Dividend paid to equity holders	(2 425)	(3 850)	(2 425)	(3 850)	
Net cash inflow/(outflow) from financing activities	2 967	(317)	2 893	(964)	
Net cash flow	2 175	1 493	2 787	(3)	
Cash resources and funds on deposit at beginning	25 272	23 778	17 370	17 382	
Movement due to foreign exchange (losses) and gains	(135)	1	(38)	(9)	
Cash resources and funds on deposit at end	27 312	25 272	20 119	17 370	
Made up as follows:					
Bank and other cash balances	11 153	9 516	9 626	8 039	6.3
Funds on deposit and other money market instruments	16 159	15 756	10 493	9 331	
	27 312	25 272	20 119	17 370	

¹ The prior year has been restated. Refer to the restatement note for more information.

In the prior year, dividends paid do not agree to the dividends declared, because a dividend in specie of R22 million was paid to Momentum Group. Refer to note 28.5.

BASIS OF PREPARATION

Basis of preparation of the statements

The financial statements, as set out below, have been prepared in accordance with IFRS Accounting Standards as issued by the IASB, IFRIC interpretations issued and effective at the time of preparing these statements, the SAICA Financial Reporting Guides (as issued by the Accounting Practices Committee), Financial Pronouncements (as issued by the Financial Reporting Standards Council), the Listings Requirements of the JSE and the Companies Act. These statements have been prepared on the historical cost basis, except for the following items which are carried at fair value or valued using another measurement basis:

Fair value

- Owner-occupied and investment properties.
- Investments in associates at FVPL.
- Financial assets at fair value through profit and loss.
- Momentum Metropolitan Life Ltd Company: Interest in subsidiaries.
- Investment contract liabilities designated at fair value through profit and loss and financial liabilities at fair value through profit and loss.
- Liabilities for cash-settled share-based payment arrangements.

Other measurement basis

- Insurance contracts issued and reinsurance contracts held. Refer to the accounting policies in note 45 for the measurement basis.
- Employee benefit obligations measured using the projected unit credit method.
- Investments in associates and joint ventures measured using the equity method of accounting.
- Assets and liabilities relating to disposal groups held for sale measured at the lower of carrying value or fair value less cost to sell.

The material accounting policies applied in the preparation of these consolidated financial statements are set out in note 45. These policies have been consistently applied to all the years presented, except specific restatements being listed in the restatement note of the AFS.

The preparation of financial statements in accordance with IFRS Accounting Standards as issued by the IASB requires the use of certain accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. There are areas of complexity involving a higher degree of judgement and areas where assumptions and estimates are significant to the financial statements. These judgements, assumptions and estimates are disclosed in detail in the notes to the AFS and in a summary in the Critical judgements and accounting estimates note.

The preparation of the Group's results was supervised by the Group Finance Director, Risto Ketola (FIA, FASSA, CFA Charterholder) and have been audited by Ernst & Young Inc. and PricewaterhouseCoopers Inc. in compliance with the requirements of the Companies Act.

Published standards, amendments and interpretations effective for the June 2026 financial period

The following published standards are mandatory for the Group's accounting period beginning on or after 1 July 2025 and have been implemented in accordance with the transitional provisions of these standards:

- IAS 21 (Amendments) – Lack of exchangeability:
The amendment specifies how the Group should assess whether a foreign currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. This amendment did not have a material impact on the financial statements.
- Disclosure about uncertainties in the Financial Statements:
The IASB issued amendments to illustrative examples on IFRS 17, IFRS 1, IAS 1, IAS 8, IAS 36 and IAS 37. The examples are intended to improve the reporting of climate-related and other uncertainties in the financial statements. The amendment was issued in November 2025 and was effective immediately. The Group's disclosure relating to uncertainties is aligned to the guidance set out in the applicable illustrative examples.

CRITICAL JUDGEMENTS AND ACCOUNTING ESTIMATES

Preparation of financial statements

The financial statements are prepared on the going concern basis of accounting. The statement of financial position is presented based on liquidity. The income statement is presented on a mix of nature and function. In the statement of cash flows, the cash flows from operating activities are reported on the indirect method. The financial statements are presented in South African Rand, which is the functional currency of the parent.

Application of accounting policies

Estimates and assumptions are an integral part of financial reporting and as such have an impact on the assets and liabilities of the Group. Management applies judgement in determining best estimates of future experience. Judgements are based on historical experience and management's best-estimate expectations of future events. Estimates and assumptions are regularly updated to reflect actual experience. Actual experience in future financial years can be materially different from the current assumptions and judgements and could require adjustments to the carrying amount of the affected assets and liabilities.

The critical judgements and estimates made in applying the Group's accounting policies are detailed in the notes to the AFS, as listed below:

- Impairment testing of intangible assets – note 2.
- Valuation assumptions for both owner-occupied and investment properties – notes 3 and 4.
- Valuation of financial assets – note 6.
- Assessment of control over collective investment schemes – note 6.
- Assumptions and estimates of contract holder liabilities (also applicable to reinsurance contracts) – note 12.
- Valuation assumptions for cash-settled arrangements – note 15.
- Provision for deferred tax – note 14.
- Assessment of IFRS 15's principles around the timing of revenue recognition – note 45.
- Valuation assumptions for financial instruments and investments in subsidiaries – note 43.

SEGMENTAL REPORT

for the year ended 30 June 2026

The Group's reporting view reflects the following segments:

- **Momentum Retail:** Momentum Retail includes protection and savings products focused on the middle and affluent client segments.
- **Momentum Investments:** Momentum Investments consists of the Momentum Wealth platform business, local and offshore asset management operations, retail annuities and guaranteed investments.
- **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 Health:** Provides healthcare solutions to individuals, corporates and the public sector within a range of structures and products, including Momentum Multiply, an incentivised wellness product.
- **Shareholders:** The shareholders segment includes free surplus assets in MML and other discretionary investments not specifically allocated to segments. Group financing activities are included in this segment.

The reporting segments are aligned with the internal operating structure. This enables the Group to report meaningfully on the way the business is managed by the Group's leaders.

Intergroup fees are charged at market-related rates. Corporate costs are allocated on a usage or time spent basis. Intergroup charges are eliminated in the "Reconciling items" column. No individual customer generates more than 10% of revenue for the Group.

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.

Reconciliation of management information to IFRS Accounting Standards as issued by the IASB

The segmental information is reconciled to the IFRS Accounting Standards as issued by the IASB income statement results. The "Reconciling items" column represents the IFRS Accounting Standards as issued by the IASB accounting reclassifications and adjustments that are required to reconcile management information to the IFRS Accounting Standards as issued by the IASB financial statements. More information has been provided in the Reconciling items table.

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Group

		Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
12 mths to 30.06.2026	Notes				
Insurance revenue	19	9 643	3 453	6 556	7 725
Insurance service expenses		(7 055)	(2 783)	(5 184)	(6 484)
Contract holder tax ²		(231)	-	(346)	-
Allocation of reinsurance premiums		(3 007)	-	(46)	(425)
Amounts recoverable from reinsurers for incurred claims		2 400	-	33	390
Insurance service result		1 750	670	1 013	1 206
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets ²		13 383	41 253	9 382	23 195
Finance expenses from insurance contracts issued		(8 316)	(13 551)	(8 680)	(5 485)
Finance income from reinsurance contracts held		1 570	-	8	191
Fair value adjustments on investment contract liabilities		(7 340)	(27 198)	(158)	(17 475)
Fair value adjustments on CIS liabilities		-	-	-	-
Net investment result		(703)	504	552	426
Fee income		1 126	4 981	38	1 643
Fee income ³	24	1 123	3 987	38	1 643
Intergroup fee income		3	994	-	-
Other operating expenses		(1 193)	(4 840)	(242)	(1 687)
Results of operations		980	1 315	1 361	1 588
Shareholder investment return ⁴		378	127	143	305
Share of equity-accounted profit/(loss) on associates and joint ventures		-	-	-	-
Profit on dilution/sale of associates and joint ventures		-	-	-	-
Other finance costs		-	-	-	-
Profit before tax		1 358	1 442	1 506	1 893
Income tax expense ²		(343)	(347)	(356)	(487)
Earnings for the period		1 015	1 095	1 148	1 406
Non-controlling Interest		-	-	-	-
Earnings for the year attributable to parent		1 015	1 095	1 148	1 406

¹ Refer to Reconciling Items for more information on reconciling items.

² Contract holder tax is reallocated from the Income tax expense line to the Contract holder tax line (insurance contracts) and the Investment income line (Investment contracts). This represents contract holder taxes that are directly chargeable to insurance and investment contracts and paid on behalf of contract holders to the revenue authority.

³ R5 819 million of the fee income relates to South African operations and R639 million of the fee income relates to non-South African operations, with R608 million of non-South African fee income derived from United Kingdom operations. Insurance revenue relates to South African operations.

⁴ Shareholder investment return relates to investment return on excess assets. It is separately disclosed for segmental reporting, but is disclosed as investment income, net realised and unrealised fair value gains and other finance costs in the consolidated income statement.

The total of non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts) located in South Africa is R13 961 million, and the total of such non-current assets located in other countries is R392 million.

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ¹ Rm	Total Rm
1 423	-	28 800	-	28 800
(1 248)	-	(22 754)	-	(22 754)
-	-	(577)	577	-
-	-	(3 478)	-	(3 478)
-	-	2 823	-	2 823
175	-	4 814	577	5 391
61	322	87 596	11 320	98 916
(3)	-	(36 035)	-	(36 035)
-	-	1 769	-	1 769
(126)	-	(52 297)	-	(52 297)
-	-	-	(5 259)	(5 259)
(68)	322	1 033	6 061	7 094
5	204	7 997	(1 539)	6 458
5	192	6 988	(530)	6 458
-	12	1 009	(1 009)	-
(6)	(710)	(8 678)	(195)	(8 873)
106	(184)	5 166	4 904	10 070
-	319	1 272	(1 272)	-
-	13	13	-	13
-	5	5	-	5
-	-	-	(2 128)	(2 128)
106	153	6 456	1 504	7 960
(53)	82	(1 504)	(1 454)	(2 958)
53	235	4 952	50	5 002
-	(1)	(1)	-	(1)
53	234	4 951	50	5 001

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Group continued

		Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
12 mths to 30.06.2026	Notes				
Earnings for the period		1 015	1 095	1 148	1 406
Non-controlling interests		-	-	-	-
Earnings - equity holders of the Group		1 015	1 095	1 148	1 406
Adjustments for iSabelo		-	1	-	-
Amortisation of intangible assets relating to business combinations		-	9	-	-
Net reversal of impairment of Group subsidiary loans and investments		-	-	-	-
Net reversal of impairment of owner-occupied property below cost		-	-	-	-
Loss on disposal of equipment		-	1	-	-
Normalised headline earnings		1 015	1 106	1 148	1 406
Normalised headline earnings	1	1 015	1 106	1 148	1 406
Operating profit/(loss) ²		992	1 393	1 422	1 594
Tax on operating profit/(loss)		(278)	(394)	(389)	(430)
Investment return		378	127	143	305
Tax on investment return		(77)	(20)	(28)	(63)

¹ Refer to Reconciling Items for more information on reconciling items.

² Operating profit/(loss) is normalised headline earnings gross of tax less investment return.

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ¹ Rm	Total Rm
53	235	4 952	50	5 002
-	(1)	(1)	-	(1)
53	234	4 951	50	5 001
-	12	13	-	13
-	71	80	-	80
-	(49)	(49)	-	(49)
-	(3)	(3)	-	(3)
-	4	5	-	5
53	269	4 997	50	5 047
53	269	4 997	50	5 047
106	(55)	5 452	64	5 516
(53)	78	(1 466)	(14)	(1 480)
-	319	1 272	-	1 272
-	(73)	(261)	-	(261)

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Group continued

Restated ¹ 12 mths to 30.06.2025	Notes	Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
Insurance revenue	19	9 043	3 169	6 187	7 754
Insurance service expenses		(6 704)	(2 776)	(4 789)	(6 047)
Contract holder tax ²		(235)	-	(307)	(1)
Allocation of reinsurance premiums		(2 743)	-	(39)	(782)
Amounts recoverable from reinsurers for incurred claims		2 425	-	31	431
Insurance service result		1 786	393	1 083	1 355
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets ^{1,3}		12 713	37 938	6 695	23 328
Finance expenses from insurance contracts issued		(4 099)	(7 320)	(6 409)	(3 778)
Finance income from reinsurance contracts held		403	-	6	233
Fair value adjustments on investment contract liabilities		(9 076)	(30 017)	(108)	(19 230)
Fair value adjustments on CIS liabilities		-	-	-	-
Net investment result		(59)	601	184	553
Fee income		1 051	4 297	21	1 605
Fee income ⁴	24	1 051	3 452	21	1 605
Intergroup fee income		-	845	-	-
Other operating expenses		(1 137)	(4 252)	(322)	(1 544)
Results of operations		1 641	1 039	966	1 969
Shareholder investment return ⁵		216	123	143	223
Share of equity-accounted profit/(loss) on associates and joint ventures		-	-	-	-
Profit on dilution/sale of associates and joint ventures		-	-	-	-
Other finance costs ¹		-	-	-	-
Profit before tax		1 857	1 162	1 109	2 192
Income tax expense ²		(482)	(227)	(241)	(578)
Earnings for the period		1 375	935	868	1 614
Non-controlling Interest		-	-	-	-
Earnings for year attributable to parent		1 375	935	868	1 614

¹ The prior year has been restated. Refer to the restatement note for more information. The restatements to reconciling items were immaterial.

² Refer to Reconciling Items for more information on reconciling items.

³ Contract holder tax is reallocated from the Income tax expense line to the Contract holder tax line (insurance contracts) and the Investment income line (Investment contracts). This represents contract holder taxes that are directly chargeable to insurance and investment contracts and paid on behalf of contract holders to the revenue authority.

⁴ R5 260 million of the fee income relates to South African operations and R662 million of the fee income relates to non-South African operations, with R632 million of non-South African fee income derived from United Kingdom operations. Insurance revenue relates to South African operations.

⁵ Shareholder investment return relates to investment return on excess assets. It is separately disclosed for segmental reporting, but is disclosed as investment income, net realised and unrealised fair value gains and other finance costs in the consolidated income statement.

The total of non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts) located in South Africa is R14 044 million, and the total of such non-current assets located in other countries is R424 million.

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ^{1,2} Rm	Total Rm
1 097	-	27 250	-	27 250
(943)	-	(21 259)	-	(21 259)
-	-	(543)	543	-
-	-	(3 564)	-	(3 564)
-	-	2 887	-	2 887
154	-	4 771	543	5 314
78	379	81 131	10 791	91 922
(3)	-	(21 609)	-	(21 609)
-	-	642	-	642
(105)	-	(58 536)	-	(58 536)
-	-	-	(5 265)	(5 265)
(30)	379	1 628	5 526	7 154
4	204	7 182	(1 260)	5 922
4	191	6 324	(402)	5 922
-	13	858	(858)	-
(5)	(925)	(8 185)	(238)	(8 423)
123	(342)	5 396	4 571	9 967
-	404	1 109	(1 109)	-
-	3	3	-	3
-	1	1	-	1
-	-	-	(2 022)	(2 022)
123	66	6 509	1 440	7 949
(53)	(140)	(1 721)	(1 360)	(3 081)
70	(74)	4 788	80	4 868
-	11	11	-	11
70	(63)	4 799	80	4 879

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Group continued

Restated ¹ 12 mths to 30.06.2025	Notes	Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
Earnings for the period		1 375	935	868	1 614
Non-controlling interest		-	-	-	-
Earnings - equity holders of the Group		1 375	935	868	1 614
Adjustments for iSabelo		-	1	-	-
Amortisation of intangible assets relating to business combinations		-	9	-	-
Net impairment of Group subsidiary loans and investments		-	-	-	-
Net reversal of impairment of owner-occupied property below cost		-	-	-	-
Loss on disposal of equipment		-	-	-	-
Normalised headline earnings		1 375	945	868	1 614
Normalised headline earnings	1	1 375	945	868	1 614
Operating profit/(loss) ³		1 663	1 141	1 043	1 981
Tax on operating profit/(loss)		(451)	(298)	(283)	(535)
Investment return		216	123	143	223
Tax on investment return		(53)	(21)	(35)	(55)

¹ The prior year has been restated. Refer to the restatement note for more information. The restatements to reconciling items were immaterial.

² Refer to Reconciling Items for more information on reconciling items.

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

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ² Rm	Total Rm
70	(74)	4 788	80	4 868
-	11	11	-	11
70	(63)	4 799	80	4 879
-	15	16	-	16
-	71	80	-	80
-	10	10	-	10
-	(2)	(2)	-	(2)
-	7	7	-	7
70	38	4 910	80	4 990
70	38	4 910	80	4 990
123	(164)	5 787	102	5 889
(53)	(74)	(1 694)	(22)	(1 716)
-	404	1 109	-	1 109
-	(128)	(292)	-	(292)

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Group continued Reconciling items

12 mths to 30.06.2026	Contract holder tax Rm	Shareholder investment income Rm	Property subsidiaries not allocated to a reporting segment Rm	CIS subsidiaries not allocated to a reporting segment Rm	Intercompany fees and expenses Rm	Allocation of finance expense Rm	Allocation of fair value gains ¹ Rm	Total Reconciling items Rm
Contract holder tax	577	-	-	-	-	-	-	577
Insurance service result	577	-	-	-	-	-	-	577
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets	680	1 720	1 300	6 143	-	1 413	64	11 320
Fair value adjustments on CIS liabilities	-	-	(498)	(4 761)	-	-	-	(5 259)
Net investment result	680	1 720	802	1 382	-	1 413	64	6 061
Fee income	-	-	-	(530)	(1 009)	-	-	(1 539)
Fee income	-	-	-	(530)	-	-	-	(530)
Intergroup fee income	-	-	-	-	(1 009)	-	-	(1 009)
Other operating expenses	-	(53)	(679)	(479)	1 009	7	-	(195)
Results of operations	1 257	1 667	123	373	-	1 420	64	4 904
Shareholder investment return	-	(1 272)	-	-	-	-	-	(1 272)
Other finance costs	-	(395)	(98)	(215)	-	(1 420)	-	(2 128)
Profit before tax	1 257	-	25	158	-	-	64	1 504
Income tax expense	(1 257)	-	(25)	(158)	-	-	(14)	(1 454)
Earnings for the period	-	-	-	-	-	-	50	50

¹ Fair value gains on assets backing the cash-settled share-based schemes are allocated to the following segments of Momentum Group Limited: Momentum Metropolitan Africa, Guardrisk, Momentum Insure, and India.

Group continued
Reconciling items continued

Restated¹ 12 mths to 30.06.2025	Contract holder tax Rm	Share- holder invest- ment income Rm	Property subsidiaries not allocated to a reporting segment Rm	CIS subsidiaries not allocated to a reporting segment Rm	Intercom- pany fees and expenses Rm	Allocation of finance expense Rm	Allocation of fair value gains² Rm	Total Recon- ciling items Rm
Contract holder tax	543	-	-	-	-	-	-	543
Insurance service result	543	-	-	-	-	-	-	543
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets	615	1 667	1 000	6 164	(2)	1 246	101	10 791
Fair value adjustments on CIS liabilities	-	-	(281)	(4 984)	-	-	-	(5 265)
Net investment result	615	1 667	719	1 180	(2)	1 246	101	5 526
Fee income	-	-	-	(402)	(858)	-	-	(1 260)
Fee income	-	-	-	(402)	-	-	-	(402)
Intergroup fee income	-	-	-	-	(858)	-	-	(858)
Other operating expenses	-	(51)	(609)	(447)	860	9	-	(238)
Results of operations	1 158	1 616	110	331	-	1 255	101	4 571
Shareholder investment return	-	(1 109)	-	-	-	-	-	(1 109)
Other finance costs	-	(507)	(101)	(159)	-	(1 255)	-	(2 022)
Profit before tax	1 158	-	9	172	-	-	101	1 440
Income tax expense	(1 158)	-	(9)	(172)	-	-	(21)	(1 360)
Earnings for the period	-	-	-	-	-	-	80	80

¹ The prior year has been restated. Refer to the restatement note for more information. The restatements in this note were immaterial.

² Fair value gains on assets backing the cash-settled share-based schemes are allocated to the following segments of Momentum Group Limited: Momentum Metropolitan Africa, Guardrisk, Momentum Insure, and India.

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Company

12 mths to 30.06.2026	Notes	Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
Insurance revenue	19	9 643	3 453	6 556	7 725
Insurance service expenses		(7 055)	(2 783)	(5 184)	(6 484)
Contract holder tax ²		(231)	-	(346)	-
Allocation of reinsurance premiums		(3 007)	-	(46)	(425)
Amounts recoverable from reinsurers for incurred claims		2 400	-	33	390
Insurance service result		1 750	670	1 013	1 206
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets ²		13 421	41 255	9 398	23 225
Finance expenses from insurance contracts issued		(8 316)	(13 551)	(8 680)	(5 485)
Finance income from reinsurance contracts held		1 570	-	8	191
Fair value adjustments on investment contract liabilities		(7 340)	(27 219)	(158)	(17 475)
Fair value adjustments on CIS liabilities		-	-	-	-
Net investment result		(665)	485	568	456
Fee income		1 091	2 512	38	1 643
Fee Income	24	1 091	2 512	38	1 643
Other operating expenses		(1 193)	(2 562)	(259)	(1 714)
Results of operations		983	1 105	1 360	1 591
Shareholder investment return ³		338	33	128	275
Other finance costs		-	-	-	-
Profit before tax		1 321	1 138	1 488	1 866
Income tax expense ²		(342)	(261)	(356)	(487)
Earnings for the period		979	877	1 132	1 379

¹ Refer to Reconciling Items for more information on reconciling items.

² Contract holder tax is reallocated from the Income tax expense line to the Contract holder tax line (insurance contracts) and the Investment income line (Investment contracts). This represents contract holder taxes that are directly chargeable to insurance and investment contracts and paid on behalf of contract holders to the revenue authority.

³ Shareholder investment return relates to investment return on excess assets. It is separately disclosed for segmental reporting, but is disclosed as investment income, net realised and unrealised fair value gains and other finance costs in the consolidated income statement.

All revenue relates to South African operations.

The total of non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts) located in South Africa is R157 057 million with no such non-current assets located in other countries.

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ¹ Rm	Total Rm
1 423	-	28 800	-	28 800
(1 248)	-	(22 754)	-	(22 754)
-	-	(577)	577	-
-	-	(3 478)	-	(3 478)
-	-	2 823	-	2 823
175	-	4 814	577	5 391
61	487	87 847	4 024	91 871
(3)	-	(36 035)	-	(36 035)
-	-	1 769	-	1 769
(126)	-	(52 318)	-	(52 318)
-	-	-	-	-
(68)	487	1 263	4 024	5 287
5	8	5 297	-	5 297
5	8	5 297	-	5 297
(5)	(482)	(6 215)	(418)	(6 633)
107	13	5 159	4 183	9 342
-	317	1 091	(1 091)	-
-	-	-	(1 771)	(1 771)
107	330	6 250	1 321	7 571
(53)	86	(1 413)	(1 271)	(2 684)
54	416	4 837	50	4 887

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Company continued

12 mths to 30.06.2026	Notes	Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
Earnings - equity holders of the Group		979	877	1 132	1 379
Adjustments for iSabelo		-	-	-	-
Amortisation of intangible assets as a result of business combinations - after tax		-	-	-	-
Net reversal of impairment of Group subsidiary loans and investments		-	-	-	-
Loss on disposal of equipment		-	-	-	-
Dividends received from subsidiaries		-	-	-	-
Normalised headline earnings		979	877	1 132	1 379
Normalised headline earnings	1	979	877	1 132	1 379
Operating profit/(loss) ²		993	1 169	1 421	1 595
Tax on operating profit/(loss)		(278)	(319)	(389)	(430)
Investment return		338	33	128	275
Tax on investment return		(74)	(6)	(28)	(61)

¹ Refer to Reconciling Items for more information on reconciling items.

² Operating profit/(loss) is normalised headline earnings gross of tax less investment return.

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ¹ Rm	Total Rm
54	416	4 837	50	4 887
-	13	13	-	13
-	71	71	-	71
-	(49)	(49)	-	(49)
-	4	4	-	4
-	(173)	(173)	-	(173)
54	282	4 703	50	4 753
54	282	4 703	50	4 753
107	(37)	5 248	64	5 312
(53)	78	(1 391)	(14)	(1 405)
-	317	1 091	-	1 091
-	(76)	(245)	-	(245)

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Company continued

Restated ¹ 12 mths to 30.06.2025	Notes	Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
Insurance revenue	19	9 043	3 169	6 187	7 754
Insurance service expenses		(6 704)	(2 776)	(4 789)	(6 047)
Contract holder tax ³		(235)	-	(307)	(1)
Allocation of reinsurance premiums		(2 743)	-	(39)	(782)
Amounts recoverable from reinsurers for incurred claims		2 425	-	31	431
Insurance service result		1 786	393	1 083	1 355
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets ^{1,3}		12 733	37 779	6 708	23 347
Finance expenses from insurance contracts issued		(4 099)	(7 320)	(6 409)	(3 778)
Finance income from reinsurance contracts held		403	-	6	233
Fair value adjustments on investment contract liabilities		(9 076)	(29 851)	(108)	(19 230)
Fair value adjustments on CIS liabilities		-	-	-	-
Net investment result		(39)	608	197	572
Fee income		1 030	2 143	20	1 605
Fee income	24	1 030	2 143	20	1 605
Other operating expenses		(1 141)	(2 258)	(333)	(1 558)
Results of operations		1 636	886	967	1 974
Shareholder investment return ⁴		196	19	130	203
Other finance costs ¹		-	-	-	-
Profit before tax		1 832	905	1 097	2 177
Income tax expense ²		(482)	(182)	(241)	(578)
Earnings for the period		1 350	723	856	1 599

¹ The prior year has been restated. Refer to the restatement note for more information. The restatements to reconciling items were immaterial.

² Refer to Reconciling Items for more information on reconciling items.

³ Contract holder tax is reallocated from the Income tax expense line to the Contract holder tax line (insurance contracts) and the Investment income line (Investment contracts). This represents contract holder taxes that are directly chargeable to insurance and investment contracts and paid on behalf of contract holders to the revenue authority.

⁴ Shareholder investment return relates to investment return on excess assets. It is separately disclosed for segmental reporting, but is disclosed as investment income, net realised and unrealised fair value gains and other finance costs in the consolidated income statement.

All revenue relates to South African operations.

The total of non-current assets (other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts) located in South Africa is R144 192 million with no such non-current assets located in other countries.

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items ² Rm	Total Rm
1 097	-	27 250	-	27 250
(943)	-	(21 259)	-	(21 259)
-	-	(543)	543	-
-	-	(3 564)	-	(3 564)
-	-	2 887	-	2 887
154	-	4 771	543	5 314
78	571	81 216	3 760	84 976
(3)	-	(21 609)	-	(21 609)
-	-	642	-	642
(105)	-	(58 370)	-	(58 370)
-	-	-	-	-
(30)	571	1 879	3 760	5 639
4	13	4 815	-	4 815
4	13	4 815	-	4 815
(4)	(747)	(6 041)	(382)	(6 423)
124	(163)	5 424	3 921	9 345
-	406	954	(954)	-
-	-	-	(1 709)	(1 709)
124	243	6 378	1 258	7 636
(53)	(128)	(1 664)	(1 180)	(2 844)
71	115	4 714	78	4 792

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Company continued

Restated ¹ 12 mths to 30.06.2025	Notes	Momentum Retail Rm	Momentum Investments Rm	Metropolitan Life Rm	Momentum Corporate Rm
Earnings - equity holders of the Group		1 350	723	856	1 599
Adjustments for iSabelo		-	-	-	-
Amortisation of intangible assets as a result of business combinations - after tax		-	-	-	-
Net impairment of Group subsidiary loans and investments		-	-	-	-
Loss on disposal of equipment		-	-	-	-
Dividends received from subsidiaries		-	-	-	-
Normalised headline earnings		1 350	723	856	1 599
Normalised headline earnings	1	1 350	723	856	1 599
Operating profit ³		1 653	978	1 042	1 980
Tax on operating profit		(451)	(269)	(284)	(534)
Investment return		196	19	130	203
Tax on investment return		(48)	(5)	(32)	(50)

¹ The prior year has been restated. Refer to the restatement note for more information. The restatements to reconciling items were immaterial.

² Refer to Reconciling Items for more information on reconciling items.

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

Momentum Health Rm	Shareholders Rm	Segmental total Rm	Reconciling items² Rm	Total Rm
71	115	4 714	78	4 792
-	15	15	-	15
-	71	71	-	71
-	9	9	-	9
-	7	7	-	7
-	(145)	(145)	-	(145)
71	72	4 671	78	4 749
71	72	4 671	78	4 749
123	(131)	5 645	100	5 745
(52)	(75)	(1 665)	(22)	(1 687)
-	406	954	-	954
-	(128)	(263)	-	(263)

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Company continued
Reconciling items

	Contract holder tax Rm	Shareholder investment income Rm	Property subsidiaries not allocated to a reporting segment Rm	CIS subsidiaries not allocated to a reporting segment Rm	Allocation of finance expense Rm	Allocation of fair value gains ¹ Rm	Total Reconciling items Rm
12 mths to 30.06.2026							
Contract holder tax	577	-	-	-	-	-	577
Insurance service result	577	-	-	-	-	-	577
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets	680	1 540	369	-	1 371	64	4 024
Net investment result	680	1 540	369	-	1 371	64	4 024
Other operating expenses	-	(54)	(369)	-	5	-	(418)
Results of operations	1 257	1 486	-	-	1 376	64	4 183
Shareholder investment return	-	(1 091)	-	-	-	-	(1 091)
Other finance costs	-	(395)	-	-	(1 376)	-	(1 771)
Profit before tax	1 257	-	-	-	-	64	1 321
Income tax expense	(1 257)	-	-	-	-	(14)	(1 271)
Earnings for the period	-	-	-	-	-	50	50

¹ Fair value gains on assets backing the cash-settled share-based schemes are allocated to the following segments of Momentum Group Limited: Momentum Metropolitan Africa, Guardrisk, Momentum Insure, and India.

Company continued
Reconciling items continued

Restated¹ 12 mths to 30.06.2025	Contract holder tax Rm	Shareholder investment income Rm	Property subsidiaries not allocated to a reporting segment Rm	CIS subsidiaries not allocated to a reporting segment Rm	Allocation of finance expense Rm	Allocation of fair value gains² Rm	Total Reconciling items Rm
Contract holder tax	543	-	-	-	-	-	543
Insurance service result	543	-	-	-	-	-	543
Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets ¹	615	1 470	338	-	1 237	100	3 760
Net investment result	615	1 470	338	-	1 237	100	3 760
Other operating expenses	-	(51)	(338)	-	7	-	(382)
Results of operations	1 158	1 419	-	-	1 244	100	3 921
Shareholder investment return	-	(954)	-	-	-	-	(954)
Other finance costs ¹	-	(465)	-	-	(1 244)	-	(1 709)
Profit before tax	1 158	-	-	-	-	100	1 258
Income tax expense	(1 158)	-	-	-	-	(22)	(1 180)
Earnings for the period	-	-	-	-	-	78	78

¹ The prior year has been restated. Refer to the restatement note for more information. The restatements in this note were immaterial.

² Fair value gains on assets backing the cash-settled share-based schemes are allocated to the following segments of Momentum Group Limited: Momentum Metropolitan Africa, Guardrisk, Momentum Insure, and India.

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

IFRS 15 - Revenue from Contracts with Customers Group

	Total revenue in scope of IFRS 15			
	Contract administration Rm	Trust and fiduciary services Rm	Other fee income Rm	Total fee income Rm
2026				
Momentum Retail	1 085	32	9	1 126
Momentum Investments	2 461	1 101	1 419	4 981
Metropolitan Life	34	-	4	38
Momentum Corporate	1 038	616	(11)	1 643
Momentum Health	-	-	5	5
Shareholders	-	-	204	204
Segmental total	4 618	1 749	1 630	7 997
Reconciling items	-	(429)	(1 110)	(1 539)
Total	4 618	1 320	520	6 458

Restated 2025¹

Momentum Retail	1 023	21	7	1 051
Momentum Investments	2 106	1 099	1 092	4 297
Metropolitan Life	13	1	7	21
Momentum Corporate	1 034	573	(2)	1 605
Momentum Health	-	-	4	4
Shareholders	-	-	204	204
Segmental total	4 176	1 694	1 312	7 182
Reconciling items ¹	-	(345)	(915)	(1 260)
Total	4 176	1 349	397	5 922

¹ Comparative information has been restated to reclassify certain third-party agent fees (R59 million) related to an intercompany arrangement from Trust and fiduciary services to Other fee income. Consequently, Trust and fiduciary services increased from (R404) million to (R345) million, while Other fee income decreased from (R856) million to (R915) million. The restatement affects only the segmental disclosure above for Reconciling items.

Company

	Total revenue in scope of IFRS 15			
	Contract administration Rm	Trust and fiduciary services Rm	Other fee income Rm	Total fee income Rm
2026				
Momentum Retail	1 084	-	7	1 091
Momentum Investments	2 458	-	54	2 512
Metropolitan Life	34	-	4	38
Momentum Corporate	1 038	615	(10)	1 643
Momentum Health	-	-	5	5
Shareholders	-	-	8	8
Segmental total	4 614	615	68	5 297
Reconciling items	-	-	-	-
Total	4 614	615	68	5 297
2025				
Momentum Retail	1 023	-	7	1 030
Momentum Investments	2 102	-	41	2 143
Metropolitan Life	13	-	7	20
Momentum Corporate	1 034	573	(2)	1 605
Momentum Health	-	-	4	4
Shareholders	-	-	13	13
Segmental total	4 172	573	70	4 815
Reconciling items	-	-	-	-
Total	4 172	573	70	4 815

Additional information
Insurance revenue¹

Group and Company	CSM release Rm	Risk adjustment release Rm	Other insurance revenue Rm	Total insurance revenue Rm
2026				
Momentum Retail	1 287	340	8 016	9 643
Momentum Investments	586	34	2 833	3 453
Metropolitan Life	728	264	5 564	6 556
Momentum Corporate	160	13	7 552	7 725
Momentum Health	-	-	1 423	1 423
Shareholders	-	-	-	-
Segmental total	2 761	651	25 388	28 800
Reconciling items	-	-	-	-
Total	2 761	651	25 388	28 800
2025				
Momentum Retail	1 115	313	7 615	9 043
Momentum Investments	547	28	2 594	3 169
Metropolitan Life	673	260	5 254	6 187
Momentum Corporate	136	13	7 605	7 754
Momentum Health	-	-	1 097	1 097
Shareholders	-	-	-	-
Segmental total	2 471	614	24 165	27 250
Reconciling items	-	-	-	-
Total	2 471	614	24 165	27 250

Insurance service expenses¹

Group and Company	Incurred claims Rm	Incurred expenses (excluding insurance acquisition expenses) Rm	Insurance acquisition expenses Rm	Change in onerous contracts Rm	Change in past service Rm	Total insurance service expenses Rm
2026						
Momentum Retail	(5 950)	(764)	(334)	80	(87)	(7 055)
Momentum Investments	(2 707)	(168)	(47)	135	4	(2 783)
Metropolitan Life	(2 853)	(1 195)	(1 326)	151	39	(5 184)
Momentum Corporate	(6 409)	(527)	(181)	(235)	868	(6 484)
Momentum Health	(933)	(172)	(153)	-	10	(1 248)
Shareholders	-	-	-	-	-	-
Segmental total	(18 852)	(2 826)	(2 041)	131	834	(22 754)
Reconciling items	-	-	-	-	-	-
Total	(18 852)	(2 826)	(2 041)	131	834	(22 754)
2025						
Momentum Retail	(5 807)	(733)	(288)	687	(563)	(6 704)
Momentum Investments	(2 520)	(135)	(40)	(82)	1	(2 776)
Metropolitan Life	(2 842)	(1 277)	(1 184)	162	352	(4 789)
Momentum Corporate	(6 366)	(559)	(177)	14	1 041	(6 047)
Momentum Health	(699)	(138)	(126)	-	20	(943)
Shareholders	-	-	-	-	-	-
Segmental total	(18 234)	(2 842)	(1 815)	781	851	(21 259)
Reconciling items	-	-	-	-	-	-
Total	(18 234)	(2 842)	(1 815)	781	851	(21 259)

¹ This information was not presented in prior years but has been included to provide additional information to users.

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Additional information continued Group

Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets			
	Interest income Rm	Other Rm	Total Rm
Interest income per segment			
12 mths to 30.06.2026			
Momentum Retail	71	13 312	13 383
Momentum Investments	453	40 800	41 253
Metropolitan Life	76	9 306	9 382
Momentum Corporate	320	22 875	23 195
Momentum Health	4	57	61
Shareholders	76	246	322
Segmental total	1 000	86 596	87 596
Reconciling items	690	10 630	11 320
Total	1 690	97 226	98 916
Restated¹ 12 mths to 30.06.2025			
Momentum Retail	106	12 607	12 713
Momentum Investments	538	37 400	37 938
Metropolitan Life	81	6 614	6 695
Momentum Corporate	355	22 973	23 328
Momentum Health	5	73	78
Shareholders	120	259	379
Segmental total	1 205	79 926	81 131
Reconciling items	605	10 186	10 791
Total	1 810	90 112	91 922

¹ As part of the accounting policy change described in Note 1 (Restatement), interest income on financial instruments measured at fair value through profit or loss (FVPL) has been reclassified and presented within other. This restatement resulted in a decrease in interest income recognised within the following operating segments: Momentum Retail (R2 485 million), Momentum Investments (R9 836 million), Metropolitan Life (R2 441 million), Momentum Corporate (R4 731 million), Shareholders (R553 million) and Reconciling items (R1 860 million).

Interest income presented consists of interest income on financial instruments measured at amortised cost and interest on non-financial assets.

Group	Non- attributable insurance expense Rm	Investment contracts - management expenses Rm	Investment contracts - DAC amortisation Rm	Employee benefit expenses Rm
Other operating expense per segment				
12 mths to 30.06.2026				
Momentum Retail	(118)	(860)	(164)	20
Momentum Investments	(15)	(2 389)	(158)	(669)
Metropolitan Life	(156)	(85)	(1)	(1)
Momentum Corporate	(171)	(1 244)	(5)	(157)
Momentum Health	-	-	-	-
Shareholders	-	-	-	(1 542)
Segmental total	(460)	(4 578)	(328)	(2 349)
Reconciling items	-	-	-	-
Total	(460)	(4 578)	(328)	(2 349)
12 mths to 30.06.2025				
Momentum Retail	(132)	(925)	(21)	(27)
Momentum Investments	(23)	(2 089)	(146)	(704)
Metropolitan Life	(254)	(69)	-	(1)
Momentum Corporate	(123)	(1 166)	(3)	(150)
Momentum Health	-	-	-	-
Shareholders	-	-	-	(1 806)
Segmental total	(532)	(4 249)	(170)	(2 688)
Reconciling items	-	-	-	-
Total	(532)	(4 249)	(170)	(2 688)

	Asset management fees Rm	Consulting fees Rm	Information technology expenses Rm	Miscellaneous Rm	Total Rm
	(42)	-	-	(29)	(1 193)
	(9)	(121)	(61)	(1 418)	(4 840)
	(18)	-	-	19	(242)
	-	-	(5)	(105)	(1 687)
	-	-	-	(6)	(6)
	(7)	-	5	834	(710)
	(76)	(121)	(61)	(705)	(8 678)
	(14)	(1)	-	(180)	(195)
	(90)	(122)	(61)	(885)	(8 873)
	(28)	-	-	(4)	(1 137)
	(10)	(117)	(71)	(1 092)	(4 252)
	(10)	-	-	12	(322)
	-	-	(5)	(97)	(1 544)
	-	-	-	(5)	(5)
	(13)	-	(67)	961	(925)
	(61)	(117)	(143)	(225)	(8 185)
	(8)	-	-	(230)	(238)
	(69)	(117)	(143)	(455)	(8 423)

SEGMENTAL REPORT CONTINUED

for the year ended 30 June 2026

Additional information continued
Company

	Investment income, net realised and unrealised fair value gains and net impairment loss on financial assets		
	Interest income Rm	Other Rm	Total Rm
Interest income per segment			
12 mths to 30.06.2026			
Momentum Retail	71	13 350	13 421
Momentum Investments	416	40 839	41 255
Metropolitan Life	76	9 322	9 398
Momentum Corporate	320	22 905	23 225
Momentum Health	4	57	61
Shareholders	67	420	487
Segmental total	954	86 893	87 847
Reconciling items	241	3 783	4 024
Total	1 195	90 676	91 871
Restated 12 mths to 30.06.2025¹			
Momentum Retail	106	12 627	12 733
Momentum Investments	453	37 326	37 779
Metropolitan Life	81	6 627	6 708
Momentum Corporate	355	22 992	23 347
Momentum Health	5	73	78
Shareholders	114	457	571
Segmental total	1 114	80 102	81 216
Reconciling items	206	3 554	3 760
Total	1 320	83 656	84 976

¹ As part of the accounting policy change described in Note 1 (Restatement), interest income on financial instruments measured at fair value through profit or loss (FVPL) has been reclassified and presented within other. This restatement resulted in a decrease in interest income recognised within the following operating segments: Momentum Retail (R2 485 million), Momentum Investments (R9 812 million), Metropolitan Life (R2 441 million), Momentum Corporate (R4 731 million), Shareholders (R565 million) and Reconciling items (R968 million).

Interest income presented consists of interest income on financial instruments measured at amortised cost and interest on non-financial assets.

Company	Non-attributable insurance expense Rm	Investment contracts - management expenses Rm	Investment contracts - DAC amortisation Rm	Employee benefit expenses Rm
Other operating expense per segment				
12 mths to 30.06.2026				
Momentum Retail	(118)	(860)	(164)	20
Momentum Investments	(15)	(2 389)	(158)	-
Metropolitan Life	(156)	(83)	(1)	(1)
Momentum Corporate	(171)	(1 244)	(5)	(157)
Momentum Health	-	-	-	-
Shareholders	-	-	-	(1 543)
Segmental total	(460)	(4 576)	(328)	(1 681)
Reconciling items	-	-	-	-
Total	(460)	(4 576)	(328)	(1 681)
12 mths to 30.06.2025				
Momentum Retail	(132)	(925)	(21)	(27)
Momentum Investments	(23)	(2 089)	(146)	-
Metropolitan Life	(253)	(69)	-	(1)
Momentum Corporate	(123)	(1 166)	(3)	(150)
Momentum Health	-	-	-	-
Shareholders	-	-	-	(1 806)
Segmental total	(531)	(4 249)	(170)	(1 984)
Reconciling items	-	-	-	-
Total	(531)	(4 249)	(170)	(1 984)

Asset management fees Rm	Consulting fees Rm	Information technology expenses Rm	Miscellaneous Rm	Total Rm
(42)	-	-	(29)	(1 193)
-	-	-	-	(2 562)
(18)	-	-	-	(259)
-	-	(5)	(132)	(1 714)
-	-	-	(5)	(5)
(6)	-	5	1 062	(482)
(66)	-	-	896	(6 215)
-	-	-	(418)	(418)
(66)	-	-	478	(6 633)
(28)	-	-	(8)	(1 141)
-	-	-	-	(2 258)
(10)	-	-	-	(333)
-	-	(5)	(111)	(1 558)
-	-	-	(4)	(4)
(12)	-	(67)	1 138	(747)
(50)	-	(72)	1 015	(6 041)
-	-	-	(382)	(382)
(50)	-	(72)	633	(6 423)

RESTATEMENT NOTE

for the year ended 30 June 2026

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 June 2025	Before restatement Rm	Unsettled trades ¹ Rm	Termination accrual ² Rm	Interest on FVPL instruments ³ Rm	Reinvested distributions ⁴ Rm	After restatement Rm
Group						
Financial assets at amortised cost	6 281	(54)	-	-	-	6 227
Cash and cash equivalents	25 334	(62)	-	-	-	25 272
Investment contracts designated at FVPL	444 908	-	782	-	-	445 690
Other payables	9 722	(116)	(782)	-	-	8 824
Company						
Financial assets at amortised cost	4 700	(54)	-	-	-	4 646
Cash and cash equivalents	17 432	(62)	-	-	-	17 370
Investment contracts designated at FVPL	442 161	-	782	-	-	442 943
Other payables	8 109	(116)	(782)	-	-	7 211
Statement of financial position as at 1 July 2024	Before restatement Rm	Unsettled trades¹ Rm	Termination accrual² Rm	Interest on FVPL instruments³ Rm	Reinvested distributions⁴ Rm	After restatement Rm
Group						
Financial assets at amortised cost	5 969	-	-	-	-	5 969
Cash and cash equivalents	23 778	-	-	-	-	23 778
Investment contracts designated at FVPL	383 566	-	555	-	-	384 121
Other payables	9 303	-	(555)	-	-	8 748
Company						
Financial assets at amortised cost	4 712	-	-	-	-	4 712
Cash and cash equivalents	17 382	-	-	-	-	17 382
Investment contracts designated at FVPL	380 960	-	555	-	-	381 515
Other payables	7 834	-	(555)	-	-	7 279
Income statement for the year ended 30 June 2025	Before restatement Rm	Unsettled trades¹ Rm	Termination accrual² Rm	Interest on FVPL instruments³ Rm	Reinvested distributions⁴ Rm	After restatement Rm
Group						
Investment income	32 903	-	-	(22 879)	-	10 024
Other investment income	31 104	-	-	(22 879)	-	8 225
Net realised and unrealised fair value gains	58 929	-	-	22 991	-	81 920
Other finance costs	(1 910)	-	-	(112)	-	(2 022)
Company						
Investment income	28 395	-	-	(21 025)	-	7 370
Other investment income	27 095	-	-	(21 025)	-	6 070
Net realised and unrealised fair value gains	56 522	-	-	21 095	-	77 617
Other finance costs	(1 639)	-	-	(70)	-	(1 709)

Statement of cash flows for the year ended 30 June 2025	Before restatement Rm	Unsettled trades ¹ Rm	Termination accrual ² Rm	Interest on FVPL instruments ³ Rm	Reinvested distributions ⁴ Rm	After restatement Rm
Group						
Cash utilised in operations	(19 071)	(62)	-	-	2 529	(16 604)
Interest received	20 325	-	-	-	(895)	19 430
Dividends received	5 558	-	-	-	(1 634)	3 924
Net cash (outflow)/inflow from operating activities	2 023	(62)	-	-	-	1 961
Cash resources and funds on deposit at beginning	23 778	-	-	-	-	23 778
Cash resources and funds on deposit at end	25 334	(62)	-	-	-	25 272
Company						
Cash utilised in operations	(16 723)	(62)	-	-	5 334	(11 451)
Interest received	17 949	-	-	-	(2 457)	15 492
Dividends received	4 123	-	-	-	(2 877)	1 246
Net cash (outflow)/inflow from operating activities	1 135	(62)	-	-	-	1 073
Cash resources and funds on deposit at beginning	17 382	-	-	-	-	17 382
Cash resources and funds on deposit at end	17 432	(62)	-	-	-	17 370

¹ The Group's accounting policy is to recognise purchases and sales of financial assets on the trade date, i.e. the date on which the Group commits to purchase or sell the financial asset. All trade transactions that the Group enters into before the last day of the reporting period, i.e. 30 June, but where the settlement will only occur after the reporting period, are reported as unsettled trades. This is applied to both purchases and sales across all entities in the Group.

The group identified that certain purchases and sales of financial assets in the prior year were incorrectly reflected as unsettled trades at the reporting date due to unreconciled timing differences in the bank reconciliation process. Subsequent investigation confirmed that these transactions had in fact settled before year-end, as evidenced by the related cash flows.

As a result, the prior year balances relating to these transactions were restated to correctly reflect the settlement status of the trades at the reporting date. The correction had no impact on profit or loss, earnings per share or total equity but resulted in the reclassification of the affected balance sheet items.

² The Group's accounting policy is to reclassify member balances from investment contract liabilities to payables arising from investment contracts when instruction has been received from the member to disinvest amounts. The amounts are reclassified for presentation and disclosure purposes only, measurement remains at fair value through profit or loss.

During the current year, management identified that certain member balances relating to employers in liquidation were reclassified from investment contract liabilities to payables arising from investment contracts where no instructions had been received from members. The accounting policy was therefore applied inconsistently. The comparative information has been restated to correct this classification error. The restatement resulted in a reclassification between liability categories only and had no impact on profit or loss, equity, cash flows, total liabilities or earnings per share.

³ During the current year, the Group changed its accounting policy relating to the presentation of interest and fair value movements arising from financial instruments measured at fair value through profit or loss (FVPL). Previously, the change in fair value was split between interest income and other fair value movements. The interest income on FVPL financial assets was presented within investment income and the interest expense relating to FVPL financing financial liabilities was presented within other finance costs. The remaining fair value movements were presented within net realised and unrealised fair value gains and losses.

The Group concluded that presenting the interest income of financial assets measured at FVPL within net realised and unrealised fair value gains and losses, and the realised and unrealised fair value gains and losses of financing financial liabilities measured at FVPL within other finance costs, provides more relevant information regarding the performance of these instruments. Financial instruments measured at FVPL are managed, monitored and evaluated on a fair value basis, with fair value being the primary measurement attribute. Separately identifying an interest component for these instruments requires management judgement and may not result in comparable information. Presenting the interest component together with the associated fair value movements within single line items for each class of instrument enhances consistency and comparability across the Group and better reflects the manner in which management assesses the performance of these instruments.

June 2025 has therefore been restated to:

- reclassify interest income of R22 312 million for the Group and R20 501 million for the Company relating to FVPL financial assets from investment income to net realised and unrealised fair value gains and losses; and
- reclassify fair value losses of R112 million for the Group and R70 million for the Company relating to FVPL financing financial liabilities from net realised and unrealised fair value gains and losses to other finance costs.

As part of its review of this presentation, the Group identified that the previous methodology applied in determining the amounts presented as interest on FVPL instruments had not been applied consistently across the Group. Certain businesses determined the interest component using an effective interest methodology, while others applied a nominal or contractual interest methodology. Consequently, the amounts separately disclosed within investment income and other finance costs for FVPL instruments were not determined on a consistent basis. The impact of correcting the interest amounts previously presented separately determined using the effective interest methodology instead of the nominal or contractual methodology amounted to R567 million for the Group and R524 million for the Company. Other investment income was overstated by R567 million for the Group and R524 million for the Company, and net realised and unrealised fair value gains and losses was understated by R567 million for the Group and R524 million for the Company. The corresponding amount recognised within finance expenses was considered immaterial.

This change in policy, including the error in 2025, affects presentation only and has no impact on profit before tax, earnings, headline earnings, earnings per share, total comprehensive income, equity or cash flows.

⁴ Investors in investment funds may elect for distributions received from investment funds to be reinvested into the fund or received in cash. Previously, distributions were reflected as cash flows in the statement of cash flows irrespective of whether they were reinvested or received in cash. The accounting treatment of reinvested distributions has been reassessed and it was concluded that such distributions do not give rise to cash flows and should therefore be treated as non-cash transactions.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2026

1 Reconciliation of earnings

	Group		Company	
	2026	2025	2026	2025
Group earnings per ordinary share attributable to owners of the parent				
Earnings (cents per share)	2 632	2 568	2 572	2 522
Normalised headline earnings (cents per share)	2 656	2 626	2 502	2 499
Reconciliation of normalised headline earnings attributable to owners of the parent	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Earnings – equity holders of the Group	5 001	4 879	4 887	4 792
Loss on disposal of equipment	5	7	4	7
Net impairment reversal of owner-occupied property below cost	(3)	(2)	-	-
(Reversal of impairment)/impairment of intercompany loans	(49)	10	(49)	9
Subsidiary dividend income	-	-	(173)	(145)
Amortisation of intangible assets relating to business combinations	109	109	98	98
Tax on amortisation of intangible assets relating to business combinations	(29)	(29)	(27)	(27)
iSabelo equity-settled share scheme expenses	13	16	13	15
Normalised headline earnings¹	5 047	4 990	4 753	4 749
Weighted average number of ordinary shares in issue (million)	190	190	190	190

¹ Normalised headline earnings adjust the standard definition of headline earnings for the amortisation of intangible assets from business combinations, the impact of the iSabelo employee share scheme, as well as dividends income from subsidiaries and intercompany loan impairments, which are eliminated on consolidation of the holding company group. Management uses this as a segmental performance measure and is of the opinion that it represents underlying performance that is under control of the respective segments.

2 Intangible assets

Refer to note 45.4 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
2.1 Goodwill	145	145	108	108
2.2 Customer relationships	203	260	144	188
2.3 Deferred acquisition costs (DAC) on investment business	2 133	2 061	2 085	1 990
2.4 Computer software	11	18	11	18
2.5 Brands	241	295	238	292
Right-of-use assets	-	1	-	1
Total	2 733	2 780	2 586	2 597

2 Intangible assets continued

2.1

Goodwill

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Carrying amount at beginning	145	145	108	108
Cost	346	346	108	108
Accumulated impairment	(201)	(201)	-	-
Carrying amount at end	145	145	108	108
Cost	346	346	108	108
Accumulated impairment	(201)	(201)	-	-
Cash-generating units (CGUs)				
Ex-Metropolitan Group – Metropolitan Life (Metropolitan/Momentum merger)	108	108	108	108
Momentum Investments Hold Co	37	37	-	-
Carrying amount at end	145	145	108	108

Critical accounting estimates and judgements

Goodwill is allocated to cash-generating units (CGUs) and impairment testing is performed at the level of individual CGUs.

The recoverable value of these CGUs is determined based on value-in-use calculations with reference to directors' valuations. The value-in-use calculations use risk-adjusted cash flow projections, which include projected new business based on financial forecasts informed by past experience and approved by management covering a five-year period. These cash flow projections take account of entity-specific risks and are subject to a revenue ceiling and an expense floor to ensure that the earnings projections lie within boundaries that are deemed appropriate. Appropriate allowance is also made for termination risk where a CGU has concentrated exposure to large clients.

At the end of the defined projection period, a terminal value is determined based on an assumption of inflationary growth following the five years.

The other assumption which is subject to judgement is the determination of an appropriate discount rate. The approach to setting the discount rate is to reference the yield on long-dated government bonds and add an equity risk premium plus an additional margin for entity-specific risk. The assessment of the risk discount rate (RDR) takes into account the risk adjustments already made in the cash flow projection.

	Group		Company	
	2026	2025	2026	2025
Assumptions				
Ex-Metropolitan group	RDR	13.5%	11.4%	13.5%
Long-term growth rate	5%	6%	5%	6%

The discount rate for the ex-Metropolitan Group is based on the run-off of in-force insurance liabilities and thus its valuation employed a lower RDR, in line with the discount rate used for "covered business" in the Group embedded value calculation.

Sensitivity analysis of intangible assets acquired in business combinations

Management performed sensitivity analysis on intangible assets acquired as part of business combinations to assess how sensitive these assets are to changes in the recoverable amounts, i.e. how much headroom exists in these recoverability tests. The significant items are discussed below:

The Group recognises goodwill, customer relationships and brands relating to the Metropolitan/Momentum merger. The current recoverable amount of these assets is R438 million (2025: R302 million) higher than the carrying amount and has 89% (2025: 51%) headroom available before the Group would need to consider impairing any of the associated goodwill.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

2 Intangible assets continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
2.2 Customer relationships				
Carrying amount at beginning	260	315	188	232
Cost	799	798	673	673
Accumulated amortisation	(539)	(483)	(485)	(441)
Amortisation charges	(56)	(56)	(44)	(44)
Exchange differences	(1)	1	-	-
Carrying amount at end	203	260	144	188
Cost	798	799	673	673
Accumulated amortisation	(595)	(539)	(529)	(485)
To be fully amortised by year:				
The carrying amount is made up as follows:				
Momentum Global Investment Management – Momentum Investments	2031	53	65	-
Ex-Metropolitan group – Metropolitan Life (Metropolitan/Momentum merger)	2030	144	188	188
Other		6	7	-
Carrying amount at end	203	260	144	188

Customer relationships represent the fair value of customer relationships in place immediately before a business combination took place. The recoverable value is determined based on value-in-use calculations with reference to value of in-force business.

2 Intangible assets continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
2.3 Deferred acquisition costs (DAC) on investment business				
Carrying amount at beginning	2 061	1 861	1 990	1 796
Additions	456	401	422	365
Amortisation charges	(358)	(202)	(327)	(171)
Impairment reversals/(charges)	(24)	-	-	-
Exchange differences	(2)	1	-	-
Carrying amount at end	2 133	2 061	2 085	1 990

Critical accounting estimates and judgements

An impairment test is conducted annually at reporting date on the deferred acquisition costs (DAC) balance to ensure that the amount will be recovered from future revenue generated by the applicable remaining investment management contracts. Refer to assumptions in note 12.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
2.4 Computer software				
Carrying amount at beginning	18	27	18	27
Cost	177	181	175	179
Accumulated amortisation	(159)	(154)	(157)	(152)
Amortisation charges	(7)	(9)	(7)	(9)
Carrying amount at end	11	18	11	18
Cost	69	177	68	175
Accumulated amortisation	(58)	(159)	(57)	(157)

Computer software of R11 million (2025: R18 million) is used as a reporting tool for capturing trades, treasury and risk management by various segments. This will be fully amortised by 2028. No impairment was required.

During the prior year, computer software with a carrying amount of Rnil (cost and accumulated amortisation of R4 million) was fully amortised by both the Group and the Company. During the current year, computer software with a carrying amount of Rnil (Group: cost and accumulated amortisation of R108 million; Company: cost and accumulated amortisation of R107 million) was fully amortised.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

2 Intangible assets continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
2.5 Brands				
Carrying amount at beginning	295	348	292	345
Cost	1 081	1 081	1 078	1 078
Accumulated amortisation	(786)	(733)	(786)	(733)
Accumulated impairment	-	-	-	-
Amortisation charges	(54)	(53)	(54)	(53)
Carrying amount at end	241	295	238	292
Cost	1 081	1 081	1 078	1 078
Accumulated amortisation	(840)	(786)	(840)	(786)
Accumulated impairment	-	-	-	-
The carrying amount is made up as follows:				
Metropolitan brand – Metropolitan Life (Metropolitan/Momentum merger)				
Other				
To be fully amortised by year:				
2031	238	292	238	292
	3	3	-	-
Carrying amount at end	241	295	238	292

3 Owner-occupied properties and fixed assets

Refer to note 45.5 and 45.15 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
3.1 Owned owner-occupied properties and right-of-use assets	1 586	1 622	45	45
3.1.1 Owned owner-occupied properties	1 524	1 555	-	-
3.1.2 Right-of-use assets	62	67	45	45
3.2 Fixed assets and right-of-use assets	339	359	292	337
3.2.1 Fixed assets	336	350	289	328
Right-of-use assets	3	9	3	9
	1 925	1 981	337	382
3.1 Owned owner-occupied properties and right-of-use assets				
3.1.1 Owned owner-occupied properties				
Historical carrying amount – cost model ¹	895	907	-	-
Owner-occupied properties – at fair value	1 524	1 555	-	-
Fair value at beginning	1 555	1 444	-	-
Additions	9	5	-	-
Disposals	(3)	(1)	-	-
Revaluations through other comprehensive income	36	80	-	-
Depreciation charges	(34)	(32)	-	-
Net impairment reversal through profit or loss	3	2	-	-
Transfer (to)/from investment properties	(42)	57	-	-
Fair value at end	1 524	1 555	-	-

¹ The prior year historical carrying amount was incorrectly presented as R297 million. The prior year has been restated accordingly.

No borrowing costs were capitalised in the current year.

The impairment reversal relates to an increase in the property valuation, due to an improvement in market rentals rates of certain buildings in the Shareholders segment where the valuation is above depreciated cost.

A register of owner-occupied properties is available for inspection at the Company's registered office.

Owner-occupied properties are classified as level 3.

3 Owner-occupied properties and fixed assets continued

3.1 Owned owner-occupied properties and right-of-use assets continued

3.1.1 Owned owner-occupied properties continued

Critical accounting estimates and judgements

All properties are valued using a discounted cash flow (DCF) method or the income capitalisation approach based on the aggregate contractual or market-related rent receivable less associated costs. The DCF takes projected cash flows and discounts them at a rate that is consistent with comparable market transactions. Increases in the carrying amount arising on revaluation of owner-occupied buildings are credited to a land and building revaluation reserve in other comprehensive income, except to the extent that the increase reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase shall be recognised in profit or loss. Decreases that offset previous increases in respect of the same asset are charged against the revaluation reserve, and all other decreases are charged to the income statement. All owner-occupied properties were internally valued at 30 June 2026. Valuations are performed every six months.

Group	Carrying amount Rm	Valuation technique	Change in fair value			
			Base assumption ¹	Change in assumption	Decrease in assumption Rm	Increase in assumption Rm
Assumptions						
2026						
Capitalisation rate						
Office buildings	1 415	DCF & income capitalisation	8% - 9.5%	100bps	142	(113)
Shopping malls	14	DCF	9.00%	100bps	1	(1)
Parkade	95	Income capitalisation	9.25%	100bps	10	(8)
Discount rate						
Office buildings	668	DCF	12.75% - 13%	100bps	28	(26)
Restated 2025						
Capitalisation rate						
Office buildings	1 464	DCF & income capitalisation	9.12%	100bps	145	(116)
Parkade	91	Income capitalisation	9.25%	100bps	9	(8)
Discount rate						
Office buildings ²	733	DCF	13.03%	100bps	30	(28)

¹ The base assumption has been calculated using an absolute minimum and maximum range. Prior year base assumption has been calculated using a weighted average range.

² The prior year base assumption for office buildings valued using a discount rate has been restated to exclude the Centurion Head Office properties, which are valued using an income capitalisation rate rather than a discount rate. As a result, the carrying amount decreased from R1 464 million to R733 million.

Capitalisation and discount rates are based on a number of factors, including but not limited to the following: the current risk-free rate, the risk associated with the income stream flowing from the property, the real estate cycle, current economic conditions at both the micro- and macroeconomic level and the yield that an investor would require in order to make the property an attractive investment. For valuation purposes, existing lease agreements and subsequent expected market-related rentals are used to determine the net income stream on which the fair value of the building is based. Furthermore, the internal valuers performed a sensitivity analysis by adjusting the capitalisation rate and discount rate up and down by 100 basis points.

The property market continues to move in a positive trajectory post-Covid, but remains impacted by low economic growth. Further to this, global uncertainty has introduced additional risk into the valuation process. Therefore, a conservative take-up of the vacant space has been assumed, likewise a conservative view has been taken on achievable market rentals. Assumed market rental growth is in the range of 4.5% to 5%.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

3 Owner-occupied properties and fixed assets continued

3.1 Owned owner-occupied properties and right-of-use assets continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
3.1.2 Right-of-use assets				
Carrying amount at beginning	67	89	45	70
Additions	43	42	43	30
Terminations of leases	-	(1)	-	-
Depreciation charges	(51)	(62)	(43)	(54)
Modifications	5	(2)	-	(1)
Exchange differences	(2)	1	-	-
Carrying amount at end	62	67	45	45
3.2 Fixed assets and right-of-use assets				
3.2.1 Fixed assets				
Fixed assets at carrying value				
Leasehold improvements	42	30	19	22
Furniture and fittings	59	77	42	72
Office equipment	24	12	21	8
Computer equipment	43	66	40	62
Solar plant	149	164	149	164
Motor vehicles	1	1	-	-
Artwork	18	-	18	-
	336	350	289	328
Carrying amount at beginning	350	358	328	335
Cost	1 287	1 242	1 091	1 057
Accumulated depreciation	(920)	(867)	(746)	(705)
Accumulated impairment	(17)	(17)	(17)	(17)
Fair value relating to the artwork	-	-	-	-
Additions	91	107	54	95
Disposals	(11)	(7)	(10)	(5)
Other	2	-	-	-
Revaluation relating to the artwork	18	-	18	-
Depreciation charges	(112)	(109)	(101)	(97)
Exchange differences	(2)	1	-	-
Carrying amount at end	336	350	289	328
Cost	1 120	1 287	1 012	1 091
Accumulated depreciation	(785)	(920)	(724)	(746)
Accumulated impairment	(17)	(17)	(17)	(17)
Fair value relating to the artwork	18	-	18	-

During the prior year, fixed assets with a carrying amount of Rnil (cost and accumulated depreciation of R56 million) was fully depreciated by both the Group and the Company.

During the current year, fixed assets with a carrying amount of Rnil (Group: cost and accumulated depreciation of R247 million; Company: cost and accumulated depreciation of R123 million) was fully depreciated.

During the current year, the Group recognised artwork owned by the Group as fixed assets. The artworks are displayed in administrative and reception areas for aesthetic purposes and to support the Group's corporate identity. As the artworks are considered to have an indefinite useful life, no depreciation is charged; however, they are subject to annual impairment assessments.

Fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses, except for the artwork collection, which is carried at revalued amounts determined with reference to fair value based on regular specialist valuations. As the collection is considered to have an indefinite useful life, no depreciation is charged. Leasehold properties are depreciated over the shorter of their lease terms and estimated useful lives. All other fixed assets are depreciated on a straight-line basis over their estimated useful lives, taking into account residual values, as follows:

Furniture and fittings	3 – 5 years
Office equipment	3 – 5 years
Computer equipment	3 years
Motor vehicles	5 years
Solar plant	10 years

The residual values and useful lives of the assets are reviewed at each reporting date and adjusted if appropriate.

4 Investment properties

Refer to note 45.6 and 45.15 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
4.1 Owned investment properties	9 526	9 576	3 996	5 557
4.2 Right-of-use assets	11	11	-	-
	9 537	9 587	3 996	5 557
At 30 June, investment properties comprised the following property types:				
Shopping malls	4 277	4 082	2 131	2 353
Office buildings ¹	4 627	4 842	1 624	2 853
Industrial	533	532	-	218
Hotels	330	311	330	311
Vacant land	55	46	9	19
Other	9	99	-	-
Property at valuation	9 831	9 912	4 094	5 754
Accelerated rental income (refer to note 7)	(294)	(325)	(98)	(197)
	9 537	9 587	3 996	5 557
4.1 Owned investment properties				
Completed properties				
Fair value at beginning	9 576	9 269	5 557	5 303
Capitalised subsequent expenditure	56	19	22	13
Additions	15	3	-	-
Disposals	(45)	-	(1 382)	-
Revaluations	345	277	188	153
Change in accelerated rental income	32	2	100	25
Transfer from/(to) non-current assets held for sale (refer to note 8) ²	(493)	63	(489)	63
Transfer (to)/from owner-occupied properties	42	(57)	-	-
Other	(2)	-	-	-
Transfer from investment properties under development	-	-	-	-
Fair value at end	9 526	9 576	3 996	5 557

¹ The movement in office buildings in the Company relates primarily to the transfer of properties with a carrying value of R956 million to the Momentum RCIS QI Property Hedge Fund in exchange for units in the fund. As the fund is controlled by the Group, the transaction constitutes a common control transaction and has no impact on the Group.

² The R63 million in the prior year relates to a property that was held for sale in the 2024 financial year, but due to changes in circumstances, it was transferred back to investment properties in the 2025 financial year.

A register of investment properties is available for inspection at the Company's registered office.

Investment properties are classified as level 3.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

4 Investment properties continued

4.1 Owned investment properties continued

Critical accounting estimates and judgements

In both the current and prior year all properties were internally valued using a DCF method based on contractual or market-related rent receivable less associated costs. The internal valuers hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued.

The valuation input is focused on "headline" assumptions including capital and discount rates however the underlying cash flow is based on contractual arrangements where applicable and appropriate market norms. Each valuation is carried out in isolation, and tested in each individual case by looking at factors including current tenant retention, potential market rentals and potential of increased long-term vacancies as well as necessary changes in the capitalisation and discount rates. The valuers carried out extensive market research and also collaborated with their professional peers.

Group	Carrying amount Rm	Valuation technique	Change in fair value			
			Base assumption ¹	Change in assumption	Decrease in assumption Rm	Increase in assumption Rm
Assumptions						
2026						
Capitalisation rate					769	(603)
Shopping malls	4 277	DCF	7.00% - 10.00%	100bps	519	(403)
Office buildings	4 627	DCF	7.00% - 10.00%	100bps	191	(153)
Industrial	533	DCF	9.00% - 10.00%	100bps	33	(27)
Hotels	330	DCF	9.00%	100bps	26	(20)
Discount rate					649	(599)
Shopping malls	4 277	DCF	12.00% - 15.00%	100bps	384	(351)
Office buildings	4 627	DCF	12.00% - 14.00%	100bps	228	(213)
Industrial	533	DCF	13.00% - 14.00%	100bps	25	(23)
Hotels	330	DCF	13.00%	100bps	12	(12)
Vacancy rate					84	(85)
Shopping malls	4 277	DCF	1.00% - 4.00%	100bps	49	(49)
Office buildings	4 627	DCF	0.50% - 15.00%	100bps	30	(31)
Industrial	533	DCF	1.00% - 3.00%	100bps	3	(3)
Hotels	330	DCF	1.00%	100bps	2	(2)
2025						
Capitalisation rate					597	(464)
Shopping malls	4 082	DCF	7.79% - 10.04%	100bps	311	(244)
Office buildings	4 842	DCF	7.44% - 10.15%	100bps	213	(161)
Industrial	532	DCF	8.55% - 11.50%	100bps	47	(38)
Hotels	311	DCF	9.00%	100bps	26	(21)
Discount rate					498	(460)
Shopping malls	4 082	DCF	12.41% - 14.67%	100bps	196	(181)
Office buildings	4 842	DCF	12.45% - 14.52%	100bps	250	(231)
Industrial	532	DCF	13.10% - 14.00%	100bps	40	(37)
Hotels	311	DCF	13.00%	100bps	12	(11)
Vacancy rate					70	(71)
Shopping malls	4 082	DCF	1.35% - 2.76%	100bps	32	(30)
Office buildings	4 842	DCF	0.31% - 10.32%	100bps	32	(35)
Industrial	532	DCF	0.69% - 2.41%	100bps	4	(4)
Hotels	311	DCF	1.00%	100bps	2	(2)

¹ The base assumption has been calculated using an absolute minimum and maximum range. Prior year base assumption has been calculated using a weighted average range.

4 Investment properties continued

4.1 Owned investment properties continued

Company	Carrying amount Rm	Valuation technique	Change in fair value			
			Base assumption ¹	Change in assumption	Decrease in assumption Rm	Increase in assumption Rm
Assumptions						
2026						
Capitalisation rate					481	(371)
Shopping malls	2 131	DCF	7.00% - 10.00%	100bps	357	(272)
Office buildings	1 624	DCF	9.00% - 10.00%	100bps	98	(79)
Hotels	330	DCF	9.00%	100bps	26	(20)
Discount rate					369	(342)
Shopping malls	2 131	DCF	12.00% - 14.00%	100bps	296	(272)
Office buildings	1 624	DCF	13.00% - 14.00%	100bps	61	(58)
Hotels	330	DCF	13.00%	100bps	12	(12)
Vacancy rate					43	(43)
Shopping malls	2 131	DCF	1.00% - 3.00%	100bps	30	(30)
Office buildings	1 624	DCF	0.50% - 15.00%	100bps	11	(11)
Hotels	330	DCF	1.00%	100bps	2	(2)
Restated 2025						
Capitalisation rate					383	(300)
Shopping malls	2 353	DCF	7.00% - 10.00%	100bps	177	(136)
Office buildings	2 853	DCF	8.21% - 10.09%	100bps	180	(143)
Hotels	311	DCF	9.00%	100bps	26	(21)
Discount rate					275	(253)
Shopping malls	2 353	DCF	12.00% - 15.00%	100bps	133	(121)
Office buildings	2 853	DCF	13.09% - 14.85%	100bps	130	(121)
Hotels	311	DCF	13.00%	100bps	12	(11)
Vacancy rate					40	(38)
Shopping malls	2 353	DCF	1.00% - 2.00%	100bps	17	(15)
Office buildings	2 853	DCF	1.10% - 13.40%	100bps	21	(21)
Hotels	311	DCF	1.00%	100bps	2	(2)

¹ The base assumption has been calculated using an absolute minimum and maximum range. Prior year base assumption has been calculated using a weighted average range.

Sensitivity disclosures relating to hotels were omitted in the prior year. The June 2025 disclosures have been updated accordingly.

Capitalisation and discount rates are based on a number of factors, including but not limited to the following: market transactions, the current risk-free rate, the risk associated with the income stream flowing from the property, the real estate cycle, current economic conditions at both the micro- and macroeconomic level and the yield that an investor would require in order to make the property an attractive investment. For valuation purposes, existing lease agreements and subsequent expected market-related rentals are used to determine the net income stream on which the fair value of each building is based.

Office sector - higher vacancies (due to tenant fall-off as well as downsizing) have been experienced, resulting in a continued oversupply of office space. The decrease in demand has put pressure on rentals, and together with persistent vacancies, this has inevitably led to an associated drop in valuations. The exception has been the Cape Town market where demand is stronger and market rentals have risen as vacancies are beginning to reduce.

Retail sector - rural retail had a strong year-on-year performance and is continuing to perform well. Urban retail experienced some lease fall-off but this was mostly attributable to tenants who were already experiencing difficulties prior to Covid-19. The ability to re-let has somewhat improved over last year. Capitalisation rates and discount rates have remained stable due to nodal performance and rentals achieved.

Industrial - the industrial sector is still a strong performer with distribution centres, large warehousing and multi-parks showing the strongest total return by property type across all sectors. This resulted in more robust market rentals and a low vacancy rate.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
4.2 Right-of-use assets				
Carrying amount at beginning	11	10	-	-
Revaluation	-	1	-	-
Carrying amount at end	11	11	-	-

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

5 Interest in subsidiaries

Company	Effective % holding	
	2026 %	2025 %
Subsidiaries (directly held):		
Collective investment schemes		
<i>At fair value through profit and loss</i>		
Collective investment schemes (Note 41)	Various	Various
Total collective investment schemes		
Unlisted		
<i>At fair value through profit and loss</i>		
102 Rivonia Road (Pty) Ltd	80	80
SMH Land Development (Pty) Ltd	100	100
Other unlisted investments in subsidiaries	Various	Various
<i>At fair value through other comprehensive income^{1,2}</i>		
Momentum Global Investment Management Group ³	100	100
Momentum Money	100	100
Momentum Wealth International Ltd	100	100
Momentum Wealth (Pty) Ltd	100	100
129 Rivonia Road (Pty) Ltd	100	100
Momentum Umhlanga (Pty) Ltd	100	100
Momentum Investment Management Group ³	100	100
Other unlisted investments in subsidiaries	Various	Various
Total unlisted subsidiaries		
Total interest in subsidiaries		

¹ The investments in these subsidiaries were irrevocably designated at fair value through other comprehensive income as the Company considers these investments to be strategic in nature.

² During the current year, the Company received the following dividends from subsidiaries at fair value through other comprehensive income: R46 million (2025: R58 million) from Momentum Wealth International Ltd, R15 million (2025: Rnil) from Equilibrium Investment Management (Pty) Ltd, R113 million (2025: R85 million) from Momentum Investments Management (Pty) Ltd and Rnil (2025: R3 million) from Roseneck (Pty) Ltd.

³ Momentum Global Investment Management Group consists of Momentum Global Investment Management Ltd and Crown Agents Investment Management Ltd. Momentum Investments Management Group consists of Momentum Asset Management (Pty) Ltd, Momentum Collective Investments (RF) (Pty) Ltd, Momentum Alternative Investments (Pty) Ltd and Momentum Multi-Manager (Pty) Ltd.

	Investment by holding company				Carrying amount (including loan account)		Nature of business	Country of incorporation
	Company carrying amount		Amounts owing by/(to) subsidiaries					
	2026 Rm	2025 Rm	2026 Rm	2025 Rm	2026 Rm	2025 Rm		
	144 466	131 644	-	-	144 466	131 644	Unit trusts	South Africa
	144 466	131 644	-	-	144 466	131 644		
	144 466	131 644	-	-	144 466	131 644		
	221	537	175	56	396	593	Property investment Property investment Various	South Africa South Africa Various
	32	176	140	-	172	176		
	158	138	(15)	(15)	143	123		
	31	223	50	71	81	294		
	4 962	3 474	1 477	1 816	6 439	5 290	Investment management Client engagement services Investment services Investment management Property investment Property investment Investment management Various	United Kingdom South Africa Guernsey South Africa South Africa South Africa South Africa Various
	459	596	(24)	2	435	598		
	181	181	-	-	181	181		
	563	591	26	24	589	615		
	512	376	463	281	975	657		
	917	233	957	1 385	1 874	1 618		
	100	82	127	123	227	205		
	1 946	1 218	(77)	(33)	1 869	1 185		
	284	197	5	34	289	231		
	5 183	4 011	1 652	1 872	6 835	5 883		
	149 649	135 655	1 652	1 872	151 301	137 527		

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

5 Interest in subsidiaries continued

Subsidiary and other related party provision for expected credit losses

	Relationship	Expected credit loss provision		Impairment expense (reversal)	
		2026 Rm	2025 Rm	2026 Rm	2025 Rm
My Thrive (Pty) Ltd	Intergroup	-	-	-	(17)
Momentum Umhlanga (Pty) Ltd (previously known as Momentum Metropolitan Umhlanga (Pty) Ltd)	Subsidiary	1	1	-	-
Southern Life Property Development (Pty) Ltd	Subsidiary	2	2	-	(1)
Momentum Finance Company (Pty) Ltd (previously known as Momentum Metropolitan Finance Company (Pty) Ltd)	Intergroup	2	2	-	(1)
Momentum Group Ltd (Previously known as Momentum Metropolitan Holdings Ltd)	Intergroup	5	-	5	(2)
Metropolitan International Support (Pty) Ltd (MIS)	Intergroup	-	19	(19)	19
Momentum Multiply (Pty) Ltd (previously Healthvybe)	Intergroup	5	40	(35)	40
Momentum Trust Ltd	Intergroup	-	-	-	(30)
Momentum Lending (Pty) Ltd (previously Momentum Metropolitan Lending (Pty) Ltd)	Intergroup	2	2	-	1
		17	66	(49)	9
Total subsidiaries		3	3	-	(1)
Total intergroup and related parties		14	63	(49)	10

6 Financial assets

Refer to note 45.7, 45.8 and 45.9 for the accounting policies relating to this note.

The Group classifies its financial assets into the following categories:

- Financial assets at fair value through profit and loss
- Financial assets at amortised cost

The classification is based on contractual cash flows characteristics and models through which financial instruments are managed (business model). Management determines the classification of its financial assets at initial recognition.

Critical judgements and estimates

Management applies judgement to the valuation of certain level 2 and level 3 financial assets, which include the Group's venture capital investments, where the market is inactive. Refer to note 43 for more information.

The assessment of significant increase in credit risk to calculate the expected credit loss for assets carried at amortised cost is done by determining the risk of default over the expected lifetime of an instrument. Management applies judgement to the probability of default and loss given default. Refer to note 6.5 for more information.

In determining the requirements of IFRS 10, the Group considers control over the fund manager to be a key aspect in determining whether a CIS is controlled by the Group or not. Where the funds are managed by Group-owned fund managers and the Group holds 20% or more in these funds, it is viewed to have control of the fund. Investments in externally managed funds are also assessed for indicators of control. Where the control criteria are not met, the criteria for joint control and significant influence are considered. Refer to note 41 and note 42 for information on the collective investment schemes classified as subsidiaries or associates.

6 Financial assets continued

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
The Group's financial assets are summarised below:				
6.1 Financial assets at fair value through profit and loss	746 470	644 091	560 606	476 131
6.2 Financial assets at amortised cost¹	7 701	6 227	6 243	4 646
6.3 Cash and cash equivalents¹	27 312	25 272	20 119	17 370
Interest in subsidiaries (refer to note 5)	-	-	149 649	135 655
Total financial assets	781 483	675 590	736 617	633 802
¹ Comparative balances have been restated. Refer to Notes 6.2, 6.3 and the restatement note for details of the restatement.				
6.1 Financial assets at fair value through profit and loss				
Unit-linked investments	310 818	273 140	296 131	257 902
Debt securities ¹	250 287	205 023	200 802	165 786
Equity securities	158 653	142 882	48 215	41 936
Funds on deposit and other money market instruments ¹	25 441	21 489	14 483	9 290
Derivative financial assets ¹	1 172	1 288	975	1 217
Carry positions	99	269	-	-
	746 470	644 091	560 606	476 131
Open-ended ²	469 710	418 911	349 343	304 068
Current ²	53 403	43 046	29 246	24 714
Non-current	223 357	182 134	182 017	147 349
1 to 5 years ²	64 018	52 980	50 165	40 385
5 to 10 years ²	34 568	38 762	23 203	27 840
> 10 years ²	124 771	90 392	108 649	79 124
	746 470	644 091	560 606	476 131

¹ Refer to note 38.2 for more information on the global transition to alternative benchmark rates.

² The prior year maturity profile was corrected in the current year. As a result, the June 2025 comparative maturity profile has been restated as follows:

- Open-ended balance increased by R1 823 million.
- Current balance decreased by R4 464 million.
- Non-current (1-5 years) balance increased by R871 million.
- Non-current (5-10 years) balance increased by R1 105 million.
- Non-current (>10 years) balance increased by R665 million.

General

The open-ended maturity category includes investment assets such as listed and unlisted equities, unit-linked investments and other non-term instruments. For these instruments, management is unable to provide a reliable estimate of maturity, given factors such as the volatility of the respective markets and policyholder behaviour.

A schedule of equity securities is available for inspection at the Company's registered office.

Derivative financial instruments

	2026		2025	
	Assets Rm	Liabilities Rm	Assets Rm	Liabilities Rm
Group				
Held for trading	1 172	1 945	1 288	1 531
Company				
Held for trading	975	1 875	1 217	1 463

As part of its asset and liability management, the Group purchases derivative financial instruments to reduce the exposure of policyholder and shareholder assets to market risks and to match the liabilities arising on insurance contracts.

Under no circumstances are derivative contracts entered into for speculative purposes.

The following table shows the fair value of derivative financial instruments recorded as assets or liabilities, together with their effective exposure. Effective exposure is the exposure of a derivative financial contract or instrument to the underlying asset by also taking delta (the ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative) into account, where applicable.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.1 Financial assets at fair value through profit and loss continued

Derivative financial instruments continued

The mark-to-market value of a derivative does not give an indication of the effective exposure of portfolios to changes in market values of that derivative position. The effective exposure of a derivative position reflects the equivalent amount of the underlying security that would provide the same profit or loss as the derivative position, given an incremental change in the price of the underlying security. A derivative position is translated into the equivalent physical holding, or its market value, which provides a meaningful measure in respect of asset allocation. For example:

- the market value for swaps, such as interest rate swaps;
- the underlying market value represented by futures contracts; and
- the delta adjusted effective exposure derived from an option position.

Group	2026			2025		
	Effective exposure Rm	Assets Rm	Liabilities Rm	Effective exposure Rm	Assets Rm	Liabilities Rm
Derivatives held for trading						
Equity derivatives		105	397		284	31
Options, OTC	4	71	2	2	2	-
Options, exchange traded	86	4	-	153	1	-
Futures, OTC	2 053	2	42	1 849	28	1
Futures, exchange traded	1 861	1	4	1 337	3	23
Swaps, OTC ¹	(322)	27	349	243	250	7
CFD	1 914	-	-	1 587	-	-
Interest rate derivatives		654	1 489		760	1 468
Futures, exchange traded	1	1	-	-	-	-
Swaps, OTC ¹	(840)	648	1 479	(720)	755	1 465
Forward rate agreement, OTC	(5)	5	10	3	5	3
Bonds		271	33		228	-
Options, exchange traded	180	-	-	239	-	-
Futures, OTC	10 566	266	27	7 312	215	-
Futures, exchange traded	9 852	5	6	9 120	13	-
Credit derivatives		-	1		-	1
Swaps, OTC ¹	(1)	-	1	(1)	-	1
Currency derivatives		142	25		16	31
Options, OTC	(92)	5	2	-	-	-
Options, exchange traded	(3)	-	-	(74)	-	-
Futures, OTC	1 331	25	7	1 001	16	10
Futures, exchange traded	(284)	-	15	(341)	-	4
Swaps, OTC ¹	111	112	1	(17)	-	17
Total derivative financial instruments		1 172	1 945		1 288	1 531

¹ The effective exposure of the swaps represents the net fair value, which may differ from effective exposure.

6 Financial assets continued

6.1 Financial assets at fair value through profit and loss continued

Derivative financial instruments continued

Company	2026			2025		
	Effective exposure Rm	Assets Rm	Liabilities Rm	Effective exposure Rm	Assets Rm	Liabilities Rm
Derivatives held for trading						
Equity derivatives		101	393		281	8
Options, OTC	4	71	2	2	2	-
Options, exchange traded	20	1	-	73	1	-
Futures, OTC	2 053	2	42	1 849	28	1
Futures, exchange traded	1 688	-	-	891	-	-
Swaps, OTC ¹	(322)	27	349	243	250	7
Interest rate derivatives		603	1 449		721	1 445
Options, OTC	1	1	-	-	-	-
Swaps, OTC ¹	(848)	600	1 447	(727)	716	1 442
Forward rate agreement, OTC	-	2	2	3	5	3
Bonds		266	27		215	-
Options, OTC	-	-	-	-	-	-
Options, exchange traded	162	-	-	204	-	-
Futures, OTC	10 566	266	27	7 312	215	-
Futures, exchange traded	9 191	-	-	8 261	-	-
Credit derivatives		-	1		-	1
Swaps, OTC ¹	(1)	-	1	(1)	-	1
Currency derivatives		5	5		-	9
Options, OTC	(92)	5	2	-	-	-
Options, exchange traded	(3)	-	-	(32)	-	-
Futures, OTC	981	-	3	895	-	9
Futures, exchange traded	(125)	-	-	(125)	-	-
Swaps, OTC ¹	-	-	-	-	-	-
Total derivative financial instruments		975	1 875		1 217	1 463

¹ The effective exposure of the swaps represents the net fair value, which may differ from effective exposure.

At their inception, derivatives often involve only a mutual exchange of promises with little or no transfer of consideration. However, these instruments frequently involve a high degree of leverage and are very volatile. A relatively small movement in the value of the asset, rate or index underlying a derivative contract may have a significant impact on the profit or loss of the Group.

Over-the-counter (OTC) derivatives may expose the Group to the risks associated with the absence of an exchange market on which to close out an open position.

The Group's exposure under derivative contracts is closely monitored as part of the overall management of the Group's market risk.

Offsetting

The Group discloses information about recognised financial instruments that are subject to enforceable master netting arrangements and similar agreements. These arrangements do not meet the criteria for offsetting in the statement of financial position but still result in a significant reduction in credit risk due to the legally enforceable rights of set-off in case of default, insolvency or bankruptcy of the counterparties.

The Group enters into International Swaps and Derivatives Association (ISDA) agreements and similar arrangements with counterparties to manage counterparty credit risk on derivative positions. These agreements allow the Group to settle multiple transactions with a single net amount in the event of default or other termination events. As such, these rights of set-off do not generally result in an offset in the statement of financial position under IAS 32 but are disclosed below to provide information on the effect of these arrangements on the Group's exposure to credit risk.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.1 Financial assets at fair value through profit and loss continued

Derivative financial instruments continued

Offsetting continued

The following table presents the recognised derivative financial assets and liabilities that are subject to such arrangements, as well as the related amounts that are not offset in the statement of financial position but which the Group has the right to offset under such agreements:

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Derivative financial assets				
Recognised financial assets	1 172	1 288	975	1 217
Related amounts not set off in the statement of financial position				
Financial instruments	(769)	(759)	(721)	(740)
Cash collateral received	(348)	(529)	(254)	(477)
Net amount	55	-	-	-
Derivative financial liabilities				
Recognised financial liabilities	1 945	1 531	1 875	1 463
Related amounts not set off in the statement of financial position				
Financial instruments	(769)	(759)	(721)	(740)
Cash collateral issued	(724)	(666)	(724)	(666)
Net amount	452	106	430	57

6.2 Financial assets at amortised cost

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
Unsettled trades ^{1,4}	2 339	1 075	1 664	433
Accounts receivable	2 346	1 894	1 390	1 077
Less: provision for impairment	(57)	(69)	(51)	(66)
Loans	3 073	3 327	3 240	3 202
Related party loans				
Loans due from subsidiaries and fellow MGL subsidiaries	2 494	2 802	2 980	3 005
Less provision for impairment	(14)	(63)	(17)	(66)
Staff loans	-	1	1	2
Other related party loans ²	124	124	123	123
Other loans				
Due from agents and brokers	237	293	237	293
Less: provision for impairment	(84)	(155)	(84)	(155)
Other ³	316	337	-	-
Less: provision for impairment	-	(12)	-	-
Total included in financial assets	7 701	6 227	6 243	4 646
Current	7 327	5 797	6 086	4 433
Non-current	374	430	157	213
	7 701	6 227	6 243	4 646

Refer to the restatement note for more information.

¹ Unsettled trades result from transactions that Portfolio Managers enter into on behalf of the various subsidiaries in the Group in accordance with the discretionary portfolio management agreements. The Group's accounting policy is to recognise purchases and sales of financial assets on the trade date, i.e. the date on which the Group commits to purchase or sell the financial asset. All trade transactions that the Group enters into before the last day of the reporting period, i.e. 30 June, but where the settlement will only occur after the reporting period, are reported as unsettled trades. This is applied to both purchases and sales across all entities in the Group. As a result of the nature of these type of transactions, the unsettled trades balances can fluctuate significantly year-on-year.

² Included in other related party loans is a R123 million (2025: R123 million) loan to Abland, that manages the operations of a policyholder trust for MML.

³ Includes R298 million (2025: R307 million) in respect of underlying assets in a credit fund classified as CIS.

⁴ The Group identified that certain purchases and sales of financial assets in the prior year were incorrectly reflected as unsettled trades at the reporting date due to unreconciled timing differences in the bank reconciliation process. Subsequent investigation confirmed that these transactions had in fact settled before year end, as evidenced by the related cash flows. June 2025 has been restated accordingly. Refer to the restatement note for more information.

6 Financial assets continued

6.2 Financial assets at amortised cost continued

Group						
Reconciliation of expected credit losses	Other loans Rm	Funds on deposit and other money market instruments Rm	Accounts receivable Rm	Related party loans Rm	Due from agents and brokers Rm	Total Rm
2026						
Balance at beginning	(12)	-	(69)	(63)	(155)	(299)
Additional provision	-	-	(5)	(6)	(4)	(15)
Reversed to the income statement	12	-	17	55	14	98
Bad debt written off	-	-	-	-	61	61
Balance at end	-	-	(57)	(14)	(84)	(155)
2025						
Balance at beginning	-	(31)	(68)	(53)	(157)	(309)
Additional provision	(12)	-	(2)	(61)	-	(75)
Reversed to the income statement	-	-	2	51	2	55
Other	-	31	(1)	-	-	30
Balance at end	(12)	-	(69)	(63)	(155)	(299)
Company						
Reconciliation of expected credit losses		Funds on deposit and other money market instruments Rm	Accounts receivable Rm	Loans due from subsidiaries and fellow MGL subsidiaries Rm	Due from agents and brokers Rm	Total Rm
2026						
Balance at beginning	-	(66)	(66)	(155)	(287)	
Additional provision	-	(3)	(6)	(4)	(13)	
Reversed to the income statement	-	17	55	14	86	
Bad debt written off	-	1	-	61	62	
Balance at end	-	(51)	(17)	(84)	(152)	
2025						
Balance at beginning	(16)	(64)	(57)	(157)	(294)	
Additional provision	-	(2)	(60)	-	(62)	
Reversed to the income statement	-	-	51	2	53	
Other	16	-	-	-	16	
Balance at end	-	(66)	(66)	(155)	(287)	

Terms and conditions of material loans

Loans to Group companies are interest free, repayable on demand, and are unsecured.

Refer to note 6.5 for the split of the credit risk and expected credit loss allowances into stages.

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
6.3 Cash and cash equivalents				
Bank and other cash balances	11 153	9 516	9 626	8 039
Funds on deposit and other money market instruments - maturity < 90 days ¹	16 159	15 756	10 493	9 331
	27 312	25 272	20 119	17 370

¹ The Group identified that certain purchases and sales of financial assets in the prior year were incorrectly reflected as unsettled trades at the reporting date due to unreconciled timing differences in the bank reconciliation process. Subsequent investigation confirmed that these transactions had in fact settled before year end, as evidenced by the related cash flows. June 2025 has been restated accordingly. Refer to the restatement note for more information.

Expected credit loss on cash and cash equivalents is immaterial.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

Group	Fair value through profit and loss				
	Mandatorily Rm	Designated ¹ Rm	Total fair value Rm	Amortised cost Rm	Total Rm
Financial assets summarised by measurement category in terms of IFRS 9					
6.4 Financial assets measurement					
2026					
Unit-linked investments	310 818	-	310 818	-	310 818
Debt securities	59 578	190 709	250 287	-	250 287
Equity securities ²	158 653	-	158 653	-	158 653
Funds on deposit and other money market instruments	14 865	10 576	25 441	-	25 441
Derivative financial assets	1 172	-	1 172	-	1 172
Carry positions	-	99	99	-	99
Financial assets at amortised cost	-	-	-	7 701	7 701
Cash and cash equivalents	-	-	-	27 312	27 312
Total financial assets	545 086	201 384	746 470	35 013	781 483
Restated					
2025					
Unit-linked investments	273 140	-	273 140	-	273 140
Debt securities	47 410	157 613	205 023	-	205 023
Equity securities ²	142 882	-	142 882	-	142 882
Funds on deposit and other money market instruments ³	12 927	8 562	21 489	-	21 489
Derivative financial assets	1 288	-	1 288	-	1 288
Carry positions	-	269	269	-	269
Financial assets at amortised cost ³	-	-	-	6 227	6 227
Cash and cash equivalents ³	-	-	-	25 272	25 272
Total financial assets	477 647	166 444	644 091	31 499	675 590

¹ Financial assets designated at fair value through profit or loss mainly consist of policyholder assets that back policyholder liabilities measured at fair value through profit or loss. The amount of change, during the period and cumulatively, in the fair value of financial assets designated at fair value through profit and loss that is attributable to changes in the credit risk of the financial asset is determined as the change triggered by factors other than changes in the benchmark rate. The impact of the changes in credit risk for the current and prior year was immaterial.

² Equity securities are classified as fair value through profit and loss at inception.

³ The prior year has been restated to correct the classification of certain purchases and sales of financial assets that were incorrectly reported as unsettled trades at year end. These trades had, however, settled before the reporting date. Refer to the restatement note for more information.

6 Financial assets continued

6.4 Financial assets measurement continued

Company	Fair value through profit and loss			At fair value through other comprehensive income	Amortised cost	Total
	Mandatorily	Designated ¹	Total fair value			
Financial assets summarised by measurement category in terms of IFRS 9	Rm	Rm	Rm	Rm	Rm	Rm
2026						
Equity securities ²	48 215	-	48 215	-	-	48 215
Debt securities	12 194	188 608	200 802	-	-	200 802
Funds on deposit and other money market instruments	3 908	10 575	14 483	-	-	14 483
Unit-linked investments	296 131	-	296 131	-	-	296 131
Derivative financial assets	975	-	975	-	-	975
Financial assets at amortised cost	-	-	-	-	6 243	6 243
Cash and cash equivalents	-	-	-	-	20 119	20 119
Investments in subsidiaries at fair value	144 687	-	144 687	4 962	-	149 649
Total financial assets	506 110	199 183	705 293	4 962	26 362	736 617
Restated 2025						
Equity securities ²	41 936	-	41 936	-	-	41 936
Debt securities	11 389	154 397	165 786	-	-	165 786
Funds on deposit and other money market instruments	728	8 562	9 290	-	-	9 290
Unit-linked investments	257 902	-	257 902	-	-	257 902
Derivative financial assets	1 217	-	1 217	-	-	1 217
Financial assets at amortised cost ³	-	-	-	-	4 646	4 646
Cash and cash equivalents ³	-	-	-	-	17 370	17 370
Investments in subsidiaries at fair value	132 181	-	132 181	3 474	-	135 655
Total financial assets	445 353	162 959	608 312	3 474	22 016	633 802

¹ Financial assets designated at fair value through profit or loss mainly consist of policyholder assets that back policyholder liabilities measured at fair value through profit or loss. The amount of change, during the period and cumulatively, in the fair value of financial assets designated at fair value through profit and loss that is attributable to changes in the credit risk of the financial asset is determined as the change triggered by factors other than changes in the benchmark rate. The impact of the changes in credit risk for the current and prior year was immaterial.

² Equity securities are classified as fair value through profit and loss at inception.

³ The prior year has been restated to correct the classification of certain purchases and sales of financial assets that were incorrectly reported as unsettled trades at year end. These trades had, however, settled before the reporting date. Refer to the restatement note for more information.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.4 Financial assets measurement continued

Business model assessment

The Group's financial asset classification is determined based on the contractual cash flows characteristics and models through which financial instruments are managed (business model). The Group has a number of subsidiaries which range from life companies, non-life companies and collective investment schemes which are consolidated. The level at which the business model assessment is done is determined by Group and is on a portfolio level.

Life insurance companies

Financial assets mandatorily at fair value through profit and loss

All shareholder assets are managed to maximise shareholder value creation on a long-term sustainable basis through the optimised taking or minimising of market risk borne by shareholders, across the Group. Shareholder value creation is measured on a basis that is risk adjusted, i.e. returns achieved must fully compensate their associated risk profile, taking into account the earnings at risk, economic value-at-risk and solvency-at-risk perspectives. These assets are managed on a fair value basis and are classified mandatorily at fair value through profit and loss.

Financial assets designated at fair value through profit and loss

Debt securities and funds on deposit and other money market instruments that back policyholder liabilities are designated at fair value through profit and loss to eliminate or reduce an accounting mismatch.

- Certain policyholder fixed income assets follow an enhanced immunisation strategy which implies that while the inherent risk is well managed the cash flows would not be strictly matched. The strategy therefore involves buying and selling securities to keep the risks within risk limits and to meet contractual liability flows.
- Other policyholder fixed income assets are managed in accordance with an Investment Management Agreement (IMA) that does not allow fund managers to enter into activities which are deemed to be speculative or profit-taking in nature. These fixed income instruments are purchased with the intent of achieving stated investment return objectives through capital return and interest income. Portfolio managers sell these assets from time to time to honour contractual liabilities or to manage inherent market risk factors.

Other companies

The rest of the Group's operating activities include non-life, health and asset management services. The business model assessments on the financial assets were done within the individual entities, using Group methodology.

Consolidated collective investment schemes

A number of collective investments schemes are consolidated into the Group. Refer to note 41 for a list of significant schemes. Majority of these funds are held with an objective of capital growth. For those funds not held for capital growth, a look-through basis was applied to determine the business model. Majority of the underlying assets are sold before maturity and the fund's performance and management fee is based on the fair value of the underlying assets and therefore have been classified mandatorily at fair value through profit and loss.

Impairment

The impairment of financial assets is based on assumptions about risk of default and expected loss rates, which include the estimation of future cash flows and the significant increase in credit risk. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculations, based on the Group's history, existing market conditions, as well as forward-looking estimates at the end of each reporting period.

6 Financial assets continued

6.5 Credit risk

Refer to note 39 for detail on the credit risk management.

Credit risk exposure arising from financial assets

The Group's maximum exposure to credit risk, without considering any collateral or credit enhancements (refer to note 39), is through the following classes of assets, and is equal to their carrying amounts:

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
Financial assets at fair value through profit and loss				
Debt securities	250 287	205 023	200 802	165 786
Stock and loans to government and other public bodies	150 278	115 574	127 677	97 424
Other debt instruments ¹	100 009	89 449	73 125	68 362
Funds on deposit and other money market instruments	25 441	21 489	14 483	9 290
Unit-linked investments (categorised as interest-bearing and money market – refer to note 42)	33 238	25 460	23 848	21 011
Collective investment schemes	29 560	22 883	20 192	18 453
Other unit-linked investments	3 678	2 577	3 656	2 558
Derivative financial assets – Held for trading	1 172	1 288	975	1 217
Carry positions	99	269	-	-
Financial assets at amortised cost	7 701	6 227	6 243	4 646
Unsettled trades ²	2 339	1 075	1 664	433
Accounts receivable	2 289	1 825	1 339	1 011
Loans	3 073	3 327	3 240	3 202
Cash and cash equivalents ²	27 312	25 272	20 119	17 370
Total financial assets bearing credit risk	345 250	285 028	266 470	219 320

¹ Amandla Renewable Energy Fund (RF) (Pty) Ltd holds collateral in respect of preference shares held by the associated special purpose vehicle, Amandla Ilanga SPV (RF) (Pty) Ltd. The security has subsequently been ceded to the holder of the senior preference shares issued by the special purpose vehicle as part of initially securing the senior funding. The material terms of the security cession include that the bare dominium in respect of the asset remains with the cedent and the cessionary only receives the right to sell the security upon default as well as only to the extent that value is owed by the cedent in terms of the cession agreement. The fair value of the security ceded is R743 million (2025: R704 million).

² The Group identified that certain purchases and sales of financial assets in the prior year were incorrectly reflected as unsettled trades at the reporting date due to unreconciled timing differences in the bank reconciliation process. Subsequent investigation confirmed that these transactions had in fact settled before year end, as evidenced by the related cash flows. June 2025 has been restated accordingly. Refer to the restatement note for more information.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.5 Credit risk continued

Group	Stage 1	Stage 2	Stage 3	Total
Credit risk balances - expected credit loss	Rm	Rm	Rm	Rm
2026				
Financial assets at amortised cost				
Unsettled trades	2 339	-	-	2 339
Accounts receivable	2 254	30	62	2 346
Provision for impairment	(3)	(4)	(50)	(57)
Due from agents and brokers	149	-	88	237
Provision for impairment ¹	-	-	(84)	(84)
Related party loans				
Loans due from fellow MGL subsidiaries	1 740	738	16	2 494
Provision for impairment	(5)	(2)	(7)	(14)
Other related party loans	1	-	123	124
Staff loans	-	-	-	-
Other	316	-	-	316
Provision for impairment	-	-	-	-
	6 791	762	148	7 701

¹ The decrease in the expected credit loss allowance relating to amounts due from agents and brokers during the year was primarily attributable to the write-off of previously impaired balances against the existing loss allowance. These balances had been substantially provided for in prior periods and were written off following the conclusion that there was no reasonable expectation of recovery. The write-offs did not result in a material charge to profit or loss in the current year as the loss allowance had already been recognised.

Group	Stage 1	Stage 2	Stage 3	Total
Credit risk balances - expected credit loss	Rm	Rm	Rm	Rm
Restated				
2025				
Financial assets at amortised cost				
Unsettled trades ¹	1 075	-	-	1 075
Accounts receivable	1 714	48	132	1 894
Provision for impairment	(5)	-	(64)	(69)
Policy loans related to investment contracts	-	-	-	-
Due from agents and brokers	129	-	164	293
Provision for impairment	-	-	(155)	(155)
Related party loans				
Loans due from fellow MGL subsidiaries	1 997	710	95	2 802
Provision for impairment	-	(2)	(61)	(63)
Other related party loans	124	-	-	124
Provision for impairment	-	-	-	-
Staff loans	1	-	-	1
Other	308	-	29	337
Provision for impairment	-	-	(12)	(12)
	5 343	756	128	6 227

¹ The prior year has been restated to correct the classification of certain purchases and sales of financial assets that were incorrectly reported as unsettled trades at year end. These trades had, however, settled before the reporting date. Refer to the restatement note for further information.

All balances relate to unrated counterparties.

6 Financial assets continued**6.5 Credit risk continued**

Company	Stage 1	Stage 2	Stage 3	Total
Credit risk balances - expected credit loss	Rm	Rm	Rm	Rm
2026				
Financial assets at amortised cost				
Accounts receivable	1 307	21	62	1 390
Provision for impairment	-	(1)	(50)	(51)
Unsettled trades	1 664	-	-	1 664
Loans				
Related party loans				
Loans due from subsidiaries and fellow MGL subsidiaries	2 231	733	16	2 980
Provision for impairment	(8)	(2)	(7)	(17)
Staff loans	1	-	-	1
Other related party loans	-	-	123	123
Provision for impairment	-	-	-	-
Other loans				
Due from agents and brokers	149	-	88	237
Provision for impairment	-	-	(84)	(84)
Policy loans related to investment contracts	-	-	-	-
	5 344	751	148	6 243
Company	Stage 1	Stage 2	Stage 3	Total
Credit risk balances - expected credit loss	Rm	Rm	Rm	Rm
Restated				
2025				
Financial assets at amortised cost				
Accounts receivable	899	48	130	1 077
Provision for impairment	(5)	-	(61)	(66)
Unsettled trades ¹	433	-	-	433
Loans				
Related party loans				
Loans due from subsidiaries and fellow MGL subsidiaries	2 200	710	95	3 005
Provision for impairment	(3)	(2)	(61)	(66)
Staff loans	2	-	-	2
Other related party loans	123	-	-	123
Provision for impairment	-	-	-	-
Other loans				
Due from agents and brokers	129	-	164	293
Provision for impairment	-	-	(155)	(155)
Policy loans related to investment contracts	-	-	-	-
	3 778	756	112	4 646

¹ The prior year has been restated to correct the classification of certain purchases and sales of financial assets that were incorrectly reported as unsettled trades at year end. These trades had, however, settled before the reporting date. Refer to the restatement note for further information.

All balances relate to unrated counterparties.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.5 Credit risk continued

Group	12-month expected credit losses (Stage 1) Rm	Lifetime expected credit losses (Stage 2) Rm	Lifetime expected credit losses (Stage 3) Rm	Total Rm
Reconciliation of expected credit losses				
2026				
Accounts receivable				
Opening balance	(5)	-	(64)	(69)
Movement recognised in the income statement	2	(4)	14	12
Other	-	-	-	-
Closing balance	(3)	(4)	(50)	(57)
Funds on deposit and other money market instruments				
Opening balance	-	-	-	-
Movement recognised in the income statement	-	-	-	-
Other	-	-	-	-
Closing balance	-	-	-	-
Related party loans				
Opening balance	-	(2)	(61)	(63)
Movement recognised in the income statement	(5)	-	54	49
Other	-	-	-	-
Closing balance	(5)	(2)	(7)	(14)
Other loans				
Opening balance	-	-	(12)	(12)
Movement recognised in the income statement	-	-	12	12
Other	-	-	-	-
Closing balance	-	-	-	-
Due from agents and brokers				
Opening balance	-	-	(155)	(155)
Movement recognised in the income statement	-	-	10	10
Bad debt written off	-	-	61	61
Closing balance	-	-	(84)	(84)
2025				
Accounts receivable				
Opening balance	(4)	(3)	(61)	(68)
Movement recognised in the income statement	-	3	(3)	-
Other	(1)	-	-	(1)
Closing balance	(5)	-	(64)	(69)
Funds on deposit and other money market instruments				
Opening balance	-	-	(31)	(31)
Movement recognised in the income statement	-	-	-	-
Other	-	-	31	31
Closing balance	-	-	-	-
Related party loans				
Opening balance	(3)	-	(50)	(53)
Movement recognised in the income statement	3	(2)	(11)	(10)
Closing balance	-	(2)	(61)	(63)
Other loans				
Opening balance	-	-	-	-
Movement recognised in the income statement	-	-	(12)	(12)
Closing balance	-	-	(12)	(12)
Due from agents and brokers				
Opening balance	-	-	(157)	(157)
Movement recognised in the income statement	-	-	2	2
Closing balance	-	-	(155)	(155)

6 Financial assets continued**6.5 Credit risk continued**

Company	12-month expected credit losses (Stage 1) Rm	Lifetime expected credit losses (Stage 2) Rm	Lifetime expected credit losses (Stage 3) Rm	Total Rm
Reconciliation of expected credit losses				
2026				
Accounts receivable				
Opening balance	(5)	-	(61)	(66)
Movement recognised in the income statement	4	(1)	11	14
Other	1	-	-	1
Closing balance	-	(1)	(50)	(51)
Funds on deposit and other money market instruments				
Opening balance	-	-	-	-
Movement recognised in the income statement	-	-	-	-
Other	-	-	-	-
Closing balance	-	-	-	-
Loans due from subsidiaries and fellow MGL subsidiaries				
Opening balance	(3)	(2)	(61)	(66)
Movement recognised in the income statement	(5)	-	54	49
Other	-	-	-	-
Closing balance	(8)	(2)	(7)	(17)
Due from agents and brokers				
Opening balance	-	-	(155)	(155)
Movement recognised in the income statement	-	-	10	10
Bad debt written off	-	-	61	61
Closing balance	-	-	(84)	(84)
2025				
Accounts receivable				
Opening balance	(4)	(3)	(57)	(64)
Movement recognised in the income statement	(1)	3	(4)	(2)
Other	-	-	-	-
Closing balance	(5)	-	(61)	(66)
Funds on deposit and other money market instruments				
Opening balance	-	-	(16)	(16)
Movement recognised in the income statement	-	-	-	-
Other	-	-	16	16
Closing balance	-	-	-	-
Loans due from subsidiaries and fellow MGL subsidiaries				
Opening balance	(7)	-	(50)	(57)
Movement recognised in the income statement	4	(2)	(11)	(9)
Other	-	-	-	-
Closing balance	(3)	(2)	(61)	(66)
Due from agents and brokers				
Opening balance	-	-	(157)	(157)
Movement recognised in the income statement	-	-	2	2
Closing balance	-	-	(155)	(155)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.5 Credit risk continued

Staging definitions					
Stage	Unsettled trades and accounts receivable	Debt securities and funds on deposit and other money market instruments	Loans	Due from agents and brokers	Basis for recognition of expected credit loss provision
Stage 1	- Low risk of default - Strong capability to meet contractual payments	- Low risk of default - Strong capability to meet contractual payments	- Loans are recoverable - Low risk of default - Strong capability to meet contractual payments - Repayment of interest and capital payments in line with terms of agreements - No restructuring of the loan has occurred	- Low risk of default - Strong ability to meet contractual payments	12 months expected losses
Stage 2	- Significant increase in credit risk - Repayments are more than 30 days and less than 90 days past due	Financial assets move to stage two if the instruments' investment grade falls with two rating grades	- Loans are recoverable - Repayment of interest and capital significantly in line with the terms of agreements, i.e. not more than 30 days past due - Restructuring of loans due to interest and capital repayment ability, i.e. credit quality has deteriorated based on the need for restructure, but adequate repayment plans in place - Deterioration of credit quality	- Significant increase in credit risk - Repayments are more than 30 days and less than 90 days past due	Lifetime expected losses
Stage 3	- Significant increase in credit risk - Repayments are more than 90 days past due	Financial assets move to stage three if the instruments' investment grade falls an additional two rating grades since classified as stage two	- Loans are partially recoverable - Loan is in default, i.e. repayment of interest and capital payments not in line with terms of agreement and default does not occur later than 90 days past due - Significant deterioration in credit quality	- Broker balances are more than 90 days past due or where legal action has been taken - Out-of-service brokers and financial planners	Lifetime expected losses
Written off	Long outstanding amounts due are evaluated on a case-by-case basis and would generally be written off when there is no alternative for the debtor to return to solvency and/or legal action taken was unsuccessful.				

6 Financial assets continued

6.5 Credit risk continued

Significant increase in credit risk

Unsettled trades, accounts receivable, due from agents, broker and intermediaries and loans

Criteria

To determine a significant change in credit risk both historical data and forward-looking information is taken into account. This includes existing or expected adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations, a breach of contract, significant changes in the value of any collateral supporting the obligation and reductions in financial support from a parent entity.

Debt securities and funds on deposit and other money market instrument

Significant increase in credit risk means that the credit rating of the instrument has dropped by two ratings.

Financial asset

Impairment information

Unsettled trades and accounts receivable

Impairment of accounts receivable is based on the recoverability of balances grouped together based on shared credit risk characteristics, e.g. instrument type. Balances generally relate to amounts where the timing of settlement is within one month. Historic payments as well as forward-looking information is also taken into account.

Debt securities and funds on deposit and other money market instrument

The expected credit loss is calculated using information extracted from the reports published by the rating agencies annually.

Loans

For related party loans the solvency of the counterparty is taken into account as well as any collateral held.

Due from agents and brokers

Impairment of amounts due from agents and brokers is mainly due to agents and brokers moving to out-of-service status and unproductive agent accounts.

Sensitivities

Accounts receivable and due from agents and brokers

As most of the balances in stage 1 are short-term in nature and majority of the balance in stage 3 has been provided for, the impairment amount for stages 1 and 3 are not considered to be sensitive to changes in the forward-looking information. A deterioration of the forward-looking information for balances in stage 2 is also not expected to be material as the gross amounts are not material.

Debt securities and funds on deposit and other money market instruments

Considered to have low credit risk and therefore the expected credit loss is not considered to be sensitive.

Loans

Most of the loan balances outstanding are considered to have low credit risk as the borrower has a strong capacity to meet its obligations and has a low risk of default. The expected credit loss is therefore not considered to be sensitive to changes in forward-looking information. Subsidiary loans are sensitive to the subsidiary's solvency and forward-looking liquidity position.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.5 Credit risk continued

Credit quality of financial assets

The assets in the Group's maximum exposure table on the previous page are analysed in the table below, using national scale long-term credit ratings issued by rating agencies, or national scale ratings generated by an internal model where rating agency ratings are not available. The internal rating scale is based on internal definitions and influenced by definitions published by external rating agencies including Moody's, S&P and Global Credit Ratings (GCR). Refer to Annexure A for the definitions used in this section.

Group	AAA Rm	AA Rm	A Rm	BBB Rm	BB Rm	B Rm	CCC Rm	CC Rm	C Rm	Unrated Rm	Total Rm
2026											
Financial assets at fair value through profit and loss											
Debt securities											
Stock and loans to government and other public bodies	144 847	2 984	1 032	654	405	-	70	-	-	286	150 278
Other debt instruments	74 936	13 474	5 011	39	410	12	-	-	-	6 127	100 009
Derivative financial assets	1 126	13	30	-	-	-	-	-	-	3	1 172
Carry positions	99	-	-	-	-	-	-	-	-	-	99
Cash and cash equivalents and funds on deposit and money market instruments	48 501	1 987	1 719	-	217	-	-	-	-	329	52 753
Other unrated instruments											
Other financial assets at amortised cost ¹	-	-	-	-	-	-	-	-	-	7 701	7 701
Unit-linked investments ²	-	-	-	-	-	-	-	-	-	33 238	33 238
	269 509	18 458	7 792	693	1 032	12	70	-	-	47 684	345 250
Restated 2025											
Financial assets at fair value through profit and loss											
Debt securities											
Stock and loans to government and other public bodies	109 374	2 589	2 282	356	365	4	87	-	-	517	115 574
Other debt instruments	29 894	48 354	7 027	144	662	-	97	-	-	3 271	89 449
Derivative financial assets	248	1 013	24	-	-	-	-	-	-	3	1 288
Carry positions	-	269	-	-	-	-	-	-	-	-	269
Cash and cash equivalents and funds on deposit and money market instruments ³	18 622	25 966	1 200	-	60	-	-	194	-	719	46 761
Other unrated instruments											
Other financial assets at amortised cost ³	-	-	-	-	-	-	-	-	-	6 227	6 227
Unit-linked investments ¹	-	-	-	-	-	-	-	-	-	25 460	25 460
	158 138	78 191	10 533	500	1 087	4	184	194	-	36 197	285 028

¹ Unrated financial assets at amortised cost include unsettled trades of R2 339 million (2025: R1 075 million), accounts receivable of R2 289 million (2025: R1 825 million) and loans of R3 073 million (2025: R3 327 million).

- Unsettled trades are exposed to insignificant credit risk due to the short term nature of the instruments – settled within 30 days and thus no expected credit loss is raised on the balance.
- Accounts receivable consists mainly of Investment contract premium debtors. Balances are normally settled within 30 days. The remaining balance of accounts receivable represents balances that are expected to be settled within 30 days and expected credit loss allowances are recognised.
- Loans consist mainly of loans due from fellow MGL subsidiaries. The recoverability of each loan is assessed and an expected credit loss is recognised in respect of this balance in accordance with IFRS 9. The Group's Treasury function monitors the recoverability of loans and actions are taken to avoid defaulting of loans.

² Refer to note 42 for detail on unit-linked investments and note 39 for credit risk management relating to unit-linked investments.

³ The group identified that certain purchases and sales of financial assets in the prior year were incorrectly reflected as unsettled trades at the reporting date due to unreconciled timing differences in the bank reconciliation process. Subsequent investigation confirmed that these transactions had in fact settled before year-end, as evidenced by the related cash flows. June 2025 has been restated accordingly. Refer to the restatement note for more information. For cash and cash equivalents and funds on deposits and money market instruments the restatement was against the AAA category.

6 Financial assets continued

6.5 Credit risk continued

Credit quality of financial assets continued

Further detail in respect of unrated financial assets measured at amortised cost:

- Unsettled trades totalling R2 339 million (2025: R1 075 million), included in stage 1 issued by a unrated counterparty. No related impairment due to the low risk of default of unsettled trades due to their short- term nature i.e. settled within a relatively short period of time.
- Accounts receivable totalling R2 254 million (2025: R1 714 million), included in stage 1 and associated impairment of R3 million (2025: R5 million) issued by an unrated counterparty due to the low risk of default.
- Accounts receivable totalling R30 million (2025: R48 million), included in stage 2 and associated impairment of R4 million (2025: Rnil million) issued by an unrated counterparty due to an increase in credit risk as repayments are more than 30 days but less than 90 days past due.
- Accounts receivable totalling R62 million (2025: R132 million), included in stage 3 and associated impairment of R50 million (2025: R64 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Due from agents, brokers and intermediaries totalling R149 million (2025: R129 million), included in stage 1 and related impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to the low risk of default.
- Due from agents, brokers and intermediaries totalling R88 million (2025: R164 million), included in stage 3 and related impairment of R84 million (2025: R155 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Loans due from fellow MGL subsidiaries totalling R1 740 million (2025: R1 997 million), included in stage 1 and related impairment of R5 million (2025: Rnil) issued by an unrated counterparty due to the low risk of default.
- Loans due from fellow MGL subsidiaries totalling R738 million (2025: R710 million), included in stage 2 and associated impairment of R2 million (2025: R2 million) issued by an unrated counterparty due to an increase in credit risk as repayments are more than 30 days but less than 90 days past due.
- Loans due from fellow MGL subsidiaries totalling R16 million (2025: R95 million), included in stage 3 and associated impairment of R7 million (2025: R61 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Other related party loans and staff loans totalling R1 million (2025: R125 million), included in stage 1 and associated impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to the low risk of default.
- Other related party loans and staff loans totalling R123 million (2025: Rnil), included in stage 1 and associated impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Other loans totalling R316 million (2025: R308 million), included in stage 1 and related impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to the low risk of default.
- Other loans totalling Rnil (2025: R29 million), included in stage 3 and associated impairment of Rnil (2025: R12 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.5 Credit risk continued

Credit quality of financial assets continued

Company	AAA Rm	AA Rm	A Rm	BBB Rm	BB Rm	B Rm	CCC Rm	CC Rm	C Rm	Unrated Rm	Total Rm
2026											
Financial assets at fair value through profit and loss											
Debt securities											
Stock and loans to government and other public bodies	124 444	1 668	407	427	376	-	70	-	-	285	127 677
Other debt instruments	52 959	10 076	3 359	35	40	-	-	-	-	6 656	73 125
Derivative financial instruments	961	14	-	-	-	-	-	-	-	-	975
Carry positions	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents and funds on deposit and money market instruments	32 284	1 513	557	-	-	-	-	-	-	248	34 602
Other unrated instruments											
Financial assets at amortised cost ¹	-	-	-	-	-	-	-	-	-	6 243	6 243
Unit-linked investments ²	-	-	-	-	-	-	-	-	-	23 848	23 848
	210 648	13 271	4 323	462	416	-	70	-	-	37 280	266 470

Restated 2025

Financial assets at fair value through profit and loss

Debt securities											
Stock and loans to government and other public bodies	93 858	1 846	1 016	-	299	4	87	-	-	314	97 424
Other debt instruments	24 043	36 284	4 046	66	43	-	94	-	-	3 786	68 362
Derivative financial instruments	240	974	-	-	-	-	-	-	-	3	1 217
Carry positions	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents and funds on deposit and money market instruments ³	9 327	16 615	9	-	-	-	-	-	-	709	26 660
Other unrated instruments											
Financial assets at amortised cost ^{1,3}	-	-	-	-	-	-	-	-	-	4 646	4 646
Unit-linked investments ²	-	-	-	-	-	-	-	-	-	21 011	21 011
	127 468	55 719	5 071	66	342	4	181	-	-	30 469	219 320

¹ Unrated financial assets at amortised cost include unsettled trades of R1 664 million (2025: R433 million), accounts receivable of R1 339 million (2025: R1 011 million) and loans of R3 240 million (2025: R3 202 million).

- Unsettled trades are exposed to insignificant credit risk due to the short term nature of the instruments - settled within 30 days and thus no expected credit loss is raised on the balance.
- Accounts receivable consists mainly of Investment contract premium debtors. Balances are normally settled within 30 days. The remaining balance of accounts receivable represents balances that are expected to be settled within 30 days and expected credit loss allowances are recognised.
- Loans consist mainly of loans due from subsidiaries and fellow MGL subsidiaries. The recoverability of each loan is assessed and an expected credit loss is recognised in respect of this balance in accordance with IFRS 9. The Group's Treasury function monitors the recoverability of loans and actions are taken to avoid defaulting of loans.

² Refer to note 42 for detail on unit-linked investments and note 39 for credit risk management relating to unit-linked investments.

³ The Group identified that certain purchases and sales of financial assets in the prior year were incorrectly reflected as unsettled trades at the reporting date due to unreconciled timing differences in the bank reconciliation process. Subsequent investigation confirmed that these transactions had in fact settled before year end, as evidenced by the related cash flows. June 2025 has been restated accordingly. Refer to the restatement note for more information. For cash and cash equivalents and funds on deposits and money market instruments the restatement was against the AAA category.

6 Financial assets continued

6.5 Credit risk continued

Credit quality of financial assets continued

Further detail in respect of unrated financial assets measured at amortised cost:

- Unsettled trades totalling R1 664 million (2025: R433 million), included in stage 1 issued by a unrated counterparty. No related impairment due to the low risk of default of unsettled trades due to their short- term nature i.e. settled within a relatively short period of time.
- Accounts receivable totalling R1 307 million (2025: R899 million), included in stage 1 and associated impairment of Rnil (2025: R5 million) issued by an unrated counterparty due to the low risk of default.
- Accounts receivable totalling R21 million (2025: R48 million), included in stage 2 and associated impairment of R1 million (2025: Rnil) issued by an unrated counterparty due to an increase in credit risk as repayments are more than 30 days but less than 90 days past due.
- Accounts receivable totalling R62 million (2025: R130 million), included in stage 3 and associated impairment of R50 million (2025: R61 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Due from agents, brokers and intermediaries totalling R149 million (2025: R129 million), included in stage 1 and related impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to the low risk of default.
- Due from agents, brokers and intermediaries totalling R88 million (2025: R164 million), included in stage 3 and related impairment of R84 million (2025: R155 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Loans due from subsidiaries and fellow MGL subsidiaries totalling R2 231 million (2025: R2 200 million), included in stage 1 and related impairment of R8 million (2025: R3 million) issued by an unrated counterparty due to the low risk of default.
- Loans due from subsidiaries and fellow MGL subsidiaries totalling R733 million (2025: R710 million), included in stage 2 and associated impairment of R2 million (2025: R2 million) issued by an unrated counterparty due to an increase in credit risk as repayments are more than 30 days but less than 90 days past due.
- Loans due from subsidiaries and fellow MGL subsidiaries totalling R16 million (2025: R95 million), included in stage 3 and associated impairment of R7 million (2025: R61 million) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.
- Other related party loans and staff loans totalling R1 million (2025: R125 million), included in stage 1 and associated impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to the low risk of default.
- Other related party loans and staff loans totalling R123 million (2025: Rnil), included in stage 3 and associated impairment of Rnil (2025: Rnil) issued by an unrated counterparty due to a significant increase in credit risk as repayments are more than 90 days past due.

6.6 Financial assets fair value hierarchy

Refer to note 43 for the valuation techniques relating to this note.

The following table provides an analysis of the assets at fair value into the various levels:

Group	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2026				
Securities at fair value through profit and loss	585 921	156 653	3 896	746 470
Unit-linked investments				
Collective investment schemes ¹				
Local unlisted or listed quoted	181 162	781	-	181 943
Local unlisted unquoted	-	3 479	-	3 479
Foreign unlisted or listed quoted	98 433	17	-	98 450
Foreign unlisted unquoted	-	624	12	636
Other unit-linked investments				
Local unlisted or listed quoted	8 259	-	-	8 259
Local unlisted unquoted	-	14 168	2 547	16 715
Foreign unlisted or listed quoted	545	9	-	554
Foreign unlisted unquoted	-	-	782	782
Debt securities				
Stock and loans to government and other public bodies				
Local listed	137 302	8 757	-	146 059
Foreign listed	1 893	105	-	1 998
Unlisted	-	2 140	81	2 221
Other debt instruments				
Local listed	1	39 178	30	39 209
Foreign listed	-	22 342	-	22 342
Intercompany	-	-	-	-
Unlisted	-	38 357	101	38 458
Equity securities				
Local listed	87 282	1	2	87 285
Foreign listed	71 010	-	-	71 010
Unlisted	-	17	341	358
Funds on deposit and other money market instruments	-	25 441	-	25 441
Carry positions	-	99	-	99
Derivative financial assets - Held for trading	34	1 138	-	1 172
	585 921	156 653	3 896	746 470

¹ Collective investment schemes are classified as level 1 when there is an active market of transactions between investors and collective investment schemes based on a published price.

There were no significant transfers between level 1 and level 2 assets in the current or prior years.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.6 Financial assets fair value hierarchy continued

Group	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2025				
Securities at fair value through profit and loss	504 570	134 987	4 534	644 091
Unit-linked investments				
Collective investment schemes ¹				
Local unlisted or listed quoted	165 797	674	-	166 471
Local unlisted unquoted	-	5	-	5
Foreign unlisted or listed quoted	83 355	19	-	83 374
Foreign unlisted unquoted	-	497	47	544
Other unit-linked investments				
Local unlisted or listed quoted	7 662	13	-	7 675
Local unlisted unquoted	-	10 952	2 834	13 786
Foreign unlisted or listed quoted	413	10	-	423
Foreign unlisted unquoted	-	-	862	862
Debt securities				
Stock and loans to government and other public bodies				
Local listed	101 660	7 753	-	109 413
Foreign listed	3 069	116	-	3 185
Unlisted	-	2 782	194	2 976
Other debt instruments				
Local listed	-	38 045	36	38 081
Foreign listed	-	18 463	-	18 463
Inter-company	-	-	-	-
Unlisted	-	32 636	269	32 905
Equity securities				
Local listed	80 178	-	14	80 192
Foreign listed	62 410	-	-	62 410
Unlisted	-	15	265	280
Funds on deposit and other money market instruments	-	21 489	-	21 489
Carry positions	-	269	-	269
Derivative financial assets – Held for trading	26	1 249	13	1 288
	504 570	134 987	4 534	644 091

¹ Collective investment schemes are classified as level 1 when there is an active market of transactions between investors and collective investment schemes based on a published price.

6 Financial assets continued**6.6 Financial assets fair value hierarchy continued**

Company	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2026				
Securities at fair value through profit and loss	444 128	111 155	5 323	560 606
Equity securities				
Local listed	37 723	1	2	37 726
Foreign listed	10 132	-	-	10 132
Unlisted	-	16	341	357
Debt securities				
Stock and loans to government and other public bodies				
Local listed	118 952	6 374	-	125 326
Foreign listed	64	106	-	170
Unlisted	-	2 128	53	2 181
Other debt instruments				
Local listed	-	28 702	2	28 704
Foreign listed	-	12 556	-	12 556
Unlisted	-	30 354	1 511	31 865
Funds on deposit and other money market instruments	-	14 483	-	14 483
Unit-linked investments				
Collective investment schemes ¹				
Local unlisted or listed quoted	171 595	642	-	172 237
Local unlisted unquoted	-	-	-	-
Foreign unlisted or listed quoted	96 857	17	-	96 874
Foreign unlisted unquoted	-	624	12	636
Other unit-linked investments				
Local unlisted or listed quoted	8 259	-	-	8 259
Local unlisted unquoted	-	14 169	2 620	16 789
Foreign unlisted or listed quoted	545	9	-	554
Foreign unlisted unquoted	-	-	782	782
Carry positions	-	-	-	-
Derivative financial assets - Held for trading	1	974	-	975
Interest in subsidiaries	144 091	-	5 558	149 649
At fair value through profit and loss	144 091	-	596	144 687
At fair value through other comprehensive income	-	-	4 962	4 962
	588 219	111 155	10 881	710 255

¹ Collective investment schemes are classified as level 1 when there is an active market of transactions between investors and collective investment schemes based on a published price.

There were no significant transfers between level 1 and level 2 assets in the current or prior years.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.6 Financial assets fair value hierarchy continued

Company	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2025				
Securities at fair value through profit and loss	371 862	97 961	6 308	476 131
Equity securities				
Local listed	33 781	-	14	33 795
Foreign listed	7 862	-	-	7 862
Unlisted ³	-	14	265	279
Debt securities				
Stock and loans to government and other public bodies				
Local listed	88 084	6 271	-	94 355
Foreign listed	59	115	-	174
Unlisted	-	2 768	127	2 895
Other debt instruments				
Local listed	-	29 001	2	29 003
Foreign listed	-	9 463	-	9 463
Unlisted	-	27 786	2 110	29 896
Funds on deposit and other money market instruments	-	9 290	-	9 290
Unit-linked investments				
Collective investment schemes ¹				
Local unlisted or listed quoted	150 718	545	-	151 263
Local unlisted unquoted	-	-	-	-
Foreign unlisted or listed quoted	83 394	19	-	83 413
Foreign unlisted unquoted	-	497	47	544
Other unit-linked investments				
Local unlisted or listed quoted	7 563	14	-	7 577
Local unlisted unquoted ³	-	10 952	2 881	13 833
Foreign unlisted or listed quoted	400	10	-	410
Foreign unlisted unquoted	-	-	862	862
Carry positions	-	-	-	-
Derivative financial assets - Held for trading	1	1 216	-	1 217
Interest in subsidiaries	131 312	-	4 343	135 655
At fair value through profit and loss	131 312	-	869	132 181
At fair value through other comprehensive income	-	-	3 474	3 474
	503 174	97 961	10 651	611 786

¹ Collective investment schemes are classified as level 1 when there is an active market of transactions between investors and collective investment schemes based on a published price.

6 Financial assets continued

6.6 Financial assets fair value hierarchy continued

The following table provides a reconciliation of the fair value of the level 3 assets:

Group	At fair value through profit and loss				Total Rm
	Unit-linked investments Rm	Debt securities Rm	Equity securities Rm	Derivative financial assets Rm	
2026					
Opening balance	3 743	499	279	13	4 534
Total gains/(losses) in net realised and unrealised fair value gains in the income statement					
Realised gains/(losses)	4	(17)	26	(9)	4
Unrealised (losses)/gains	(461)	89	(92)	(4)	(468)
Total gains/(losses) in statement of other comprehensive income	-	-	-	-	-
Accrued interest in investment income in the income statement	-	47	-	-	47
Purchases	661	9	265	-	935
Sales	(561)	(90)	(135)	-	(786)
Settlements	(45)	(345)	-	-	(390)
Transfers into level 3 from level 1 ¹	-	-	-	-	-
Transfers into level 3 from level 2 ¹	-	20	-	-	20
Transfers out of level 3 into level 1	-	-	-	-	-
Closing balance	3 341	212	343	-	3 896
2025					
Opening balance	3 527	651	225	-	4 403
Total gains/(losses) in net realised and unrealised fair value gains in the income statement					
Realised gains/(losses)	83	(15)	(19)	-	49
Unrealised gains/(losses)	393	117	66	-	576
Total gains/(losses) in statement of other comprehensive income	-	-	-	13	13
Accrued interest in investment income in the income statement	-	(30)	-	-	(30)
Purchases	542	523	-	-	1 065
Sales	(787)	(682)	-	-	(1 469)
Settlements	(15)	(65)	-	-	(80)
Transfers into level 3 from level 1 ¹	-	-	8	-	8
Transfers into level 3 from level 2 ¹	-	-	-	-	-
Transfers out of level 3 into level 1	-	-	(1)	-	(1)
Closing balance	3 743	499	279	13	4 534

¹ Transfers into level 3 equity securities and unit-linked investments relates mainly to assets with stale prices in the current and prior year.

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.6 Financial assets fair value hierarchy continued

Company	Securities at fair value through profit and loss			Interest in subsidiaries			Total Rm
	Equity securities Rm	Debt securities Rm	Unit-linked investments Rm	At fair value through profit and loss Rm	At fair value through other comprehensive income Rm	Held for sale Rm	
2026							
Opening balance	279	2 239	3 790	869	3 474	-	10 651
Total gains/(losses) in net realised and unrealised fair value gains in the income statement							
Realised gains/(losses)	27	(16)	4	-	-	-	15
Unrealised gains/(losses)	(93)	53	(456)	75	-	-	(421)
Total losses in other comprehensive income	-	-	-	-	973	-	973
Accrued interest in investment income in the income statement	-	47	-	-	-	-	47
Purchases and investments	265	9	682	-	515	-	1 471
Sales and disinvestments	(135)	(44)	(561)	(348)	-	-	(1 088)
Settlements	-	(743)	(45)	-	-	-	(788)
Transfers into level 3 from level 1 ¹	-	-	-	-	-	-	-
Transfers into level 3 from level 2 ¹	-	21	-	-	-	-	21
Transfers out of level 3 into level 1	-	-	-	-	-	-	-
Closing balance	343	1 566	3 414	596	4 962	-	10 881
2025							
Opening balance	225	2 314	3 542	883	3 027	-	9 991
Total gains/(losses) in net realised and unrealised fair value gains in the income statement							
Realised (losses)/gains	(19)	(12)	83	16	-	-	68
Unrealised gains/(losses)	66	77	404	(7)	-	-	540
Total gains/(losses) in other comprehensive income	-	-	-	-	469	-	469
Accrued interest in investment income in the income statement	-	(18)	-	-	-	-	(18)
Purchases and investments	-	331	563	17	-	-	911
Sales and disinvestments	-	(405)	(787)	(40)	(22)	-	(1 254)
Settlements	-	(48)	(15)	-	-	-	(63)
Transfers into level 3 from level 1 ¹	8	-	-	-	-	-	8
Transfers into level 3 from level 2	-	-	-	-	-	-	-
Transfers out of level 3 into level 1	(1)	-	-	-	-	-	(1)
Closing balance	279	2 239	3 790	869	3 474	-	10 651

¹ Transfers into level 3 equity securities and unit-linked investments relates mainly to assets with stale prices in the current and prior year.

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

6 Financial assets continued

6.6 Financial assets fair value hierarchy continued

Refer to note 43.2 for the valuation techniques relating to this note.

Sensitivity of significant level 3 financial assets measured at fair value to changes in key assumptions:

Group	At fair value through profit and loss		
	Unit-linked investments Rm	Debt securities Rm	Equity securities ¹ Rm
2026			
Carrying amount	3 341	212	343
Assumption change	1% increase/(decrease) in discount rates/valuation multiple	1% (increase)/decrease in discount rates	10% increase/(decrease) in fair value of assets
Effect of increase in assumption	33	(2)	34
Effect of decrease in assumption	(33)	2	(34)
2025			
Carrying amount	3 743	499	279
Assumption change	1% increase/(decrease) in discount rates/valuation multiple	1% (increase)/decrease in discount rates	10% increase/(decrease) in fair value of assets
Effect of increase in assumption	37	(5)	28
Effect of decrease in assumption	(37)	5	(28)

Company	At fair value through profit and loss				At fair value through other comprehensive income
	Equity securities ¹ Rm	Debt securities Rm	Unit-linked investments Rm	Interest in subsidiaries Rm	Interest in subsidiaries Rm
2026					
Carrying amount	343	1 566	3 414	596	4 962
Assumption change	10% increase/(decrease) in fair value of assets	1% (increase)/decrease in discount rates	1% increase/(decrease) in discount rates/valuation multiple ²	10% increase/(decrease) in fair value of assets/liabilities	1% (increase)/decrease in risk-adjusted discount rate
Effect of increase in assumption	34	(16)	34	60	(243)
Effect of decrease in assumption	(34)	16	(34)	(60)	292
2025					
Carrying amount	279	2 239	3 790	869	3 474
Assumption change	10% increase/(decrease) in fair value of assets	1% (increase)/decrease in discount rates	1% increase/(decrease) in discount rates/valuation multiple ²	10% increase/(decrease) in fair value of assets/liabilities	1% (increase)/decrease in risk-adjusted discount rate
Effect of increase in assumption	28	(22)	38	87	(182)
Effect of decrease in assumption	(28)	22	(38)	(87)	216

¹ Sensitivity on equity securities was not disclosed in the prior year due to the immateriality of the underlying balance. As the balance is material in the current year, the comparative sensitivity disclosure has been included to enhance comparability.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

6 Financial assets continued

6.6 Financial assets fair value hierarchy continued

The following table provides an analysis of the fair value of financial assets not carried at fair value in the statement of financial position:

Group	2026		Restated 2025	
	Carrying amount Rm	Fair value* Rm	Carrying amount Rm	Fair value* Rm
Financial assets at amortised cost	7 701	7 701	6 227	6 227
Unsettled trades ¹	2 339	2 339	1 075	1 075
Accounts receivable	2 289	2 289	1 825	1 825
Loans	3 073	3 073	3 327	3 327
Cash and cash equivalents ¹	27 312	27 312	25 272	25 272
	35 013	35 013	31 499	31 499
Company Assets				
Financial assets at amortised cost	6 243	6 243	4 646	4 646
Unsettled trades ¹	1 664	1 664	433	433
Accounts receivable	1 339	1 339	1 011	1 011
Loans	3 240	3 240	3 202	3 202
Cash and cash equivalents ¹	20 119	20 119	17 370	17 370
	26 362	26 362	22 016	22 016

¹ Prior year carrying amounts and fair values have been restated as a result of the restatement of unsettled trades and cash and cash equivalents. Unsettled trades decreased by R54 million and cash and cash equivalents decreased by R62 million for both Group and Company. Refer to the restatement note for additional information.

Calculation of fair value

* For unsettled trades, accounts receivable, funds on deposit and other money market instruments, loans and cash and cash equivalents, the carrying amount approximates fair value due to their short-term nature.

7 Other receivables

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Accelerated rental income (refer to note 4)	294	325	98	197
Prepayments	151	204	125	118
Insurance claims	-	18	-	-
Total other receivables	445	547	223	315
Current	138	193	131	101
Non-current	307	354	92	214
	445	547	223	315

8 Assets and liabilities relating to disposal groups held for sale

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Assets relating to disposal groups held for sale				
Investment properties	489	-	489	-
	489	-	489	-
Segmental allocation of assets and liabilities				
Momentum Retail	379	-	379	-
Shareholders	110	-	110	-
	489	-	489	-
The investment properties held for sale comprised the following property types:				
Office buildings	358	-	358	-
Shopping malls	131	-	131	-
	489	-	489	-

The held-for-sale balance comprises investment properties earmarked for disposal to external third-party purchasers. Sale agreements had been concluded for all properties by after 30 June 2026, with certain transactions remaining subject to purchaser financing conditions. Transfers are expected to occur within six months of year end. The properties are carried at fair value less costs to sell and no significant gain or loss is expected on disposal.

These properties are subject to the same sensitivity to discount, capitalisation and vacancy rates as described in note 4.

Fair value hierarchy

The following table provides a reconciliation of the fair value of the level 3 assets:

	Group Investment properties Rm	Company Investment properties Rm
2026		
Opening balance	-	-
Disposals	(4)	-
Transferred from/(to) investment property	493	489
Closing balance held for sale	489	489
	Group Investment properties Rm	Company Investment properties Rm
2025		
Opening balance	103	103
Disposals	(40)	(40)
Transferred from/(to) investment property	(63)	(63)
Closing balance held for sale	-	-

The investment properties are valued as level 3 on the fair value hierarchy using the methodologies described in note 4.

The subsidiaries are valued as level 3 on the fair value hierarchy, using the underlying net asset value (NAV) as the valuation of the investment.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts

Group and Company

Portfolios of insurance contract assets and liabilities

An analysis of the amounts presented on the consolidated statement of financial position for insurance contracts issued is included in the table below, along with the presentation of current and non-current portions of the net balances:

	2026			Restated 2025		
	Assets Rm	Liabilities Rm	Net liabilities Rm	Assets Rm	Liabilities Rm	Net liabilities Rm
Insurance contracts issued						
General measurement model	(5 588)	101 321	95 733	(5 252)	79 447	74 195
Variable fee approach	-	68 935	68 935	-	64 565	64 565
Premium allocation approach	(1)	11 771	11 770	-	11 179	11 179
Total measurement models	(5 589)	182 027	176 438	(5 252)	155 191	149 939
Momentum Retail	(1 496)	34 598	33 102	(1 962)	29 835	27 873
Momentum Investments	-	60 006	60 006	-	47 765	47 765
Metropolitan Life	(4 092)	53 813	49 721	(3 290)	46 728	43 438
Momentum Corporate	-	33 610	33 610	-	30 842	30 842
Momentum Health	(1)	-	(1)	-	21	21
Total segments	(5 589)	182 027	176 438	(5 252)	155 191	149 939
Current ¹	(847)	27 548	26 701	(665)	25 402	24 737
Non-current ¹	(4 742)	154 479	149 737	(4 587)	129 789	125 202
Total	(5 589)	182 027	176 438	(5 252)	155 191	149 939

¹ The split between current and non-current insurance contract assets and liabilities was previously incorrectly apportioned based on percentage. The methodology was refined in the current year to correctly base it on actual classifications. The prior year was restated accordingly. The impact of the restatement was a decrease in the current assets of R201 million and an increase in the non-current assets of R201 million, a decrease in the current liabilities of R201 million and an increase in the non-current liabilities of R201 million.

Presentation of disclosure tables

The disclosure tables that follow in this note are presented for the Group and Company, since the Group and Company tables are the same.

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances

The tables that follow disclose the roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims:

9.1.1 Total

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts not under the PAA Rm	Liability for incurred claims for contracts under the PAA		Total Rm
	Excluding loss component Rm	Loss component Rm		Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2026						
Opening insurance contract liabilities	131 236	5 312	7 365	11 027	251	155 191
Opening insurance contract assets	(8 561)	1 612	1 697	-	-	(5 252)
Net balance as at 1 July	122 675	6 924	9 062	11 027	251	149 939
Cash flows						
Premiums received	30 797	-	-	-	-	30 797
Claims and other directly attributable expenses paid	-	-	(25 133)	(5 711)	-	(30 844)
Insurance acquisition cash flows	(3 143)	-	-	(300)	-	(3 443)
Total cash flows	27 654	-	(25 133)	(6 011)	-	(3 490)
Changes in the income statement						
Insurance revenue						
Contracts under the fair value approach	(4 538)	-	-	-	-	(4 538)
Other contracts	(24 262)	-	-	-	-	(24 262)
	(28 800)	-	-	-	-	(28 800)
Insurance service expenses						
Incurred claims and other directly attributable expenses	-	(869)	15 910	5 717	51	20 809
Changes that relate to past service - adjustments to the LIC	-	-	40	(736)	(138)	(834)
Losses on onerous contracts and reversal of those losses	-	738	-	-	-	738
Insurance acquisition cash flows amortisation	1 741	-	-	-	-	1 741
Insurance acquisition cash flows recognised when incurred	-	-	-	300	-	300
	1 741	(131)	15 950	5 281	(87)	22 754
Investment components	(8 876)	-	8 876	-	-	-
Insurance service result	(35 935)	(131)	24 826	5 281	(87)	(6 046)
Finance expenses from insurance contracts issued	32 695	1 210	684	1 395	51	36 035
Total changes in the income statement	(3 240)	1 079	25 510	6 676	(36)	29 989
Net balance as at 30 June	147 089	8 003	9 439	11 692	215	176 438
Closing insurance contract liabilities	156 015	6 444	7 722	11 634	212	182 027
Closing insurance contract assets	(8 926)	1 559	1 717	58	3	(5 589)
Net balance as at 30 June	147 089	8 003	9 439	11 692	215	176 438

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.1 Total continued

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts not under the PAA Rm	Liability for incurred claims for contracts under the PAA		Total Rm
	Excluding loss component Rm	Loss component Rm		Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2025						
Opening insurance contract liabilities	115 936	5 031	6 684	10 803	257	138 711
Opening insurance contract assets	(7 785)	1 861	1 360	-	-	(4 564)
Net balance as at 1 July	108 151	6 892	8 044	10 803	257	134 147
Cash flows						
Premiums received	33 374	-	-	-	-	33 374
Claims and other directly attributable expenses paid	-	-	(24 386)	(5 237)	-	(29 623)
Insurance acquisition cash flows	(3 308)	-	-	(269)	-	(3 577)
Total cash flows	30 066	-	(24 386)	(5 506)	-	174
Changes in the income statement						
Insurance revenue						
Contracts under the fair value approach	(4 790)	-	-	-	-	(4 790)
Other contracts	(22 460)	-	-	-	-	(22 460)
	(27 250)	-	-	-	-	(27 250)
Insurance service expenses						
Incurred claims and other directly attributable expenses	-	(919)	15 621	5 415	40	20 157
Changes that relate to past service - adjustments to the LIC	-	-	210	(986)	(75)	(851)
Losses on onerous contracts and reversal of those losses	-	138	-	-	-	138
Insurance acquisition cash flows amortisation	1 546	-	-	-	-	1 546
Insurance acquisition cash flows recognised when incurred	-	-	-	269	-	269
	1 546	(781)	15 831	4 698	(35)	21 259
Investment components	(8 928)	-	8 928	-	-	-
Insurance service result	(34 632)	(781)	24 759	4 698	(35)	(5 991)
Finance expenses from insurance contracts issued	19 090	813	645	1 032	29	21 609
Total changes in the income statement	(15 542)	32	25 404	5 730	(6)	15 618
Net balance as at 30 June	122 675	6 924	9 062	11 027	251	149 939
Closing insurance contract liabilities	131 236	5 312	7 365	11 027	251	155 191
Closing insurance contract assets	(8 561)	1 612	1 697	-	-	(5 252)
Net balance as at 30 June	122 675	6 924	9 062	11 027	251	149 939

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.2 Measurement models

9.1.2.1 General measurement model

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts not under the PAA Rm	Total Rm
	Excluding loss component Rm	Loss component Rm		
2026				
Opening insurance contract liabilities	72 379	4 830	2 238	79 447
Opening insurance contract assets	(8 561)	1 612	1 697	(5 252)
Net balance as at 1 July	63 818	6 442	3 935	74 195
Cash flows				
Premiums received	20 360	-	-	20 360
Claims and other directly attributable expenses paid	-	-	(16 332)	(16 332)
Insurance acquisition cash flows	(2 935)	-	-	(2 935)
Total cash flows	17 425	-	(16 332)	1 093
Changes in the income statement				
Insurance revenue				
Contracts under the fair value approach	(2 568)	-	-	(2 568)
Other contracts	(15 927)	-	-	(15 927)
	(18 495)	-	-	(18 495)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	(720)	13 360	12 640
Changes that relate to past service – adjustments to the LIC	-	-	104	104
Losses on onerous contracts and reversal of those losses	-	340	-	340
Insurance acquisition cash flows amortisation	1 623	-	-	1 623
	1 623	(380)	13 464	14 707
Investment components	(2 669)	-	2 669	-
Insurance service result	(19 541)	(380)	16 133	(3 788)
Finance expenses from insurance contracts issued	22 590	1 210	433	24 233
Total changes in the income statement	3 049	830	16 566	20 445
Net balance as at 30 June	84 292	7 272	4 169	95 733
Closing insurance contract liabilities	93 156	5 713	2 452	101 321
Closing insurance contract assets	(8 864)	1 559	1 717	(5 588)
Net balance as at 30 June	84 292	7 272	4 169	95 733

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.2 Measurement models continued

9.1.2.1 General measurement model continued

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts not under the PAA Rm	Total Rm
	Excluding loss component Rm	Loss component Rm		
2025				
Opening insurance contract liabilities	59 786	4 702	1 997	66 485
Opening insurance contract assets	(7 785)	1 861	1 360	(4 564)
Net balance as at 1 July	52 001	6 563	3 357	61 921
Cash flows				
Premiums received	22 760	-	-	22 760
Claims and other directly attributable expenses paid	-	-	(15 459)	(15 459)
Insurance acquisition cash flows	(3 022)	-	-	(3 022)
Total cash flows	19 738	-	(15 459)	4 279
Changes in the income statement				
Insurance revenue				
Contracts under the fair value approach	(2 646)	-	-	(2 646)
Other contracts	(14 471)	-	-	(14 471)
	(17 117)	-	-	(17 117)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	(728)	12 884	12 156
Changes that relate to past service – adjustments to the LIC	-	-	539	539
Losses on onerous contracts and reversal of those losses	-	(206)	-	(206)
Insurance acquisition cash flows amortisation	1 445	-	-	1 445
	1 445	(934)	13 423	13 934
Investment components	(2 353)	-	2 353	-
Insurance service result	(18 025)	(934)	15 776	(3 183)
Finance expenses from insurance contracts issued	10 104	813	261	11 178
Total changes in the income statement	(7 921)	(121)	16 037	7 995
Net balance as at 30 June	63 818	6 442	3 935	74 195
Closing insurance contract liabilities	72 379	4 830	2 238	79 447
Closing insurance contract assets	(8 561)	1 612	1 697	(5 252)
Net balance as at 30 June	63 818	6 442	3 935	74 195

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.2 Measurement models continued

9.1.2.2 Variable fee approach

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts not under the PAA Rm	Total Rm
	Excluding loss component Rm	Loss component Rm		
2026				
Opening insurance contract liabilities	58 960	478	5 127	64 565
Opening insurance contract assets	-	-	-	-
Net balance as at 1 July	58 960	478	5 127	64 565
Cash flows				
Premiums received	3 785	-	-	3 785
Claims and other directly attributable expenses paid	-	-	(8 801)	(8 801)
Insurance acquisition cash flows	(208)	-	-	(208)
Total cash flows	3 577	-	(8 801)	(5 224)
Changes in the income statement				
Insurance revenue				
Contracts under the fair value approach	(1 970)	-	-	(1 970)
Other contracts	(1 648)	-	-	(1 648)
	(3 618)	-	-	(3 618)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	(103)	2 550	2 447
Changes that relate to past service – adjustments to the LIC	-	-	(64)	(64)
Losses on onerous contracts and reversal of those losses	-	355	-	355
Insurance acquisition cash flows amortisation	118	-	-	118
	118	252	2 486	2 856
Investment components	(6 207)	-	6 207	-
Insurance service result	(9 707)	252	8 693	(762)
Finance expenses from insurance contracts issued	10 105	-	251	10 356
Total changes in the income statement	398	252	8 944	9 594
Net balance as at 30 June	62 935	730	5 270	68 935
Closing insurance contract liabilities	62 935	730	5 270	68 935
Closing insurance contract assets	-	-	-	-
Net balance as at 30 June	62 935	730	5 270	68 935

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.2 Measurement models continued

9.1.2.2 Variable fee approach continued

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts not under the PAA Rm	Total Rm
	Excluding loss component Rm	Loss component Rm		
2025				
Opening insurance contract liabilities	56 301	320	4 687	61 308
Opening insurance contract assets	-	-	-	-
Net balance as at 1 July	56 301	320	4 687	61 308
Cash flows				
Premiums received	4 100	-	-	4 100
Claims and other directly attributable expenses paid	-	-	(8 927)	(8 927)
Insurance acquisition cash flows	(286)	-	-	(286)
Total cash flows	3 814	-	(8 927)	(5 113)
Changes in the income statement				
Insurance revenue				
Contracts under the fair value approach	(2 144)	-	-	(2 144)
Other contracts	(1 523)	-	-	(1 523)
	(3 667)	-	-	(3 667)
Insurance service expenses				
Incurred claims and other directly attributable expenses	-	(79)	2 737	2 658
Changes that relate to past service – adjustments to the LIC	-	-	(329)	(329)
Losses on onerous contracts and reversal of those losses	-	237	-	237
Insurance acquisition cash flows amortisation	101	-	-	101
	101	158	2 408	2 667
Investment components	(6 575)	-	6 575	-
Insurance service result	(10 141)	158	8 983	(1 000)
Finance expenses from insurance contracts issued	8 986	-	384	9 370
Total changes in the income statement	(1 155)	158	9 367	8 370
Net balance as at 30 June	58 960	478	5 127	64 565
Closing insurance contract liabilities	58 960	478	5 127	64 565
Closing insurance contract assets	-	-	-	-
Net balance as at 30 June	58 960	478	5 127	64 565

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.2 Measurement models continued

9.1.2.3 Premium allocation approach (PAA)

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts under the PAA		Total Rm
	Excluding loss component Rm	Loss component Rm	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2026					
Opening insurance contract liabilities	(103)	4	11 027	251	11 179
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	(103)	4	11 027	251	11 179
Cash flows					
Premiums received	6 652	-	-	-	6 652
Claims and other directly attributable expenses paid	-	-	(5 711)	-	(5 711)
Insurance acquisition cash flows	-	-	(300)	-	(300)
Total cash flows	6 652	-	(6 011)	-	641
Changes in the income statement					
Insurance revenue					
Other contracts	(6 687)	-	-	-	(6 687)
	(6 687)	-	-	-	(6 687)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	(46)	5 717	51	5 722
Changes that relate to past service – adjustments to the LIC	-	-	(736)	(138)	(874)
Losses on onerous contracts and reversal of those losses	-	43	-	-	43
Insurance acquisition cash flows recognised when incurred	-	-	300	-	300
	-	(3)	5 281	(87)	5 191
Insurance service result	(6 687)	(3)	5 281	(87)	(1 496)
Finance expenses from insurance contracts issued	-	-	1 395	51	1 446
Total changes in the income statement	(6 687)	(3)	6 676	(36)	(50)
Net balance as at 30 June	(138)	1	11 692	215	11 770
Closing insurance contract liabilities	(76)	1	11 634	212	11 771
Closing insurance contract assets	(62)	-	58	3	(1)
Net balance as at 30 June	(138)	1	11 692	215	11 770

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.1 Reconciliation of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) components of insurance contract balances continued

9.1.2 Measurement models continued

9.1.2.3 Premium allocation approach (PAA) continued

Reconciliation of the liability for remaining coverage and the liability for incurred claims components of insurance contract balances	Liability for remaining coverage		Liability for incurred claims for contracts under the PAA		Total Rm
	Excluding loss component Rm	Loss component Rm	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2025					
Opening insurance contract liabilities	(151)	9	10 803	257	10 918
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	(151)	9	10 803	257	10 918
Cash flows					
Premiums received	6 514	-	-	-	6 514
Claims and other directly attributable expenses paid	-	-	(5 237)	-	(5 237)
Insurance acquisition cash flows	-	-	(269)	-	(269)
Total cash flows	6 514	-	(5 506)	-	1 008
Changes in the income statement					
Insurance revenue					
Other contracts	(6 466)	-	-	-	(6 466)
	(6 466)	-	-	-	(6 466)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	(112)	5 415	40	5 343
Changes that relate to past service – adjustments to the LIC	-	-	(986)	(75)	(1 061)
Losses on onerous contracts and reversal of those losses	-	107	-	-	107
Insurance acquisition cash flows recognised when incurred	-	-	269	-	269
	-	(5)	4 698	(35)	4 658
Insurance service result	(6 466)	(5)	4 698	(35)	(1 808)
Finance expenses from insurance contracts issued	-	-	1 032	29	1 061
Total changes in the income statement	(6 466)	(5)	5 730	(6)	(747)
Net balance as at 30 June	(103)	4	11 027	251	11 179
Closing insurance contract liabilities	(103)	4	11 027	251	11 179
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	(103)	4	11 027	251	11 179

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances

The tables that follow disclose the roll-forward of the net asset or liability for insurance contracts issued, showing estimates of the present value of future cash flows, risk adjustment for non-financial risk and contractual service margin (CSM). These tables do not apply to contracts measured under the PAA.

9.2.1 Total

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	129 681	2 022	3 278	9 031	144 012
Opening insurance contract assets	(12 662)	2 211	185	5 014	(5 252)
Net balance as at 1 July	117 019	4 233	3 463	14 045	138 760
Cash flows					
Premiums received	24 145	-	-	-	24 145
Claims and other directly attributable expenses paid	(25 133)	-	-	-	(25 133)
Insurance acquisition cash flows	(3 143)	-	-	-	(3 143)
Total cash flows	(4 131)	-	-	-	(4 131)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(595)	(2 166)	(2 761)
Change in the risk adjustment for non-financial risk for the risk expired	-	(651)	-	-	(651)
Experience adjustments	(1 877)	4	-	-	(1 873)
	(1 877)	(647)	(595)	(2 166)	(5 285)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(2 104)	53	247	1 804	-
Changes in estimates that result in onerous contract losses or reversal of losses	282	147	-	-	429
Contracts initially recognised in the period	(713)	268	-	711	266
	(2 535)	468	247	2 515	695
Changes that relate to past service					
Changes that relate to past service – adjustments to the LIC	52	(12)	-	-	40
	52	(12)	-	-	40
Insurance service result	(4 360)	(191)	(348)	349	(4 550)
Finance expenses from insurance contracts issued	31 943	1 052	177	1 417	34 589
Total changes in the income statement	27 583	861	(171)	1 766	30 039
Net balance as at 30 June	140 471	5 094	3 292	15 811	164 668
Closing insurance contract liabilities	154 649	2 747	2 995	9 865	170 256
Closing insurance contract assets	(14 178)	2 347	297	5 946	(5 588)
Net balance as at 30 June	140 471	5 094	3 292	15 811	164 668

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.1 Total continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	115 122	1 871	3 335	7 465	127 793
Opening insurance contract assets	(12 063)	2 026	190	5 283	(4 564)
Net balance as at 1 July	103 059	3 897	3 525	12 748	123 229
Cash flows					
Premiums received	26 860	-	-	-	26 860
Claims and other directly attributable expenses paid	(24 386)	-	-	-	(24 386)
Insurance acquisition cash flows	(3 308)	-	-	-	(3 308)
Total cash flows	(834)	-	-	-	(834)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(592)	(1 879)	(2 471)
Change in the risk adjustment for non-financial risk for the risk expired	-	(614)	-	-	(614)
Experience adjustments	(1 344)	5	-	-	(1 339)
	(1 344)	(609)	(592)	(1 879)	(4 424)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(994)	(58)	336	716	-
Changes in estimates that result in onerous contract losses or reversal of losses	(561)	21	-	-	(540)
Contracts initially recognised in the period	(888)	307	-	1 152	571
	(2 443)	270	336	1 868	31
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	215	(5)	-	-	210
	215	(5)	-	-	210
Insurance service result	(3 572)	(344)	(256)	(11)	(4 183)
Finance expenses from insurance contracts issued	18 366	680	194	1 308	20 548
Total changes in the income statement	14 794	336	(62)	1 297	16 365
Net balance as at 30 June	117 019	4 233	3 463	14 045	138 760
Closing insurance contract liabilities	129 681	2 022	3 278	9 031	144 012
Closing insurance contract assets	(12 662)	2 211	185	5 014	(5 252)
Net balance as at 30 June	117 019	4 233	3 463	14 045	138 760

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.2 Measurement models

9.2.2.1 General measurement model

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	67 835	1 528	1 427	8 657	79 447
Opening insurance contract assets	(12 662)	2 211	185	5 014	(5 252)
Net balance as at 1 July	55 173	3 739	1 612	13 671	74 195
Cash flows					
Premiums received	20 360	-	-	-	20 360
Claims and other directly attributable expenses paid	(16 332)	-	-	-	(16 332)
Insurance acquisition cash flows	(2 935)	-	-	-	(2 935)
Total cash flows	1 093	-	-	-	1 093
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(300)	(2 086)	(2 386)
Change in the risk adjustment for non-financial risk for the risk expired	-	(569)	-	-	(569)
Experience adjustments	(1 281)	4	-	-	(1 277)
	(1 281)	(565)	(300)	(2 086)	(4 232)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(1 487)	(62)	60	1 489	-
Changes in estimates that result in onerous contract losses or reversal of losses	49	107	-	-	156
Contracts initially recognised in the period	(748)	255	-	677	184
	(2 186)	300	60	2 166	340
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	118	(14)	-	-	104
	118	(14)	-	-	104
Insurance service result	(3 349)	(279)	(240)	80	(3 788)
Finance expenses from insurance contracts issued	21 587	1 052	177	1 417	24 233
Total changes in the income statement	18 238	773	(63)	1 497	20 445
Net balance as at 30 June	74 504	4 512	1 549	15 168	95 733
Closing insurance contract liabilities	88 682	2 165	1 252	9 222	101 321
Closing insurance contract assets	(14 178)	2 347	297	5 946	(5 588)
Net balance as at 30 June	74 504	4 512	1 549	15 168	95 733

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.2 Measurement models continued

9.2.2.1 General measurement model continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non- financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	56 427	1 386	1 605	7 067	66 485
Opening insurance contract assets	(12 063)	2 026	190	5 283	(4 564)
Net balance as at 1 July	44 364	3 412	1 795	12 350	61 921
Cash flows					
Premiums received	22 760	-	-	-	22 760
Claims and other directly attributable expenses paid	(15 459)	-	-	-	(15 459)
Insurance acquisition cash flows	(3 022)	-	-	-	(3 022)
Total cash flows	4 279	-	-	-	4 279
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(290)	(1 829)	(2 119)
Change in the risk adjustment for non-financial risk for the risk expired	-	(529)	-	-	(529)
Experience adjustments	(873)	5	-	-	(868)
	(873)	(524)	(290)	(1 829)	(3 516)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(543)	(124)	(87)	754	-
Changes in estimates that result in onerous contract losses or reversal of losses	(584)	6	-	-	(578)
Contracts initially recognised in the period	(1 010)	294	-	1 088	372
	(2 137)	176	(87)	1 842	(206)
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	544	(5)	-	-	539
	544	(5)	-	-	539
Insurance service result	(2 466)	(353)	(377)	13	(3 183)
Finance expenses from insurance contracts issued	8 996	680	194	1 308	11 178
Total changes in the income statement	6 530	327	(183)	1 321	7 995
Net balance as at 30 June	55 173	3 739	1 612	13 671	74 195
Closing insurance contract liabilities	67 835	1 528	1 427	8 657	79 447
Closing insurance contract assets	(12 662)	2 211	185	5 014	(5 252)
Net balance as at 30 June	55 173	3 739	1 612	13 671	74 195

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.2 Measurement models continued

9.2.2.2 Variable fee approach

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	61 846	494	1 851	374	64 565
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	61 846	494	1 851	374	64 565
Cash flows					
Premiums received	3 785	-	-	-	3 785
Claims and other directly attributable expenses paid	(8 801)	-	-	-	(8 801)
Insurance acquisition cash flows	(208)	-	-	-	(208)
Total cash flows	(5 224)	-	-	-	(5 224)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(295)	(80)	(375)
Change in the risk adjustment for non-financial risk for the risk expired	-	(82)	-	-	(82)
Experience adjustments	(596)	-	-	-	(596)
	(596)	(82)	(295)	(80)	(1 053)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(617)	115	187	315	-
Changes in estimates that result in onerous contract losses or reversal of losses	233	40	-	-	273
Contracts initially recognised in the period	35	13	-	34	82
	(349)	168	187	349	355
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(66)	2	-	-	(64)
	(66)	2	-	-	(64)
Insurance service result	(1 011)	88	(108)	269	(762)
Finance expenses from insurance contracts issued	10 356	-	-	-	10 356
Total changes in the income statement	9 345	88	(108)	269	9 594
Net balance as at 30 June	65 967	582	1 743	643	68 935
Closing insurance contract liabilities	65 967	582	1 743	643	68 935
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	65 967	582	1 743	643	68 935

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.2 Measurement models continued

9.2.2.2 Variable fee approach continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	58 695	485	1 730	398	61 308
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	58 695	485	1 730	398	61 308
Cash flows					
Premiums received	4 100	-	-	-	4 100
Claims and other directly attributable expenses paid	(8 927)	-	-	-	(8 927)
Insurance acquisition cash flows	(286)	-	-	-	(286)
Total cash flows	(5 113)	-	-	-	(5 113)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(302)	(50)	(352)
Change in the risk adjustment for non-financial risk for the risk expired	-	(85)	-	-	(85)
Experience adjustments	(471)	-	-	-	(471)
	(471)	(85)	(302)	(50)	(908)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(451)	66	423	(38)	-
Changes in estimates that result in onerous contract losses or reversal of losses	23	15	-	-	38
Contracts initially recognised in the period	122	13	-	64	199
	(306)	94	423	26	237
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(329)	-	-	-	(329)
	(329)	-	-	-	(329)
Insurance service result	(1 106)	9	121	(24)	(1 000)
Finance expenses from insurance contracts issued	9 370	-	-	-	9 370
Total changes in the income statement	8 264	9	121	(24)	8 370
Net balance as at 30 June	61 846	494	1 851	374	64 565
Closing insurance contract liabilities	61 846	494	1 851	374	64 565
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	61 846	494	1 851	374	64 565

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments

9.2.3.1 Momentum Retail

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	25 684	1 123	642	2 386	29 835
Opening insurance contract assets	(8 133)	1 522	-	4 649	(1 962)
Net balance as at 1 July	17 551	2 645	642	7 035	27 873
Cash flows					
Premiums received	10 879	-	-	-	10 879
Claims and other directly attributable expenses paid	(9 803)	-	-	-	(9 803)
Insurance acquisition cash flows	(1 576)	-	-	-	(1 576)
Total cash flows	(500)	-	-	-	(500)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(121)	(1 166)	(1 287)
Change in the risk adjustment for non-financial risk for the risk expired	-	(340)	-	-	(340)
Experience adjustments	(1 343)	4	-	-	(1 339)
	(1 343)	(336)	(121)	(1 166)	(2 966)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(1 159)	(169)	(42)	1 370	-
Changes in estimates that result in onerous contract losses or reversal of losses	84	129	-	-	213
Contracts initially recognised in the period	(326)	117	-	288	79
	(1 401)	77	(42)	1 658	292
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	98	(11)	-	-	87
	98	(11)	-	-	87
Insurance service result	(2 646)	(270)	(163)	492	(2 587)
Finance expenses from insurance contracts issued	6 930	637	8	741	8 316
Total changes in the income statement	4 284	367	(155)	1 233	5 729
Net balance as at 30 June	21 335	3 012	487	8 268	33 102
Closing insurance contract liabilities	29 946	1 294	487	2 871	34 598
Closing insurance contract assets	(8 611)	1 718	-	5 397	(1 496)
Net balance as at 30 June	21 335	3 012	487	8 268	33 102

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.1 Momentum Retail continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	24 418	1 086	717	1 976	28 197
Opening insurance contract assets	(7 913)	1 447	4	5 024	(1 438)
Net balance as at 1 July	16 505	2 533	721	7 000	26 759
Cash flows					
Premiums received	10 282	-	-	-	10 282
Claims and other directly attributable expenses paid	(9 410)	-	-	-	(9 410)
Insurance acquisition cash flows	(1 518)	-	-	-	(1 518)
Total cash flows	(646)	-	-	-	(646)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(144)	(972)	(1 116)
Change in the risk adjustment for non-financial risk for the risk expired	-	(312)	-	-	(312)
Experience adjustments	(1 172)	4	-	-	(1 168)
	(1 172)	(308)	(144)	(972)	(2 596)
Changes that relate to future service					
Changes in estimates that adjust the CSM	108	(139)	47	(16)	-
Changes in estimates that result in onerous contract losses or reversal of losses	(384)	(6)	-	-	(390)
Contracts initially recognised in the period	(312)	115	-	281	84
	(588)	(30)	47	265	(306)
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	568	(5)	-	-	563
	568	(5)	-	-	563
Insurance service result	(1 192)	(343)	(97)	(707)	(2 339)
Finance expenses from insurance contracts issued	2 884	455	18	742	4 099
Total changes in the income statement	1 692	112	(79)	35	1 760
Net balance as at 30 June	17 551	2 645	642	7 035	27 873
Closing insurance contract liabilities	25 684	1 123	642	2 386	29 835
Closing insurance contract assets	(8 133)	1 522	-	4 649	(1 962)
Net balance as at 30 June	17 551	2 645	642	7 035	27 873

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.2 Momentum Investments

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	43 067	356	689	3 653	47 765
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	43 067	356	689	3 653	47 765
Cash flows					
Premiums received	4 623	-	-	-	4 623
Claims and other directly attributable expenses paid	(5 147)	-	-	-	(5 147)
Insurance acquisition cash flows	(116)	-	-	-	(116)
Total cash flows	(640)	-	-	-	(640)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(113)	(473)	(586)
Change in the risk adjustment for non-financial risk for the risk expired	-	(34)	-	-	(34)
Experience adjustments	16	-	-	-	16
	16	(34)	(113)	(473)	(604)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(132)	155	(7)	(16)	-
Changes in estimates that result in onerous contract losses or reversal of losses	(72)	5	-	-	(67)
Contracts initially recognised in the period	(282)	30	-	257	5
	(486)	190	(7)	241	(62)
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(4)	-	-	-	(4)
	(4)	-	-	-	(4)
Insurance service result	(474)	156	(120)	(232)	(670)
Finance expenses from insurance contracts issued	12 847	255	75	374	13 551
Total changes in the income statement	12 373	411	(45)	142	12 881
Net balance as at 30 June	54 800	767	644	3 795	60 006
Closing insurance contract liabilities	54 800	767	644	3 795	60 006
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	54 800	767	644	3 795	60 006

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.2 Momentum Investments continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	34 654	273	729	2 989	38 645
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	34 654	273	729	2 989	38 645
Cash flows					
Premiums received	6 996	-	-	-	6 996
Claims and other directly attributable expenses paid	(4 653)	-	-	-	(4 653)
Insurance acquisition cash flows	(150)	-	-	-	(150)
Total cash flows	2 193	-	-	-	2 193
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(120)	(427)	(547)
Change in the risk adjustment for non-financial risk for the risk expired	-	(28)	-	-	(28)
Experience adjustments	34	-	-	-	34
	34	(28)	(120)	(427)	(541)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(107)	18	1	88	-
Changes in estimates that result in onerous contract losses or reversal of losses	3	(2)	-	-	1
Contracts initially recognised in the period	(565)	36	-	677	148
	(669)	52	1	765	149
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(1)	-	-	-	(1)
	(1)	-	-	-	(1)
Insurance service result	(636)	24	(119)	338	(393)
Finance expenses from insurance contracts issued	6 856	59	79	326	7 320
Total changes in the income statement	6 220	83	(40)	664	6 927
Net balance as at 30 June	43 067	356	689	3 653	47 765
Closing insurance contract liabilities	43 067	356	689	3 653	47 765
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	43 067	356	689	3 653	47 765

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.3 Metropolitan Life

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	42 359	420	1 456	2 493	46 728
Opening insurance contract assets	(4 527)	689	184	364	(3 290)
Net balance as at 1 July	37 832	1 109	1 640	2 857	43 438
Cash flows					
Premiums received	8 196	-	-	-	8 196
Claims and other directly attributable expenses paid	(7 831)	-	-	-	(7 831)
Insurance acquisition cash flows	(1 389)	-	-	-	(1 389)
Total cash flows	(1 024)	-	-	-	(1 024)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(295)	(433)	(728)
Change in the risk adjustment for non-financial risk for the risk expired	-	(264)	-	-	(264)
Experience adjustments	(498)	-	-	-	(498)
	(498)	(264)	(295)	(433)	(1 490)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(507)	41	348	118	-
Changes in estimates that result in onerous contract losses or reversal of losses	27	13	-	-	40
Contracts initially recognised in the period	(168)	119	-	165	116
	(648)	173	348	283	156
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(39)	-	-	-	(39)
	(39)	-	-	-	(39)
Insurance service result	(1 185)	(91)	53	(150)	(1 373)
Finance expenses from insurance contracts issued	8 217	143	39	281	8 680
Total changes in the income statement	7 032	52	92	131	7 307
Net balance as at 30 June	43 840	1 161	1 732	2 988	49 721
Closing insurance contract liabilities	49 407	532	1 435	2 439	53 813
Closing insurance contract assets	(5 567)	629	297	549	(4 092)
Net balance as at 30 June	43 840	1 161	1 732	2 988	49 721

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.3 Metropolitan Life continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	38 649	401	1 381	1 968	42 399
Opening insurance contract assets	(4 150)	579	186	259	(3 126)
Net balance as at 1 July	34 499	980	1 567	2 227	39 273
Cash flows					
Premiums received	8 646	-	-	-	8 646
Claims and other directly attributable expenses paid	(7 910)	-	-	-	(7 910)
Insurance acquisition cash flows	(1 581)	-	-	-	(1 581)
Total cash flows	(845)	-	-	-	(845)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(259)	(415)	(674)
Change in the risk adjustment for non-financial risk for the risk expired	-	(260)	-	-	(260)
Experience adjustments	(244)	-	-	-	(244)
	(244)	(260)	(259)	(415)	(1 178)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(982)	53	289	640	-
Changes in estimates that result in onerous contract losses or reversal of losses	(155)	28	-	-	(127)
Contracts initially recognised in the period	(80)	152	-	186	258
	(1 217)	233	289	826	131
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(352)	-	-	-	(352)
	(352)	-	-	-	(352)
Insurance service result	(1 813)	(27)	30	411	(1 399)
Finance expenses from insurance contracts issued	5 991	156	43	219	6 409
Total changes in the income statement	4 178	129	73	630	5 010
Net balance as at 30 June	37 832	1 109	1 640	2 857	43 438
Closing insurance contract liabilities	42 359	420	1 456	2 493	46 728
Closing insurance contract assets	(4 527)	689	184	364	(3 290)
Net balance as at 30 June	37 832	1 109	1 640	2 857	43 438

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.4 Momentum Corporate

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening insurance contract liabilities	18 570	124	491	499	19 684
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	18 570	124	491	499	19 684
Cash flows					
Premiums received	447	-	-	-	447
Claims and other directly attributable expenses paid	(2 352)	-	-	-	(2 352)
Insurance acquisition cash flows	(62)	-	-	-	(62)
Total cash flows	(1 967)	-	-	-	(1 967)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(65)	(95)	(160)
Change in the risk adjustment for non-financial risk for the risk expired	-	(13)	-	-	(13)
Experience adjustments	(52)	-	-	-	(52)
	(52)	(13)	(65)	(95)	(225)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(306)	26	(52)	332	-
Changes in estimates that result in onerous contract losses or reversal of losses	243	-	-	-	243
Contracts initially recognised in the period	63	2	-	1	66
	-	28	(52)	333	309
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	(3)	(1)	-	-	(4)
	(3)	(1)	-	-	(4)
Insurance service result	(55)	14	(117)	238	80
Finance expenses from insurance contracts issued	3 947	17	55	23	4 042
Total changes in the income statement	3 892	31	(62)	261	4 122
Net balance as at 30 June	20 495	155	429	760	21 839
Closing insurance contract liabilities	20 495	155	429	760	21 839
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	20 495	155	429	760	21 839

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.2 Reconciliation of the measurement components of insurance contract balances continued

9.2.3 Segments continued

9.2.3.4 Momentum Corporate continued

Reconciliation of the measurement components of insurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening insurance contract liabilities	17 401	111	508	532	18 552
Opening insurance contract assets	-	-	-	-	-
Net balance as at 1 July	17 401	111	508	532	18 552
Cash flows					
Premiums received	936	-	-	-	936
Claims and other directly attributable expenses paid	(2 413)	-	-	-	(2 413)
Insurance acquisition cash flows	(59)	-	-	-	(59)
Total cash flows	(1 536)	-	-	-	(1 536)
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services provided	-	-	(69)	(67)	(136)
Change in the risk adjustment for non-financial risk for the risk expired	-	(13)	-	-	(13)
Experience adjustments	38	-	-	-	38
	38	(13)	(69)	(67)	(111)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(13)	11	(2)	4	-
Changes in estimates that result in onerous contract losses or reversal of losses	(25)	2	-	-	(23)
Contracts initially recognised in the period	69	4	-	8	81
	31	17	(2)	12	58
Changes that relate to past service					
Changes that relate to past service - adjustments to the LIC	1	-	-	-	1
	1	-	-	-	1
Insurance service result	70	4	(71)	(55)	(52)
Finance expenses from insurance contracts issued	2 635	9	54	22	2 720
Total changes in the income statement	2 705	13	(17)	(33)	2 668
Net balance as at 30 June	18 570	124	491	499	19 684
Closing insurance contract liabilities	18 570	124	491	499	19 684
Closing insurance contract assets	-	-	-	-	-
Net balance as at 30 June	18 570	124	491	499	19 684

9 Insurance contracts continued

9.3 Impact of contracts recognised in the year for insurance contracts issued

The components of new business for insurance contracts issued is disclosed in the tables below:

9.3.1 Total

Impact of contracts recognised in the year for insurance contracts issued	2026			2025		
	Non-onerous contracts issued Rm	Onerous contracts issued Rm	Total Rm	Non-onerous contracts issued Rm	Onerous contracts issued Rm	Total Rm
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	805	1 713	2 518	805	2 003	2 808
Claims and other directly attributable expenses	7 277	2 988	10 265	9 610	3 506	13 116
Estimates of the present value of future cash outflows	8 082	4 701	12 783	10 415	5 509	15 924
Estimates of the present value of future cash inflows	(8 925)	(4 571)	(13 496)	(11 700)	(5 112)	(16 812)
Risk adjustment for non-financial risk	132	136	268	133	174	307
Contractual service margin	711	-	711	1 152	-	1 152
Losses recognised on initial recognition	-	266	266	-	571	571
9.3.2 Measurement models						
9.3.2.1 General measurement model						
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	805	1 542	2 347	805	1 742	2 547
Claims and other directly attributable expenses	7 070	1 949	9 019	9 284	2 154	11 438
Estimates of the present value of future cash outflows	7 875	3 491	11 366	10 089	3 896	13 985
Estimates of the present value of future cash inflows	(8 679)	(3 435)	(12 114)	(11 306)	(3 689)	(14 995)
Risk adjustment for non-financial risk	127	128	255	129	165	294
Contractual service margin	677	-	677	1 088	-	1 088
Losses recognised on initial recognition	-	184	184	-	372	372
9.3.2.2 Variable fee approach						
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	-	171	171	-	261	261
Claims and other directly attributable expenses	207	1 039	1 246	326	1 352	1 678
Estimates of the present value of future cash outflows	207	1 210	1 417	326	1 613	1 939
Estimates of the present value of future cash inflows	(246)	(1 136)	(1 382)	(394)	(1 423)	(1 817)
Risk adjustment for non-financial risk	5	8	13	4	9	13
Contractual service margin	34	-	34	64	-	64
Losses recognised on initial recognition	-	82	82	-	199	199

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

9 Insurance contracts continued

9.3 Impact of contracts recognised in the year for insurance contracts issued continued

9.3.3 Segments

9.3.3.1 Momentum Retail

Impact of contracts recognised in the year for insurance contracts issued	2026			2025		
	Non-onerous contracts issued Rm	Onerous contracts issued Rm	Total Rm	Non-onerous contracts issued Rm	Onerous contracts issued Rm	Total Rm
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	631	234	865	604	227	831
Claims and other directly attributable expenses	1 864	714	2 578	1 907	673	2 580
Estimates of the present value of future cash outflows	2 495	948	3 443	2 511	900	3 411
Estimates of the present value of future cash inflows	(2 880)	(889)	(3 769)	(2 888)	(835)	(3 723)
Risk adjustment for non-financial risk	97	20	117	96	19	115
Contractual service margin	288	-	288	281	-	281
Losses recognised on initial recognition	-	79	79	-	84	84
9.3.3.2 Momentum Investments						
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	100	12	112	134	10	144
Claims and other directly attributable expenses	4 108	198	4 306	6 047	303	6 350
Estimates of the present value of future cash outflows	4 208	210	4 418	6 181	313	6 494
Estimates of the present value of future cash inflows	(4 488)	(212)	(4 700)	(6 884)	(175)	(7 059)
Risk adjustment for non-financial risk	23	7	30	26	10	36
Contractual service margin	257	-	257	677	-	677
Losses recognised on initial recognition	-	5	5	-	148	148
9.3.3.3 Metropolitan Life						
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	64	1 422	1 486	65	1 716	1 781
Claims and other directly attributable expenses	1 261	1 757	3 018	1 517	2 044	3 561
Estimates of the present value of future cash outflows	1 325	3 179	4 504	1 582	3 760	5 342
Estimates of the present value of future cash inflows	(1 501)	(3 171)	(4 672)	(1 779)	(3 643)	(5 422)
Risk adjustment for non-financial risk	11	108	119	11	141	152
Contractual service margin	165	-	165	186	-	186
Losses recognised on initial recognition	-	116	116	-	258	258
9.3.3.4 Momentum Corporate						
Estimates of the present value of future cash outflows						
Insurance acquisition cash flows	10	45	55	2	50	52
Claims and other directly attributable expenses	44	319	363	139	486	625
Estimates of the present value of future cash outflows	54	364	418	141	536	677
Estimates of the present value of future cash inflows	(56)	(299)	(355)	(149)	(459)	(608)
Risk adjustment for non-financial risk	1	1	2	-	4	4
Contractual service margin	1	-	1	8	-	8
Losses recognised on initial recognition	-	66	66	-	81	81

9 Insurance contracts continued

9.4 CSM recognition analysis

An analysis of the expected recognition of the CSM for insurance contracts issued in profit or loss in future periods is provided in the following table:

CSM recognition in profit or loss	0 to 1 year Rm	1 to 2 years Rm	2 to 3 years Rm	3 to 4 years Rm	4 to 5 years Rm	5 to 10 years Rm	10 to 15 years Rm	15 to 20 years Rm	> 20 years Rm	Total Rm
2026										
General measurement model	2 236	1 935	1 676	1 456	1 266	4 212	2 056	992	888	16 717
Variable fee approach	349	299	260	225	193	619	272	111	58	2 386
	2 585	2 234	1 936	1 681	1 459	4 831	2 328	1 103	946	19 103
2025										
General measurement model	2 002	1 761	1 530	1 330	1 159	3 878	1 900	914	809	15 283
Variable fee approach	330	288	249	214	183	573	240	94	54	2 225
	2 332	2 049	1 779	1 544	1 342	4 451	2 140	1 008	863	17 508

The CSM carrying values at the reporting date were allocated to future reporting periods on the basis of discounted, expected coverage units to be released in the relevant period. The total of the table agrees to the CSM balance in note 9.2.1.

10 Reinsurance contracts

Group and Company

Portfolios of reinsurance contract assets and liabilities

An analysis of the amounts presented on the consolidated statement of financial position for reinsurance contracts held is included in the table below, along with the presentation of current and non-current portions of the net balances:

	2026			Restated 2025		
	Assets Rm	Liabilities Rm	Net assets Rm	Assets Rm	Liabilities Rm	Net assets Rm
Reinsurance contracts held						
General measurement model	5 693	(68)	5 625	4 193	(44)	4 149
Premium allocation approach	1 654	-	1 654	1 661	-	1 661
Total	7 347	(68)	7 279	5 854	(44)	5 810
Momentum Retail	5 595	(14)	5 581	4 133	(14)	4 119
Metropolitan Life	93	(54)	39	60	(29)	31
Momentum Corporate	1 659	-	1 659	1 661	(1)	1 660
Total segments	7 347	(68)	7 279	5 854	(44)	5 810
Current ¹	2 834	18	2 852	2 999	8	3 007
Non-current ¹	4 513	(86)	4 427	2 855	(52)	2 803
Total	7 347	(68)	7 279	5 854	(44)	5 810

¹ The split between current and non-current reinsurance contract assets and liabilities was previously incorrectly apportioned based on percentage. The methodology was refined in the current year to correctly base it on actual classifications. The prior year was restated accordingly. The impact of the restatement was a decrease in the current assets of R31 million and an increase in the non-current assets of R31 million, a decrease in the current liabilities of R31 million and an increase in the non-current liabilities of R31 million.

Presentation of disclosure tables

The disclosure tables that follow in this note are presented for the Group and Company, since the Group and Company tables are the same.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.1 Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances

The tables that follow disclose the roll-forward of the net asset or liability for reinsurance contracts held, showing the assets for remaining coverage and the amounts recoverable on incurred claims:

10.1.1 Total

Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances	Assets for remaining coverage		Amounts recoverable on incurred claims for contracts not under the PAA Rm	Amounts recoverable on incurred claims for contracts under the PAA		Total Rm
	Excluding loss-recovery component Rm	Loss-recovery component Rm		Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2026						
Opening reinsurance contract assets	487	1 674	1 657	1 997	39	5 854
Opening reinsurance contract liabilities	(62)	13	5	-	-	(44)
Net balance as at 1 July	425	1 687	1 662	1 997	39	5 810
Cash flows						
Reinsurance premiums paid	3 746	-	-	-	-	3 746
Reinsurance recoveries received	-	-	(2 786)	(605)	-	(3 391)
Total cash flows	3 746	-	(2 786)	(605)	-	355
Changes in the income statement						
Allocation of reinsurance premiums						
Contracts under the fair value approach	(295)	-	-	-	-	(295)
Other contracts	(3 183)	-	-	-	-	(3 183)
	(3 478)	-	-	-	-	(3 478)
Amounts recoverable from reinsurers for incurred claims						
Amounts recoverable for incurred claims and other expenses	-	(150)	2 535	546	10	2 941
Changes that relate to past service - adjustments to the AIC	-	-	115	(146)	(26)	(57)
Changes in the loss-recovery component	-	(61)	-	-	-	(61)
	-	(211)	2 650	400	(16)	2 823
Net (expenses)/income from reinsurance contracts held	(3 478)	(211)	2 650	400	(16)	(655)
Finance income from reinsurance contracts held	1 254	191	133	180	11	1 769
Total changes in the income statement	(2 224)	(20)	2 783	580	(5)	1 114
Net balance as at 30 June	1 947	1 667	1 659	1 972	34	7 279
Closing reinsurance contract assets	2 037	1 655	1 649	1 972	34	7 347
Closing reinsurance contract liabilities	(90)	12	10	-	-	(68)
Net balance as at 30 June	1 947	1 667	1 659	1 972	34	7 279

10 Reinsurance contracts continued**10.1 Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances continued****10.1.1 Total continued**

Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances	Assets for remaining coverage		Amounts recoverable on incurred claims for contracts not under the PAA Rm	Amounts recoverable on incurred claims for contracts under the PAA		Total Rm
	Excluding loss-recovery component Rm	Loss-recovery component Rm		Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2025						
Opening reinsurance contract assets	162	1 792	1 596	1 812	39	5 401
Opening reinsurance contract liabilities	(55)	14	8	-	-	(33)
Net balance as at 1 July	107	1 806	1 604	1 812	39	5 368
Cash flows						
Reinsurance premiums paid	3 717	-	-	-	-	3 717
Reinsurance recoveries received	-	-	(2 755)	(485)	-	(3 240)
Total cash flows	3 717	-	(2 755)	(485)	-	477
Changes in the income statement						
Allocation of reinsurance premiums						
Contracts under the fair value approach	(264)	-	-	-	-	(264)
Other contracts	(3 300)	-	-	-	-	(3 300)
	(3 564)	-	-	-	-	(3 564)
Amounts recoverable from reinsurers for incurred claims						
Amounts recoverable for incurred claims and other expenses	-	(161)	2 482	765	9	3 095
Changes that relate to past service - adjustments to the AIC	-	-	256	(323)	(14)	(81)
Changes in the loss-recovery component	-	(127)	-	-	-	(127)
	-	(288)	2 738	442	(5)	2 887
Net (expenses)/income from reinsurance contracts held	(3 564)	(288)	2 738	442	(5)	(677)
Finance income from reinsurance contracts held	165	169	75	228	5	642
Total changes in the income statement	(3 399)	(119)	2 813	670	-	(35)
Net balance as at 30 June	425	1 687	1 662	1 997	39	5 810
Closing reinsurance contract assets	487	1 674	1 657	1 997	39	5 854
Closing reinsurance contract liabilities	(62)	13	5	-	-	(44)
Net balance as at 30 June	425	1 687	1 662	1 997	39	5 810

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.1 Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances continued

10.1.2 Measurement models

10.1.2.1 General measurement model

Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances	Assets for remaining coverage		Amounts recoverable on incurred claims for contracts not under the PAA Rm	Total Rm
	Excluding loss-recovery component Rm	Loss-recovery component Rm		
2026				
Opening reinsurance contract assets	862	1 674	1 657	4 193
Opening reinsurance contract liabilities	(62)	13	5	(44)
Net balance as at 1 July	800	1 687	1 662	4 149
Cash flows				
Reinsurance premiums paid	3 308	-	-	3 308
Reinsurance recoveries received	-	-	(2 786)	(2 786)
Total cash flows	3 308	-	(2 786)	522
Changes in the income statement				
Allocation of reinsurance premiums				
Contracts under the fair value approach	(295)	-	-	(295)
Other contracts	(2 768)	-	-	(2 768)
	(3 063)	-	-	(3 063)
Amounts recoverable from reinsurers for incurred claims				
Amounts recoverable for incurred claims and other expenses	-	(150)	2 535	2 385
Changes that relate to past service – adjustments to the AIC	-	-	115	115
Changes in the loss-recovery component	-	(61)	-	(61)
	-	(211)	2 650	2 439
Net (expenses)/income from reinsurance contracts held	(3 063)	(211)	2 650	(624)
Finance income from reinsurance contracts held	1 254	191	133	1 578
Total changes in the income statement	(1 809)	(20)	2 783	954
Net balance as at 30 June	2 299	1 667	1 659	5 625
Closing reinsurance contract assets	2 389	1 655	1 649	5 693
Closing reinsurance contract liabilities	(90)	12	10	(68)
Net balance as at 30 June	2 299	1 667	1 659	5 625

10 Reinsurance contracts continued**10.1 Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances continued****10.1.2 Measurement models continued****10.1.2.1 General measurement model continued**

Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances	Assets for remaining coverage		Amounts recoverable on incurred claims for contracts not under the PAA Rm	Total Rm
	Excluding loss-recovery component Rm	Loss-recovery component Rm		
2025				
Opening reinsurance contract assets	469	1 792	1 596	3 857
Opening reinsurance contract liabilities	(55)	14	8	(33)
Net balance as at 1 July	414	1 806	1 604	3 824
Cash flows				
Reinsurance premiums paid	3 015	-	-	3 015
Reinsurance recoveries received	-	-	(2 755)	(2 755)
Total cash flows	3 015	-	(2 755)	260
Changes in the income statement				
Allocation of reinsurance premiums				
Contracts under the fair value approach	(264)	-	-	(264)
Other contracts	(2 530)	-	-	(2 530)
	(2 794)	-	-	(2 794)
Amounts recoverable from reinsurers for incurred claims				
Amounts recoverable for incurred claims and other expenses	-	(161)	2 482	2 321
Changes that relate to past service – adjustments to the AIC	-	-	256	256
Changes in the loss-recovery component	-	(127)	-	(127)
	-	(288)	2 738	2 450
Net (expenses)/income from reinsurance contracts held	(2 794)	(288)	2 738	(344)
Finance (expenses)/income from reinsurance contracts held	165	169	75	409
Total changes in the income statement	(2 629)	(119)	2 813	65
Net balance as at 30 June	800	1 687	1 662	4 149
Closing reinsurance contract assets	862	1 674	1 657	4 193
Closing reinsurance contract liabilities	(62)	13	5	(44)
Net balance as at 30 June	800	1 687	1 662	4 149

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.1 Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances continued

10.1.2 Measurement models continued

10.1.2.2 Premium allocation approach

Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances	Assets for remaining coverage		Amounts recoverable on incurred claims for contracts under the PAA		Total Rm
	Excluding loss-recovery component Rm	Loss-recovery component Rm	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2026					
Opening reinsurance contract assets	(375)	-	1 997	39	1 661
Opening reinsurance contract liabilities	-	-	-	-	-
Net balance as at 1 July	(375)	-	1 997	39	1 661
Cash flows					
Reinsurance premiums paid	438	-	-	-	438
Reinsurance recoveries received	-	-	(605)	-	(605)
Total cash flows	438	-	(605)	-	(167)
Changes in the income statement					
Allocation of reinsurance premiums					
Other contracts	(415)	-	-	-	(415)
Amounts recoverable from reinsurers for incurred claims	(415)	-	-	-	(415)
Amounts recoverable for incurred claims and other expenses	-	-	546	10	556
Changes that relate to past service – adjustments to the AIC	-	-	(146)	(26)	(172)
Changes in the loss-recovery component	-	-	-	-	-
	-	-	400	(16)	384
Net (expenses)/income from reinsurance contracts held	(415)	-	400	(16)	(31)
Finance income from reinsurance contracts held	-	-	180	11	191
Total changes in the income statement	(415)	-	580	(5)	160
Net balance as at 30 June	(352)	-	1 972	34	1 654
Closing reinsurance contract assets	(352)	-	1 972	34	1 654
Closing reinsurance contract liabilities	-	-	-	-	-
Net balance as at 30 June	(352)	-	1 972	34	1 654

10 Reinsurance contracts continued**10.1 Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances** continued**10.1.2 Measurement models** continued**10.1.2.2 Premium allocation approach** continued

Reconciliation of the remaining coverage and the incurred claims components of reinsurance contract balances	Assets for remaining coverage		Amounts recoverable on incurred claims for contracts under the PAA		Total Rm
	Excluding loss-recovery component Rm	Loss-recovery component Rm	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	
2025					
Opening reinsurance contract assets	(307)	-	1 812	39	1 544
Opening reinsurance contract liabilities	-	-	-	-	-
Net balance as at 1 July	(307)	-	1 812	39	1 544
Cash flows					
Reinsurance premiums paid	702	-	-	-	702
Reinsurance recoveries received	-	-	(485)	-	(485)
Total cash flows	702	-	(485)	-	217
Changes in the income statement					
Allocation of reinsurance premiums					
Other contracts	(770)	-	-	-	(770)
	(770)	-	-	-	(770)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	765	9	774
Changes that relate to past service - adjustments to the AIC	-	-	(323)	(14)	(337)
Changes in the loss-recovery component	-	-	-	-	-
	-	-	442	(5)	437
Net (expenses)/income from reinsurance contracts held	(770)	-	442	(5)	(333)
Finance income from reinsurance contracts held	-	-	228	5	233
Total changes in the income statement	(770)	-	670	-	(100)
Net balance as at 30 June	(375)	-	1 997	39	1 661
Closing reinsurance contract assets	(375)	-	1 997	39	1 661
Closing reinsurance contract liabilities	-	-	-	-	-
Net balance as at 30 June	(375)	-	1 997	39	1 661

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.2 Reconciliation of the measurement components of reinsurance contract balances

The tables that follow disclose the roll-forward of the net asset or liability for reinsurance contracts held, showing estimates of the present value of future cash flows, risk adjustment for non-financial risk and contractual service margin. These tables only apply to contracts measured under the GMM.

10.2.1 Total

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening reinsurance contract assets	4 825	548	88	(1 268)	4 193
Opening reinsurance contract liabilities	(40)	17	4	(25)	(44)
Net balance as at 1 July	4 785	565	92	(1 293)	4 149
Cash flows					
Reinsurance premiums paid	3 308	-	-	-	3 308
Reinsurance recoveries received	(2 786)	-	-	-	(2 786)
Total cash flows	522	-	-	-	522
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	(30)	21	(9)
Change in the risk adjustment for non-financial risk for the risk expired	-	(55)	-	-	(55)
Experience adjustments	(616)	2	-	-	(614)
	(616)	(53)	(30)	21	(678)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(1 165)	(47)	41	1 171	-
Changes in estimates that do not adjust the CSM	(120)	26	-	-	(94)
Contracts initially recognised in the period	4	18	-	(22)	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	51	51
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(18)	(18)
	(1 281)	(3)	41	1 182	(61)
Changes that relate to past service					
Changes that relate to past service - adjustments to the AIC	123	(8)	-	-	115
	123	(8)	-	-	115
Net income/(expenses) from reinsurance contracts held	(1 774)	(64)	11	1 203	(624)
Finance income/(expenses) from reinsurance contracts held	1 621	80	10	(133)	1 578
Total changes in the income statement	(153)	16	21	1 070	954
Net balance as at 30 June	5 154	581	113	(223)	5 625
Closing reinsurance contract assets	5 218	568	106	(199)	5 693
Closing reinsurance contract liabilities	(64)	13	7	(24)	(68)
Net balance as at 30 June	5 154	581	113	(223)	5 625

10 Reinsurance contracts continued**10.2 Reconciliation of the measurement components of reinsurance contract balances continued****10.2.1 Total continued**

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening reinsurance contract assets	4 856	510	128	(1 637)	3 857
Opening reinsurance contract liabilities	(36)	17	9	(23)	(33)
Net balance as at 1 July	4 820	527	137	(1 660)	3 824
Cash flows					
Reinsurance premiums paid	3 015	-	-	-	3 015
Reinsurance recoveries received	(2 755)	-	-	-	(2 755)
Total cash flows	260	-	-	-	260
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	(22)	174	152
Change in the risk adjustment for non-financial risk for the risk expired	-	(49)	-	-	(49)
Experience adjustments	(578)	2	-	-	(576)
	(578)	(47)	(22)	174	(473)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(398)	(31)	(37)	466	-
Changes in estimates that do not adjust the CSM	(94)	3	-	-	(91)
Contracts initially recognised in the period	50	14	-	(64)	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	56	56
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(92)	(92)
	(442)	(14)	(37)	366	(127)
Changes that relate to past service					
Changes that relate to past service – adjustments to the AIC	258	(2)	-	-	256
	258	(2)	-	-	256
Net income/(expenses) from reinsurance contracts held	(762)	(63)	(59)	540	(344)
Finance income/(expenses) from reinsurance contracts held	467	101	14	(173)	409
Total changes in the income statement	(295)	38	(45)	367	65
Net balance as at 30 June	4 785	565	92	(1 293)	4 149
Closing reinsurance contract assets	4 825	548	88	(1 268)	4 193
Closing reinsurance contract liabilities	(40)	17	4	(25)	(44)
Net balance as at 30 June	4 785	565	92	(1 293)	4 149

10.2.2 Measurement models**10.2.2.1 General measurement model**

The reconciliation of the measurement components of reinsurance contract balances only applies to contracts measured under the GMM. The current year and prior year GMM reconciliations are therefore the same as the Total reconciliations presented in note 10.2.1.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.2 Reconciliation of the measurement components of reinsurance contract balances continued

10.2.3 Segments

10.2.3.1 Momentum Retail

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening reinsurance contract assets	4 727	556	76	(1 226)	4 133
Opening reinsurance contract liabilities	(21)	4	3	-	(14)
Net balance as at 1 July	4 706	560	79	(1 226)	4 119
Cash flows					
Reinsurance premiums paid	3 258	-	-	-	3 258
Reinsurance recoveries received	(2 759)	-	-	-	(2 759)
Total cash flows	499	-	-	-	499
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	(27)	7	(20)
Change in the risk adjustment for non-financial risk for the risk expired	-	(56)	-	-	(56)
Experience adjustments	(579)	2	-	-	(577)
	(579)	(54)	(27)	7	(653)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(1 174)	(43)	42	1 175	-
Changes in estimates that do not adjust the CSM	(120)	24	-	-	(96)
Contracts initially recognised in the period	(9)	19	-	(10)	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	47	47
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(18)	(18)
	(1 303)	-	42	1 194	(67)
Changes that relate to past service					
Changes that relate to past service – adjustments to the AIC	121	(8)	-	-	113
	121	(8)	-	-	113
Net income/(expenses) from reinsurance contracts held	(1 761)	(62)	15	1 201	(607)
Finance (expenses)/income from reinsurance contracts held	1 611	78	8	(127)	1 570
Total changes in the income statement	(150)	16	23	1 074	963
Net balance as at 30 June	5 055	576	102	(152)	5 581
Closing reinsurance contract assets	5 081	571	95	(152)	5 595
Closing reinsurance contract liabilities	(26)	5	7	-	(14)
Net balance as at 30 June	5 055	576	102	(152)	5 581

10 Reinsurance contracts continued**10.2 Reconciliation of the measurement components of reinsurance contract balances continued****10.2.3 Segments continued****10.2.3.1 Momentum Retail continued**

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening reinsurance contract assets	4 765	517	119	(1 602)	3 799
Opening reinsurance contract liabilities	(23)	5	9	-	(9)
Net balance as at 1 July	4 742	522	128	(1 602)	3 790
Cash flows					
Reinsurance premiums paid	2 960	-	-	-	2 960
Reinsurance recoveries received	(2 715)	-	-	-	(2 715)
Total cash flows	245	-	-	-	245
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	(22)	163	141
Change in the risk adjustment for non-financial risk for the risk expired	-	(50)	-	-	(50)
Experience adjustments	(541)	2	-	-	(539)
	(541)	(48)	(22)	163	(448)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(397)	(30)	(41)	468	-
Changes in estimates that do not adjust the CSM	(91)	2	-	-	(89)
Contracts initially recognised in the period	33	16	-	(49)	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	51	51
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(90)	(90)
	(455)	(12)	(41)	380	(128)
Changes that relate to past service					
Changes that relate to past service - adjustments to the AIC	259	(2)	-	-	257
	259	(2)	-	-	257
Net income/(expenses) from reinsurance contracts held	(737)	(62)	(63)	543	(319)
Finance (expenses)/income from reinsurance contracts held	456	100	14	(167)	403
Total changes in the income statement	(281)	38	(49)	376	84
Net balance as at 30 June	4 706	560	79	(1 226)	4 119
Closing reinsurance contract assets	4 727	556	76	(1 226)	4 133
Closing reinsurance contract liabilities	(21)	4	3	-	(14)
Net balance as at 30 June	4 706	560	79	(1 226)	4 119

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.2 Reconciliation of the measurement components of reinsurance contract balances continued

10.2.3 Segments continued

10.2.3.2 Metropolitan Life

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening reinsurance contract assets	98	(9)	13	(42)	60
Opening reinsurance contract liabilities	(18)	14	-	(25)	(29)
Net balance as at 1 July	80	5	13	(67)	31
Cash flows					
Reinsurance premiums paid	40	-	-	-	40
Reinsurance recoveries received	(26)	-	-	-	(26)
Total cash flows	14	-	-	-	14
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	(3)	14	11
Change in the risk adjustment for non-financial risk for the risk expired	-	1	-	-	1
Experience adjustments	(32)	-	-	-	(32)
	(32)	1	(3)	14	(20)
Changes that relate to future service					
Changes in estimates that adjust the CSM	8	(4)	-	(4)	-
Changes in estimates that do not adjust the CSM	-	2	-	-	2
Contracts initially recognised in the period	13	(1)	-	(12)	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	4	4
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	-	-
	21	(3)	-	(12)	6
Changes that relate to past service					
Changes that relate to past service – adjustments to the AIC	-	-	-	-	-
	-	-	-	-	-
Net (expenses)/income from reinsurance contracts held	(11)	(2)	(3)	2	(14)
Finance income/(expenses) from reinsurance contracts held	11	2	1	(6)	8
Total changes in the income statement	-	-	(2)	(4)	(6)
Net balance as at 30 June	94	5	11	(71)	39
Closing reinsurance contract assets	132	(3)	11	(47)	93
Closing reinsurance contract liabilities	(38)	8	-	(24)	(54)
Net balance as at 30 June	94	5	11	(71)	39

10 Reinsurance contracts continued**10.2 Reconciliation of the measurement components of reinsurance contract balances continued****10.2.3 Segments continued****10.2.3.2 Metropolitan Life continued**

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening reinsurance contract assets	85	(7)	9	(35)	52
Opening reinsurance contract liabilities	(13)	12	-	(23)	(24)
Net balance as at 1 July	72	5	9	(58)	28
Cash flows					
Reinsurance premiums paid	44	-	-	-	44
Reinsurance recoveries received	(38)	-	-	-	(38)
Total cash flows	6	-	-	-	6
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	-	11	11
Change in the risk adjustment for non-financial risk for the risk expired	-	1	-	-	1
Experience adjustments	(22)	-	-	-	(22)
	(22)	1	-	11	(10)
Changes that relate to future service					
Changes in estimates that adjust the CSM	(1)	(1)	4	(2)	-
Changes in estimates that do not adjust the CSM	(3)	1	-	-	(2)
Contracts initially recognised in the period	17	(2)	-	(15)	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	5	5
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(2)	(2)
	13	(2)	4	(14)	1
Changes that relate to past service					
Changes that relate to past service – adjustments to the AIC	-	-	-	-	-
	-	-	-	-	-
Net (expenses)/income from reinsurance contracts held	(9)	(1)	4	(3)	(9)
Finance income/(expenses) from reinsurance contracts held	11	1	-	(6)	6
Total changes in the income statement	2	-	4	(9)	(3)
Net balance as at 30 June	80	5	13	(67)	31
Closing reinsurance contract assets	98	(9)	13	(42)	60
Closing reinsurance contract liabilities	(18)	14	-	(25)	(29)
Net balance as at 30 June	80	5	13	(67)	31

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.2 Reconciliation of the measurement components of reinsurance contract balances continued

10.2.3 Segments continued

10.2.3.3 Momentum Corporate

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2026					
Opening reinsurance contract assets	-	-	-	-	-
Opening reinsurance contract liabilities	(1)	-	-	-	(1)
Net balance as at 1 July	(1)	-	-	-	(1)
Cash flows					
Reinsurance premiums paid	10	-	-	-	10
Reinsurance recoveries received	(1)	-	-	-	(1)
Total cash flows	9	-	-	-	9
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	-	-	-
Change in the risk adjustment for non-financial risk for the risk expired	-	-	-	-	-
Experience adjustments	(5)	-	-	-	(5)
	(5)	-	-	-	(5)
Changes that relate to future service					
Changes in estimates that adjust the CSM	-	-	-	-	-
Changes in estimates that do not adjust the CSM	-	-	-	-	-
Contracts initially recognised in the period	-	-	-	-	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	-	-
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	-	-
	-	-	-	-	-
Changes that relate to past service					
Changes that relate to past service - adjustments to the AIC	2	-	-	-	2
	2	-	-	-	2
Net expenses from reinsurance contracts held	(3)	-	-	-	(3)
Finance (expenses)/income from reinsurance contracts held	-	-	-	-	-
Total changes in the income statement	(3)	-	-	-	(3)
Net balance as at 30 June	5	-	-	-	5
Closing reinsurance contract assets	5	-	-	-	5
Closing reinsurance contract liabilities	-	-	-	-	-
Net balance as at 30 June	5	-	-	-	5

10 Reinsurance contracts continued**10.2 Reconciliation of the measurement components of reinsurance contract balances continued****10.2.3 Segments continued****10.2.3.3 Momentum Corporate continued**

Reconciliation of the measurement components of reinsurance contract balances	Present value of future cash flows Rm	Risk adjustment for non-financial risk Rm	Contractual service margin		Total Rm
			Contracts under fair value approach Rm	Other contracts Rm	
2025					
Opening reinsurance contract assets	6	-	-	-	6
Opening reinsurance contract liabilities	-	-	-	-	-
Net balance as at 1 July	6	-	-	-	6
Cash flows					
Reinsurance premiums paid	11	-	-	-	11
Reinsurance recoveries received	(2)	-	-	-	(2)
Total cash flows	9	-	-	-	9
Changes in the income statement					
Changes that relate to current service					
CSM recognised in profit or loss for the services received	-	-	-	-	-
Change in the risk adjustment for non-financial risk for the risk expired	-	-	-	-	-
Experience adjustments	(15)	-	-	-	(15)
	(15)	-	-	-	(15)
Changes that relate to future service					
Changes in estimates that adjust the CSM	-	-	-	-	-
Changes in estimates that do not adjust the CSM	-	-	-	-	-
Contracts initially recognised in the period	-	-	-	-	-
Recognition of loss-recovery component from onerous underlying contracts	-	-	-	-	-
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	-	-
	-	-	-	-	-
Changes that relate to past service					
Changes that relate to past service - adjustments to the AIC	(1)	-	-	-	(1)
	(1)	-	-	-	(1)
Net expenses from reinsurance contracts held	(16)	-	-	-	(16)
Finance (expenses)/income from reinsurance contracts held	-	-	-	-	-
Total changes in the income statement	(16)	-	-	-	(16)
Net balance as at 30 June	(1)	-	-	-	(1)
Closing reinsurance contract assets	-	-	-	-	-
Closing reinsurance contract liabilities	(1)	-	-	-	(1)
Net balance as at 30 June	(1)	-	-	-	(1)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

10 Reinsurance contracts continued

10.3 Impact of contracts recognised in the year for reinsurance contracts held

The components of new business for reinsurance contracts held is disclosed in the tables below. These tables only apply to contracts measured under the GMM.

10.3.1 Total

Impact of contracts recognised in the year for reinsurance contracts held	2026			2025		
	Contracts originated in a net gain Rm	Contracts originated not in a net gain Rm	Total Rm	Contracts originated in a net gain Rm	Contracts originated not in a net gain Rm	Total Rm
Estimates of the present value of future cash inflows	827	335	1 162	915	303	1 218
Estimates of the present value of future cash outflows	(839)	(319)	(1 158)	(889)	(279)	(1 168)
Risk adjustment for non-financial risk	14	4	18	11	3	14
Contractual service margin	(2)	(20)	(22)	(37)	(27)	(64)
Income recognised on initial recognition	-	-	-	-	-	-

The loss-recovery component, recognised on initial recognition of a group of reinsurance contracts for onerous underlying insurance contracts, is disclosed in note 10.2.

The allocation of reinsurance contracts held between contracts originated in a net gain and contracts originated not in a net gain is determined by whether the underlying group of insurance contracts is expected to be profitable (net gain) or onerous (not in a net gain) at initial recognition of the reinsurance contracts held.

10.3.2 Measurement models

10.3.2.1 General measurement model

The disclosure for the impact of contracts recognised in the year for reinsurance contracts held only applies to contracts measured under the GMM. The current year and prior year GMM tables are therefore the same as the Total tables presented in note 10.3.1.

10.3.3 Segments

10.3.3.1 Momentum Retail

Impact of contracts recognised in the year for reinsurance contracts held	2026			2025		
	Contracts originated in a net gain Rm	Contracts originated not in a net gain Rm	Total Rm	Contracts originated in a net gain Rm	Contracts originated not in a net gain Rm	Total Rm
Estimates of the present value of future cash inflows	799	335	1 134	879	303	1 182
Estimates of the present value of future cash outflows	(824)	(319)	(1 143)	(870)	(279)	(1 149)
Risk adjustment for non-financial risk	15	4	19	13	3	16
Contractual service margin	10	(20)	(10)	(22)	(27)	(49)
Income recognised on initial recognition	-	-	-	-	-	-

10.3.3.2 Metropolitan Life

Estimates of the present value of future cash inflows	28	-	28	36	-	36
Estimates of the present value of future cash outflows	(15)	-	(15)	(19)	-	(19)
Risk adjustment for non-financial risk	(1)	-	(1)	(2)	-	(2)
Contractual service margin	(12)	-	(12)	(15)	-	(15)
Income recognised on initial recognition	-	-	-	-	-	-

10 Reinsurance contracts continued

10.4 CSM recognition analysis

An analysis of the expected recognition of the CSM for reinsurance contracts held in profit or loss in future periods is provided in the following table:

CSM recognition in profit or loss	0 to 1 year Rm	1 to 2 years Rm	2 to 3 years Rm	3 to 4 years Rm	4 to 5 years Rm	5 to 10 years Rm	10 to 15 years Rm	15 to 20 years Rm	> 20 years Rm	Total Rm
2026										
General measurement model	10	3	(1)	(4)	(5)	(36)	(33)	(21)	(23)	(110)
	10	3	(1)	(4)	(5)	(36)	(33)	(21)	(23)	(110)
2025										
General measurement model	(137)	(123)	(109)	(97)	(86)	(311)	(170)	(87)	(81)	(1 201)
	(137)	(123)	(109)	(97)	(86)	(311)	(170)	(87)	(81)	(1 201)

The CSM carrying values at the reporting date were allocated to future reporting periods on the basis of discounted, expected coverage units to be released in the relevant period. The total of the table agrees to the CSM balance in note 10.2.1.

11 Investment contracts

Refer to note 45.10 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
11.1 Investment contract liabilities designated at fair value through profit and loss				
	510 824	445 690	508 137	442 943
Total investment contract liability	510 824	445 690	508 137	442 943
<i>Movement in investment contracts designated at fair value through profit and loss</i>				
11.1 Investment contract liabilities designated at fair value through profit and loss				
Balance at beginning	445 690	384 121	442 943	381 515
Contract holder movements	65 353	61 643	65 194	61 428
Deposits received	74 818	55 913	74 490	55 708
Contract benefit payments ¹	(57 068)	(48 566)	(56 948)	(48 436)
Fees on investment contracts	(4 520)	(4 089)	(4 519)	(4 089)
Fair value adjustment to policyholder liabilities under investment contracts	52 297	58 536	52 318	58 370
Other	(174)	(151)	(147)	(125)
Exchange differences	(219)	(74)	-	-
Balance at end	510 824	445 690	508 137	442 943
Current ¹	508 038	443 634	505 351	440 887
Non-current	2 786	2 056	2 786	2 056
	510 824	445 690	508 137	442 943

¹ The prior year has been restated due to the methodology being applied incorrectly on termination accrual for certain member liabilities. This resulted in an increase of R555 million of the total investment contract liability as at 1 July 2024 and an increase of R782 million as at 30 July 2025 for both Group and Company. The contracts benefit payments for 2025 reduced by R227 million for both Group and Company. Refer to the restatement note for more information.

The instruments in note 11 would have been classified as financial liabilities at amortised cost under IFRS 9 had they not been designated at fair value through profit and loss.

For the IFRS 7 disclosures relating to investment contracts, refer to note 13.4.

Refer to note 12 for the assumptions and estimates used.

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for the year ended 30 June 2026

12 Contract holder liabilities – judgements, assumptions and estimates

To measure a group of insurance contracts issued or reinsurance contracts held, the Group applies judgement and makes use of assumptions and estimates. Fulfilment cash flows consist of the present value of future cash flows the Group expects, as a result of fulfilling obligations under insurance contracts and receiving insurance coverage under reinsurance contracts and a risk adjustment for non-financial risk.

The present value of future cash flows represents the Group's best estimate of future, net cash flows from insurance and reinsurance contracts. The present value of future cash flows is a function of policy data and financial and non-financial assumptions.

Policy data is obtained from policyholder administration and finance systems. Non-financial assumptions reflect the Group's best estimate of the likelihood of insured events and related cash flows taking place. Non-financial assumptions are determined with reference to extensive and credible past experience and future expected experience. Where necessary, historical data is adjusted to reflect current conditions or supplemented with data from other sources.

Uncertainties in the present value of future cash flows linked to non-financial risks are allowed for (to some extent) in the measurement of the risk adjustment. Financial assumptions are market consistent, as these are sourced from reliable, market observable data and prices. Expense assumptions are based on budget information and inflation assumptions and are allocated to insurance contracts as appropriate.

Where appropriate there is consistency between the nature of assumptions and the assumption setting process for insurance contracts issued and reinsurance contracts held.

In addition to the estimates and assumptions, the Group makes judgements in the application of IFRS 17. Judgements and assumptions made, and the processes to derive the assumptions in the estimation of fulfilment cash flows are described below.

Key assumptions:

Mortality, morbidity and persistency assumptions

Mortality, morbidity and persistency assumptions are primarily based on internal investigations into past experience. Where internal data is not sufficiently credible, external sources are used, such as industry, national or reinsurer data. Experience variances are monitored on an ongoing basis and are the primary indicator of the need for an experience investigation. Experience investigations are carried out at most annually or less frequently where experience is in line with the current basis, or variances are not material. The periods of investigation typically range from two to five years and are set according to the nature of the assumption being measured (e.g. short-term or long-term) and the need for credible analysis. Appropriate allowance is made for the impact of acquired immunodeficiency syndrome (AIDS) on mortality and morbidity rates and in the case of annuity business, explicit allowance is made for mortality improvements. For further information on the quantitative impact of assumptions, refer to sensitivity disclosures regarding insurance risks in note 38.5 of the financial statements.

Lapse rates are a key non-financial assumption used in the measurement of life and savings insurance contract assets and liabilities. To improve the information available to users of the financial statements, lapse rate information has been disclosed for the first time in the current period. The introduction of this additional disclosure had no impact on the Group's statement of financial position, statement of comprehensive income, statement of changes in equity or statement of cash flows.

Momentum Myriad is a life insurance product offered in the Momentum Retail segment, which represents a significant portion of the Group's life insurance business and for which lapse rates are a key assumption.

The lapse assumptions applied to Momentum Myriad vary depending on factors such as product design, premium growth characteristics, policy duration and policyholder behaviour patterns. These factors result in a wide range of lapse assumptions, as reflected in the table below. The following lapse rates were applied in measuring the Myriad insurance contract assets and liabilities for the periods ended 30 June 2026 and are unchanged from 30 June 2025:

Lapse rates (%)

Duration	Minimum	Average	Maximum
Year 1	4.0	15.9	55.0
Year 2	4.0	11.1	18.0
Years 3 – 20	2.0	6.9	15.9
Years 21 +	2.0	4.7	7.2

Attributable expenses

Estimated future cash flows include an estimate of future expenses that are directly attributable to a portfolio of contracts. Identification of attributable expenses is an area of management judgement that considers the nature and function of expenses. The significant majority of future expenses of the insurance business is considered to be attributable to the fulfilment of insurance contracts.

Expenses are allocated into three major categories, namely insurance acquisition, administration and maintenance, and development and project expenses, and furthermore split by segment, product and type, using a variety of methods. These methods include direct allocations according to function and/or operational structure, functional cost analyses as well as predefined cost allocation models.

Estimates of future administration and maintenance expenses (including overheads) start at a level consistent with the forecast expenses for the current financial year, adjusted for any known changes. Allowance is made for escalation at the assumed expense inflation rates over the term of the projection. Assumptions regarding expected inflation rates are discussed under investment return and inflation rate assumptions.

Asset management expenses are expressed as an annual percentage of assets under management.

12 Contract holder liabilities – judgements, assumptions and estimates continued

Investment return and inflation rate assumptions continued

Yields of appropriate duration from appropriate market-related yield curves as at the valuation date, are used to calculate the present value of fulfilment cash flows. The yield curves used are based on fixed or CPI-linked risk-free securities. The risk-free yield curve is based on traded government bonds depending on availability of reliable market information. The Group makes use of market implied inflation rates when determining fulfilment cash flows. In estimating fulfilment cash flows the Group differentiates between consumer price index (CPI) inflation, salary inflation and medical cost inflation rates.

The tables below sets out the yield curves used by the Group.

Risk-free spot rates – nominal:

%		1 year	5 year	10 year	20 year
South Africa	30 June 2026	7.41	8.14	8.88	9.48
	30 June 2025	7.25	8.96	10.91	12.98

Risk-free spot rates – real:

%		1 year	5 year	10 year	20 year
South Africa	30 June 2026	2.29	3.73	4.04	4.17
	30 June 2025	3.58	4.66	5.04	5.38

The Group uses judgement in determining the CPI inflation rate assumptions used to project future renewal expenses over the planning horizon (three years). The assumptions are based on management's assessment of likely inflationary pressures given current business planning activities. As at 30 June 2026, the assumed CPI inflation rate over the three-year planning horizon was 4.0% p.a. (2025: 5.0% p.a.)

For durations greater than three years the Group makes use of reliable market data to derive CPI inflation rate assumptions. The CPI inflation rates are derived from market inputs as the difference between nominal and real yields across the term structure of these curves. When reliable market data is not available, the Group makes use of internal and external data to estimate CPI inflation rates. Additions to the assumed CPI inflation rates are allowed for some products to reflect the impact of closed books that are in run-off. Additions to assumed CPI inflation rates, in order to derive assumed salary and medical cost inflation rates, are derived from internal and external data.

The Group applies judgement in assessing whether estimated inflation rates expose the Group to financial risks, non-financial risks or both. Changes in CPI inflation rate estimates are considered to be financial risks and the impacts are accounted for in insurance finance income or expenses (general measurement model) and the contractual service margin (variable fee approach). Changes in the gaps between estimated salary or medical cost inflation and the derived CPI inflation rates are considered to be non-financial risks and the impacts are accounted for in the contractual service margin. Inflation assumptions that are non-financial in nature are taken into account when measuring the risk adjustment for non-financial risks.

Illiquidity premium

In some instances, the Group adds an illiquidity premium to the risk-free rate, to reflect differences in the liquidity of the risk-free interest rate and the group of insurance contracts. Management applies judgement in identifying portfolios of insurance contracts where the insurance contracts are considered to be illiquid. In making this judgement management considers the nature of the insurance product, the settlement terms and conditions, the expected variability in fulfilment cash flows over the coverage period and the potential costs to transfer or settle the insurance contracts.

Management considers an insurance contract to be liquid, if the Group can transfer or settle the obligations under the insurance contract at little or no cost or if the fulfilment cash flows can vary significantly in amount or timing. Insurance contracts are considered to be illiquid if the Group is bound to the contract until the insurance event takes place or the policy matures. Insurance contracts are also considered to be illiquid if the amount and timing of fulfilment cash flows can be estimated reliably and are subject to insignificant change or the potential costs to transfer or settle the insurance contracts are prohibitive.

Management applies judgement in determining the illiquidity premiums to be included in the discount rate for illiquid contracts. Management estimates the liquidity spread, net of corresponding costs, that the Group is likely to earn on investments (in appropriate matching portfolios) backing the illiquid contracts. The liquidity spread is added to the discount rate as an illiquidity premium.

The Group has identified non-profit annuity contracts (including CPI-linked annuity products) as illiquid contracts, where an illiquidity premium should be included in the discount rate.

Illiquidity premium	2026	2025
Non-profit annuity business – retail	0.35%	0.35%
Non-profit annuity business – corporate	0.50%	0.50%

Future bonuses

Discretionary participation contract holders' reasonable expectations are allowed for by incorporating assumed bonus rates into fulfilment cash flows that are supported by the market value of the underlying assets and assumed future investment returns and are in accordance with product design, bonus philosophy and contract holders' reasonable expectations.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

12 Contract holder liabilities – judgements, assumptions and estimates continued

Extrapolation of yield curve

The Group constructs its own government bond yield curve for pricing, risk management and financial reporting purposes. The Group's long-term insurance liabilities extend beyond the longest observable bond. For valuing these liabilities, a yield curve extrapolation methodology is required. The Group follows an ultimate spot rate extrapolation methodology that is based on the Group's view on the long-term expected real yields, inflation rates and bond term premiums. The ultimate spot rate is 9.3% (2025: 10.0%).

Investment guarantees

Fulfilment cash flows arising from investment guarantees are calculated using market-consistent stochastic models that are calibrated using market data as at the reporting date. Expected investment guarantee benefits are calculated per discretionary fund and allocated to underlying groups of insurance contracts. Disclosures regarding the market-consistent stochastic models that were used to calculate the liabilities are set out below.

The following table discloses specific points on the zero coupon yield curve used in the projection of the assets as at 30 June:

Year	1	2	3	4	5	10	15	20	25	30	35	40
2026	7.1	7.4	7.6	7.9	8.1	8.9	9.5	9.6	9.4	9.2	8.9	8.6
2025	7.7	8.0	8.3	8.6	8.9	10.8	12.3	13.0	13.1	12.8	12.3	11.7

The nominal yields shown in the table above are derived from the Moody's Economic Scenario Generator, which differ slightly from the nominal risk-free yield curve derived internally by the Group for liability valuations.

The following instruments have been valued by the model:

Instrument	2026		2025	
	Price (% of nominal)	Volatility	Price (% of nominal)	Volatility
A 1-year at-the-money (spot) put on the FTSE/JSE Top 40 index	6.8%	22.6%	4.8%	18.0%
A 1-year put on the FTSE/JSE Top 40 index, with a strike price equal to 0.8 (2025: 0.8) of spot	1.8%	26.2%	0.8%	21.0%
A 1-year put on the FTSE/JSE Top 40 index, with a strike price equal to a forward of 1.0399 (2025: 1.048)	8.5%	22.0%	6.8%	17.5%
A 5-year at-the-money (spot) put on the FTSE/JSE Top 40 index	6.1%	20.4%	4.0%	18.2%
A 5-year put on the FTSE/JSE Top 40 index, with a strike price equal to $(1.04)^5$ (2025: $(1.04)^5$) of spot	11.9%	19.3%	8.5%	17.0%
A 5-year put on the FTSE/JSE Top 40 index, with a strike price equal to a forward of 1.3029 (2025: 1.3624)	14.9%	19.0%	13.0%	16.5%
A 20-year at-the-money (spot) put on the FTSE/JSE Top 40 index	1.3%	22.9%	0.2%	22.7%
A 20-year put on the FTSE/JSE Top 40 index, with a strike price equal to $(1.04)^{20}$ (2025: $(1.04)^{20}$) of spot	8.0%	22.4%	1.9%	22.6%
A 20-year put on the FTSE/JSE Top 40 index, with a strike price equal to a forward of 3.7763 (2025: 7.0631)	23.1%	22.2%	24.2%	22.9%
A 5-year put with a strike price equal to $(1.04)^5$ (2025: $(1.04)^5$) of spot, on an underlying index constructed as 60% FTSE/JSE Top 40 and 40% ALBI, with rebalancing of the underlying index back to these weights taking place annually	4.9%	11.6%	3.2%	10.8%
A 20-year put option on an interest rate with a strike equal to the present 5-year forward rate as at maturity of the put option which pays out if the 5-year interest rate at the time of maturity (in 20 years) is lower than this strike price	0.3%	n/a	0.2%	n/a

Tax

The Group recovers some tax expenses from policyholders through a policyholder tax charge. Initially, the relevant tax outflows and policyholder tax charges are included in fulfilment cash flows on an expected cash flow basis. Recognition of investment returns results in tax obligations for the Group. Per IFRS Accounting Standards, the Group presents the relevant tax expense in income tax expenses and the liability for incurred claims when investment returns are recognised. At the same point in time, the Group recognises the policyholder tax charge (equal to the income tax expense) as insurance revenue through a reduction in the liability for remaining coverage. Insurance service results include the income tax expenses recovered from the policyholder, but not the income tax expense incurred. In the Group's segmental disclosure, the income tax incurred is presented in insurance service expenses and not in income tax expense. Consequently the insurance service result in the segmental disclosure reflects the economic impact of incurring an income tax expense and recovering the income tax expense from policyholders.

12 Contract holder liabilities – judgements, assumptions and estimates continued

Risk adjustment

The Group includes a risk adjustment for non-financial risk in the measurement of liabilities for remaining coverage and liabilities for incurred claims. The risk adjustment represents the compensation that the Group expects to receive to neutralise the economic effect of non-financial risk accepted.

The Group makes use of the value-at-risk (VAR) approach to calculate the risk adjustment for both the liability for remaining coverage and the liability for incurred claims, calibrated over a one-year time horizon. The Group targets a risk adjustment confidence level of 85% for life insurance entities. The Group re-assesses targets when risk adjustments breach upper or lower thresholds of 5% around the above-mentioned targets.

The stresses used to determine the risk adjustment are derived from the stresses underlying the regulatory solvency capital requirement (SCR) (based on a 1-in-200-year loss event i.e. at a 99.5% confidence level over a one-year period), adjusted to target a confidence level of 85%.

The calibrated non-financial risk margins are applied to expected future cash flows to calculate the risk adjustment. The inclusion of the non-financial risk margins in the expected future cash flows results in a total risk adjustment that is equal to the target VAR amount of the Group.

For insurance contracts with coverage periods of 12 months or less, the risk adjustment will be calculated with the bootstrapping method or an approach that will yield a reasonably appropriate result. The bootstrapping method generates a distribution of potential claim liabilities. Bootstrapping is a statistical procedure that reuses a single dataset to create many simulated samples. The application of the bootstrapping method will consider the confidence level set for the Group and a Log Normal distribution. Only non-financial risks are included in the risk adjustment. Risk types included in the risk adjustment are lapse risk, mortality risk, morbidity risk, longevity risk, termination risk, alteration risk and expense risk.

The risk adjustment for reinsurance contracts held is based on the non-financial risk transferred to the reinsurer. This amount is calculated as the difference between the risk adjustment on gross estimated claims cash flows (before expected reinsurance recoveries) and the risk adjustment on net estimated claims cash flows (after expected reinsurance recoveries).

Changes in the risk adjustment caused by changes in estimates regarding future services are accounted for in the CSM or the loss component. Changes in the risk adjustment caused by changes in estimates regarding past or current services are allocated between insurance/reinsurance finance income and expenses and insurance service expenses/allocation of reinsurance premiums.

Cash-back benefit

The cash-back benefit feature is an optional benefit that can be selected by the policyholder at an additional premium. The payment of the cash-back benefit payment is partially dependent on whether the policyholder submitted a claim for an insured event or whether the policy lapsed. The Group applied judgement in concluding that the cash-back benefit is a policyholder benefit and not a return of premiums.

Premium variances

Allocating premium variances between future, current or past insurance contract services is a matter of management judgement. The Group performed this assessment per portfolio of insurance contracts issued. In making this judgement, management considered the measurement model, coverage period, reasons for the premium variances, timing of premium variances relative to the coverage period, maturity of the insurance contracts and the pricing of insurance contracts. In general, premium variances on insurance contracts with long coverage periods relate to future insurance contract services, while premium variances on insurance contracts with a coverage period of 12 months or less relate to current or past insurance contract services.

Premium variances that relate to underwriting experience, for example adjustments to level of insurance coverage, lapses or claims are viewed to relate to future services. Recognising premium variances in insurance contract revenue as services are rendered is analogous to the recognition of insurance revenue as insurance contract services are rendered. Specifically, to insurance contracts measured under the variable fee approach, premium variances on premiums that are invested in underlying items relate to past or current services, while premium variances on premiums that collect fees and charges on insurance contracts with long coverage periods relate primarily to future insurance contract services.

The Group performs an assessment of whether pre-funding of insurance obligations exists for specific portfolios of insurance contracts to assist in determining whether premium variances are applicable to current service or future service. This assessment is performed on an annual basis.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

12 Contract holder liabilities – judgements, assumptions and estimates continued

Intercompany fees

Various entities within the Group assist in the fulfilling of the insurance contracts or investment contracts with discretionary participation features. These companies provide a range of services including investment management services, administration services, collection services, rental or information technology support. The costs underlying these services are charged to the issuer of the above-mentioned contracts through an intercompany fee.

The measurement of the fulfilment cash flows in the consolidated financial statements of the Group includes the intercompany fees charged by the service provider as a proxy for the underlying fulfilment cash flows linked to the rendering of the service. The Group applied judgement in concluding that the intercompany fees materially approximate the fulfilment cash flows from the perspective of the service provider. Management has put in place measures to ensure that the judgement remains appropriate, and management reviews the judgement on a regular basis.

Investment contracts with discretionary participation features

The terms and conditions of investment contracts or investment fund rules are assessed in determining if discretionary participation features are present.

Investors earn investment returns on contributions made. If the timing or amount of investment returns payable to investors is at the discretion of the Group, the investment contracts or investment fund rules contain discretionary participation features. The Group applies judgement in assessing whether discretionary participation features have a significant impact on the timing and amount of investment returns payable to investors, in which case the contracts are accounted for under IFRS 17.

The bonus formulae may limit the practical ability of the Group to apply discretion over the timing and amount of investment returns payable to investors. Similarly, the underlying asset mandate might limit the volatility of returns observed and therefore also limit the extent of discretion applied over the timing and amount of investment returns payable. In these cases the discretionary participation feature would be assessed as not being significant and these contracts would be accounted for under IFRS 9.

Insurance contracts with direct participation features

The Group applies judgement to determine whether the entity expects to pay the policyholder an amount equal to a substantial share of the fair value returns on the underlying items and whether the entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items. The Group applies a 0% and a 20% investment return scenario to the underlying items and observes whether the amount of policy benefits change significantly between the scenarios. An increase of at least 50% in the amount of policy benefits indicates that direct participation features are present in the insurance contract. Such insurance contracts are accounted for in terms of the variable fee approach.

Non-distinct investment components

The nature of the transaction that results in the payment of a non-distinct investment component to a policyholder can impact the amount of the benefit payable to the policyholder. As a result, the non-distinct investment components are measured at the value of the underlying item less any surrender penalties (if applicable).

Coverage units

The Group makes use of various coverage units in accounting for insurance contracts and reinsurance contracts. The following table includes examples of the nature of some of the coverage units applied by the Group:

Insurance contracts		Reinsurance contracts
Type of insurance contract	Type of coverage unit	
Annuities	Annuity payments	Annuity payments, sum at risk
Long-term savings products	Fund value, sum assured	Sum assured
Protection products	Fund value, sum assured	Sum assured
Traditional products	Fund value, sum assured	Sum assured, sum at risk

Basis and other changes

Assumptions and methodologies used in the estimation of fulfilment cash flows are reviewed at the reporting date and the impacts of any resulting changes on the estimates of future cash flows and the risk adjustment are reflected in profit or loss or included in the CSM according to the nature of the underlying contracts and the change made.

13 Financial liabilities

Refer to note 45.11, 45.15 and 45.22 for the accounting policies relating to this note.

The Group classifies its financial liabilities into the following categories:

- Financial liabilities at fair value through profit and loss
- Financial liabilities at amortised cost

The classification depends on the purpose for which the financial liabilities were acquired. Management determines the classification of its financial liabilities at initial recognition.

The Group's financial liabilities are summarised below:

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
13.1 Financial liabilities at fair value through profit and loss	78 306	66 820	28 981	23 167
13.2 Financial liabilities at amortised cost	1 022	1 204	53	61
13.3 Other payables (excluding deferred revenue liability)¹	10 390	8 511	8 799	6 907
	89 718	76 535	37 833	30 135
13.1 Financial liabilities at fair value through profit and loss				
Collective investment scheme liabilities	46 644	41 213	-	-
Subordinated debt instruments	5 637	4 382	5 637	4 382
Carry positions	23 475	18 954	21 469	17 322
Derivative financial liabilities (refer to note 6.1)	1 945	1 531	1 875	1 463
Preference shares	465	426	-	-
Other borrowings	140	314	-	-
	78 306	66 820	28 981	23 167
Current	68 068	59 000	22 665	17 641
Non-current	10 238	7 820	6 316	5 526
	78 306	66 820	28 981	23 167

¹ The prior year has been restated. Refer to the restatement note for more information on the restatement on Other payables.

- The change in the fair value of financial liabilities designated at fair value through profit and loss due to own credit risk amounted to a gain of Rnil (2025: a gain of R18 million), cumulatively the movement in fair value amounts to R65 million (2025: R65 million). This was calculated by measuring the daily changes in the instrument's credit spreads against the equivalent risk-free assets and then accumulating the impact of the changes in the market value for the period. The contractual amount to pay at maturity on the subordinated debt instruments is R5 500 million (2025: R4 270 million).
- Collective investment scheme liabilities – certain collective investment schemes have been classified as investments in subsidiaries. Consequently, scheme interests not held by the Group are classified as third-party liabilities as they represent demand deposit liabilities measured at fair value. (*fair value interest rate risk and cash flow interest rate risk*)
- Subordinated call notes (unsecured) – A fair value loss of R22 million (2025: R70 million fair value loss) was recognised in profit or loss. During the current year, Rnil fair value gain (2025: R18 million fair value gain) was recognised on the subordinated call notes which has been accounted for in other comprehensive income. The fair value loss was offset by other market factors. Refer to note 35 for more detail. (*fair value interest rate risk*)
- Carry positions (secured) – this relates to a carry position reported by the Group that represents a sale and repurchase of assets in specific group annuity portfolios. These carry positions are secured by government stock with a value of R30 256 million (2025: R23 690 million). Offsetting has not been applied. (*fair value interest rate risk*)
The legal ownership of the securities in respect of the above transactions is transferred to the counterparty. However, the Group retains a contractual obligation to repurchase the securities at a future date. These transactions are subject to margin requirements, which are governed by the Global Master Repurchase Agreement (GMRA). Margining is triggered when the exposure exceeds a predefined threshold.
- These instruments, excluding “derivative financial liabilities” and “other borrowings”, would have been disclosed as at amortised cost under IFRS 9 had they not been designated at fair value through profit and loss
- The preference shares issued by subsidiaries primarily relate to senior variable rate cumulative redeemable preference shares (“senior preference shares”) issued to external parties by Amandla Ilanga which is a subsidiary of Amandla Renewable Energy Fund (RF) (Pty) Ltd, an asset holding entity. These preference shares are measured at fair value in order to eliminate an accounting mismatch. The contractual capital amount required to be paid as at 30 June 2026 amounts to R302 million (2025: R302 million). There is no recourse to the Group in case of default on these preference shares. (*cash flow interest rate risk*) The senior preference shares were used by Amandla Ilanga to fund an investment in a project company. The company that was funded breached its financial covenants during the current and prior year, which have not yet been remedied. As a consequence, Amandla Ilanga breached its financial covenants in respect of the senior preference shares, which have not yet been remedied. The preference shares have a carrying value of R444 million (2025: R406 million). The holder of the senior preference shares has the ability to agree a timeframe with Amandla Ilanga within which Amandla Ilanga is required to remedy the breaches. Should Amandla Ilanga fail to remedy the breaches within the agreed timeframe, the holder may then call for repayment of the senior preference shares. The holder has not taken any formal action with respect to the breaches.
- Amandla Renewable Energy Fund (RF) (Pty) Ltd holds collateral in respect of preference shares held by the associated special purpose vehicle, Amandla Ilanga SPV (RF) (Pty) Ltd. The security has subsequently been ceded to the holder of the senior preference shares issued by the special purpose vehicle as part of initially securing the senior funding. The material terms of the security cession include that the bare dominium in respect of the asset remains with the cedent and the cessionary only receives the right to sell the security upon default as well as only to the extent that value is owed by the cedent in terms of the cession agreement. The fair value of the security ceded is R743 million (2025: R704 million).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

13 Financial liabilities continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
13.2 Financial liabilities at amortised cost				
Term loans	897	1 112	-	-
Lease liabilities	80	92	53	61
Other	45	-	-	-
	1 022	1 204	53	61
Current	598	490	33	24
Non-current	424	714	20	37
	1 022	1 204	53	61

13.2.1 Term loans

Term loans include property development loans. Details of which are as follows:

- A R231 million (2025: R223 million) loan from FirstRand Bank Ltd in order to develop property held by a subsidiary, 102 Rivonia Road (Pty) Ltd. Interest on the loan is currently levied at 11.17%. The loan is secured by the underlying property and there is a letter of support issued by Group for the obligations of the subsidiary committing to ensure that the company is sufficiently capitalised to be able to meet its obligations to the debt funders.
- A R126 million (2025: R126 million) loan from Standard Bank Ltd relates to developed property held by a subsidiary, Momentum Umhlanga (Pty) Ltd. Interest on the loan is fixed at 9.09% (2025: three-month Johannesburg Interbank Average Rate (JIBAR) plus 1.75%). The loan is secured by the underlying property and there is no recourse to the Group in case of default.
- A R306 million (2025: R368 million) loan from Standard Bank Ltd relates to developed property held by a subsidiary, 129 Rivonia Road (Pty) Ltd. Interest on the loan is levied at three-month JIBAR plus 1.85%. The loan is secured by the underlying property and there is no recourse to the Group in case of default. *(cash flow interest rate risk)*
- An R8 million (2025: R119 million) loan from Rand Merchant Bank to fund the acquisition of Seneca Investment Managers Ltd by MGIM (100% held subsidiary of MGL). Interest on the loan is levied at a fixed rate of 6.31%. The loan is secured by MGIM and there is no recourse to the Group in case of default *(no interest rate risk)*
- A R54 million (2025: R62 million) loan from Nedbank Ltd relates to a developed property held by a subsidiary, Taung Mall (Pty) Ltd. Interest on the loan is levied at a variable rate equal to three-month JIBAR plus a margin of 2.79% (2025: 0.75% below prime). The loan is secured by the underlying property and there is no recourse to the Group in case of default. *(cash flow interest rate risk)*
- A R144 million (2025: R149 million) loan from Absa Bank in order to develop property held by a subsidiary, Momentum Rosslyn (Pty) Ltd. Interest on the loan is levied at a variable rate equal to the prime rate minus 1.10% per annum. The loan is secured by the underlying property and there is no recourse to the Group in case of default. *(cash flow interest rate risk)*

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
13.2.2 Lease liabilities				
Carrying amount at beginning	92	119	61	89
New leases entered into	48	42	48	30
Accrued interest on leases	6	8	5	7
Interest paid on leases	(5)	(7)	(5)	(7)
Payment of principal portion of lease liability	(50)	(70)	(47)	(57)
Modifications	(9)	(1)	(9)	(1)
Exchange differences	(2)	1	-	-
Carrying amount at end	80	92	53	61

13 Financial liabilities continued

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
13.3 Other payables				
Payables arising from investment contracts ²	3 623	3 260	3 623	3 260
Loans due to subsidiaries and fellow MGL subsidiaries	100	100	191	154
Financial instruments	6 667	5 151	4 985	3 493
Unsettled trades ²	3 042	1 584	2 169	845
Commission creditors	745	686	743	685
Bank overdraft	55	86	-	-
Collateral	487	554	487	554
Other payables ¹	2 338	2 241	1 586	1 409
Total included in financial liabilities	10 390	8 511	8 799	6 907
Deferred revenue liability	365	313	356	304
Total other payables	10 755	8 824	9 155	7 211
Current ²	10 253	8 326	8 740	6 777
Non-current	502	498	415	434
	10 755	8 824	9 155	7 211
Reconciliation of deferred revenue liability				
Balance at beginning of year	313	272	304	261
Deferred income relating to new business	151	127	147	126
Amount recognised in income statement ³	(98)	(86)	(95)	(83)
Exchange differences	(1)	-	-	-
Balance at end of year	365	313	356	304
Current	88	102	79	94
Non-current	277	211	277	210
1 to 5 years	195	153	195	152
5 to 10 years	77	53	77	53
> 10 years	5	5	5	5
	365	313	356	304

¹ Other payables include expense accruals of R514 million (2025: R390 million), other sundry liabilities and VAT payables.

² The prior year has been restated due to the incorrect classification of payables arising from investment contracts of R782 million and the incorrect presentation of trades settled at year-end as unsettled. Refer to the restatement note for further information.

³ Materially all fees recognised in the current year, were included in the opening balance.

Refer to note 45.10 for the accounting policies relating to the deferred revenue liability.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

13 Financial liabilities continued

Group	Fair value through profit and loss					
	Mandatorily Rm	Designated Rm	Total fair value Rm	Amortised cost Rm	Not in scope of IFRS 9 Rm	Total Rm
Financial liabilities summarised by measurement category in terms of IFRS 9						
13.4 Financial liabilities measurement 2026						
Investment contracts designated at fair value through profit and loss	-	510 824	510 824	-	-	510 824
Collective investment scheme liabilities	-	46 644	46 644	-	-	46 644
Subordinated debt instruments	-	5 637	5 637	-	-	5 637
Carry positions	-	23 475	23 475	-	-	23 475
Derivative financial liabilities	1 945	-	1 945	-	-	1 945
Preference shares	-	465	465	-	-	465
Other borrowings	140	-	140	-	-	140
Financial liabilities at amortised cost	-	-	-	942	80	1 022
Other payables (excluding deferred revenue liability)	-	3 623	3 623	6 767	-	10 390
Total financial liabilities	2 085	590 668	592 753	7 709	80	600 542
Restated 2025						
Investment contracts designated at fair value through profit and loss ¹	-	445 690	445 690	-	-	445 690
Collective investment scheme liabilities	-	41 213	41 213	-	-	41 213
Subordinated debt instruments	-	4 382	4 382	-	-	4 382
Carry positions	-	18 954	18 954	-	-	18 954
Derivative financial liabilities	1 531	-	1 531	-	-	1 531
Preference shares	-	426	426	-	-	426
Other borrowings	314	-	314	-	-	314
Financial liabilities at amortised cost	-	-	-	1 112	92	1 204
Other payables (excluding deferred revenue liability) ¹	-	3 260	3 260	5 251	-	8 511
Total financial liabilities	1 845	513 925	515 770	6 363	92	522 225

¹ The prior year has been restated due to the incorrect classification of payables arising from investment contracts and the incorrect presentation of trades settled at year end as unsettled. The restatement increased the investment contracts designated at fair value through profit or loss in the designated column by R782 million and decreased the designated other payables by R782 million. The other payables at amortised cost decreased by R116 million. Refer to the restatement note for further information.

Company	Fair value through profit and loss					
	Mandatorily Rm	Designated Rm	Total fair value Rm	Amortised cost Rm	Not in scope of IFRS 9 Rm	Total Rm
Financial liabilities summarised by measurement category in terms of IFRS 9						
2026						
Investment contracts designated at fair value through profit and loss	-	508 137	508 137	-	-	508 137
Subordinated debt instruments	-	5 637	5 637	-	-	5 637
Carry positions	-	21 469	21 469	-	-	21 469
Derivative financial liabilities	1 875	-	1 875	-	-	1 875
Financial liabilities at amortised cost	-	-	-	-	53	53
Other payables (excluding deferred revenue liability)	-	3 623	3 623	5 176	-	8 799
Total financial liabilities	1 875	538 866	540 741	5 176	53	545 970
Restated 2025						
Investment contracts designated at fair value through profit and loss ¹	-	442 943	442 943	-	-	442 943
Subordinated debt instruments	-	4 382	4 382	-	-	4 382
Carry positions	-	17 322	17 322	-	-	17 322
Derivative financial liabilities	1 463	-	1 463	-	-	1 463
Financial liabilities at amortised cost	-	-	-	-	61	61
Other payables (excluding deferred revenue liability) ¹	-	3 260	3 260	3 647	-	6 907
Total financial liabilities	1 463	467 907	469 370	3 647	61	473 078

¹ The prior year has been restated due to the incorrect classification of payables arising from investment contracts and the incorrect presentation of trades settled at year end as unsettled. The restatement increased the investment contracts designated at fair value through profit or loss in the designated column by R782 million and decreased the designated other payables by R782 million. The other payables at amortised cost decreased by R116 million. Refer to the restatement note for further information.

13 Financial liabilities continued

13.5 Financial liabilities hierarchy

Refer to note 43 for the valuation techniques relating to this note.

The following liabilities are carried at fair value and have been split into a fair value hierarchy:

Group	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
2026				
Investment contracts designated at fair value through profit and loss	-	510 819	5	510 824
Payables arising from investment contracts	-	3 623	-	3 623
Financial liabilities at fair value through profit and loss	46 797	31 027	482	78 306
Collective investment scheme liabilities	46 627	-	17	46 644
Subordinated debt instruments	-	5 637	-	5 637
Carry positions	-	23 475	-	23 475
Derivative financial liabilities – held for trading	30	1 915	-	1 945
Preference shares	-	-	465	465
Other borrowings	140	-	-	140
	46 797	545 469	487	592 753
Restated 2025				
Investment contracts designated at fair value through profit and loss ¹	-	445 686	4	445 690
Payables arising from investment contracts	-	3 260	-	3 260
Financial liabilities at fair value through profit and loss	41 538	24 837	445	66 820
Collective investment scheme liabilities	41 200	-	13	41 213
Subordinated debt instruments	-	4 382	-	4 382
Carry positions	-	18 954	-	18 954
Derivative financial liabilities – held for trading	27	1 501	3	1 531
Preference shares	-	-	426	426
Other borrowings	311	-	3	314
	41 538	473 783	449	515 770
Company				
2026				
Investment contracts designated at fair value through profit and loss	-	508 132	5	508 137
Payables arising from investment contracts	-	3 623	-	3 623
Financial liabilities at fair value through profit and loss	-	28 981	-	28 981
Subordinated debt instruments	-	5 637	-	5 637
Carry positions	-	21 469	-	21 469
Derivative financial liabilities – held for trading	-	1 875	-	1 875
	-	540 736	5	540 741
Restated 2025				
Investment contracts designated at fair value through profit and loss ¹	-	442 939	4	442 943
Payables arising from investment contracts	-	3 260	-	3 260
Financial liabilities at fair value through profit and loss	-	23 167	-	23 167
Subordinated debt instruments	-	4 382	-	4 382
Carry positions	-	17 322	-	17 322
Derivative financial liabilities – held for trading	-	1 463	-	1 463
	-	469 366	4	469 370

¹ The prior year has been restated due to the incorrect classification of payables arising from investment contracts. Refer to the restatement note for further information.

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

13 Financial liabilities continued

13.5 Financial liabilities hierarchy continued

A reconciliation of the level 3 liabilities has been provided below:

Group	At fair value through profit and loss					
	Investment contracts designated at fair value through profit and loss Rm	Derivative financial liabilities - held for trading	Collective investment scheme liabilities Rm	Preference shares Rm	Other borrowings Rm	Total Rm
2026						
Opening balance	4	3	13	426	3	449
Total losses/(gains) in net realised and unrealised fair value gains in the income statement	-	-	-	-	-	-
Realised gains	(1)	-	-	-	-	(1)
Unrealised losses	1	-	4	39	-	44
Issues	-	-	-	-	-	-
Settlements	-	(3)	-	-	(3)	(6)
Contract holder movements						
Benefits paid	-	-	-	-	-	-
Investment return	1	-	-	-	-	1
Closing balance	5	-	17	465	-	487
2025						
Opening balance	11	-	12	377	3	403
Total losses/(gains) in net realised and unrealised fair value gains in the income statement	-	-	-	-	-	-
Realised losses	1	-	-	-	-	1
Unrealised (gains)/losses	(2)	-	1	49	-	48
Issues	-	3	-	-	-	3
Settlements	-	-	-	-	-	-
Contract holder movements						
Benefits paid	(6)	-	-	-	-	(6)
Investment return	-	-	-	-	-	-
Closing balance	4	3	13	426	3	449

Sensitivity: A 1% increase/decrease in the interest rate of the level 3 preference shares would result in an increase/decrease of R15 million (2025: R3 million) and R14 million (2025: R2 million) in the fair value.

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

Company	Investment contracts designated at fair value through profit and loss	
	2026 Rm	2025 Rm
Opening Balance	4	11
Total losses/(gains) in net realised and unrealised fair value gains in the income statement		
Realised (gains)/losses	(1)	1
Unrealised losses/(gains)	1	(2)
Contract holder movements		
Benefits paid	-	(6)
Investment return	1	-
Closing Balance	5	4

Sensitivity: Increasing/decreasing the investment return by 10% would decrease/increase the carrying amount of level 3 financial instrument liabilities by R0.5 million and R0.5 million (2025: R0.4 million and R0.4 million), respectively.

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

There were no level 3 movements recognised in other comprehensive income.

13 Financial liabilities continued

13.5 Financial liabilities hierarchy continued

The following table provides an analysis of the fair value of financial liabilities not carried at fair value in the statement of financial position:

Group	2026		2025	
	Carrying amount Rm	Fair value Rm	Restated Carrying amount Rm	Restated Fair value Rm
Financial liabilities at amortised cost				
Term loans and other	942	942	1 112	1 017
Other payables (excluding deferred revenue liability and payables arising from investment contracts)				
Other	6 767	6 767	5 251	5 251
	7 709	7 709	6 363	6 268
Company	2026		2025	
	Carrying amount Rm	Fair value Rm	Carrying amount Rm	Fair value Rm
Other payables (excluding deferred revenue liability and payables arising from investment contracts)				
Other ¹	5 176	5 176	3 647	3 647
	5 176	5 176	3 647	3 647

¹ The prior year has been restated due to the incorrect presentation of trades settled at year end as unsettled. Refer to the restatement note for further information.

Calculation of fair value

- For other payables, the carrying amount approximates fair value due to their short-term nature.
- For financial liabilities at amortised cost the carrying amount approximates fair value due to their short-term nature and variable interest rates, except for a loan included with a capital balance of Rnil (2025: R265 million) which has a level 3 fair value of Rnil (2025: R170 million). The fair value is the discounted amount of the estimated future cash flows to be paid, based on monthly repayments of between 15 and 20 months (2025: 15 and 20 months). The expected cash flows are discounted using a discount factor derived from the relevant discount curves such as the ZAR nominal and ZAR swap curves.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

14 Deferred income tax

Refer to note 45.12 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Deferred tax asset	132	185	-	-
Deferred tax liability	(2 368)	(2 495)	(2 039)	(2 184)
	(2 236)	(2 310)	(2 039)	(2 184)
<i>Deferred tax is made up as follows:</i>				
Accruals and provisions	97	(31)	41	(67)
Accelerated wear and tear	(196)	(108)	(39)	-
Revaluations	(1 559)	(1 434)	(1 351)	(1 234)
Properties	(229)	(225)	(24)	(24)
Financial instruments	(1 114)	(972)	(1 111)	(973)
Other	(216)	(237)	(216)	(237)
Deferred tax on intangible assets as a result of business combinations	(123)	(153)	(109)	(136)
Deferred revenue liability	(2)	(2)	-	-
Tax losses	210	195	3	4
Phase-in ¹	(520)	(693)	(520)	(693)
Deferred acquisition costs	(5)	(12)	-	-
Prepayments	-	(14)	-	-
Other	(138)	(58)	(64)	(58)
	(2 236)	(2 310)	(2 039)	(2 184)
<i>Movement in deferred tax</i>				
Balance at beginning	(2 310)	(2 217)	(2 184)	(2 106)
Charge to the income statement	142	(93)	145	(78)
Accruals and provisions	123	15	108	-
Accelerated wear and tear	(88)	(8)	(39)	-
Revaluations	(182)	(284)	(117)	(265)
Properties	(61)	(21)	-	(4)
Financial instruments	(142)	(222)	(138)	(219)
Other	21	(41)	21	(42)
Deferred tax movement on intangible assets as a result of past business combinations	30	29	27	27
Deferred revenue liability	-	(1)	-	-
Tax losses	72	29	(1)	(1)
Phase-in ¹	173	172	173	172
Deferred acquisition costs	7	-	-	-
Prepayments	14	(30)	-	-
Other	(7)	(15)	(6)	(11)
Charge to other comprehensive income	(4)	(4)	-	-
Other	(63)	3	-	-
Exchange differences	(1)	1	-	-
Balance at end	(2 236)	(2 310)	(2 039)	(2 184)
Unused tax losses for which no deferred tax asset has been recognised	1 144	1 268	-	-
Potential tax benefit	309	340	-	-

¹ The phase-in relates to the systematic release of the deferred tax raised due to the transitional changes to the insurance liability as a result of the implementation of IFRS 17 - Insurance Contracts.

14 Deferred income tax continued

Creation of deferred tax assets and recognition of deferred tax liabilities

Deferred tax assets are raised for tax losses where their recoverability thereof was probable at year end. The deferred tax asset is generally raised to the extent it will be utilised within 3 – 5 years. Remaining balances are not recognised.

Based on approved budgets prepared by management of these subsidiaries, the Group considers it probable that the deferred tax asset will be used against future taxable profits. The deferred tax assets on losses are calculated after considering the assessed loss utilisation limitation of 80%, whereby only 80% of the profit is set off against losses for the year. The limitation effectively defers the utilisation of the assessed loss to future periods.

Potential tax benefits due to unused tax losses will expire should an entity cease to trade and no deferred tax asset is recognised.

No deferred tax liability is recognised on temporary differences of R519 million (2025: R518 million) relating to the unremitted earnings of international subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. Deferred tax not raised in respect of associates and joint ventures is not considered to be material.

Critical accounting estimates and judgements

The Group is subject to direct taxation in a number of jurisdictions. There may be transactions and calculations where the ultimate taxation determination has an element of uncertainty during the ordinary course of business. The Group recognises liabilities based on objective estimates of the amount of taxation that may be due. Where the final taxation determination is different from the amounts that were initially recorded, such difference will impact earnings in the period in which such determination is made. Deferred tax assets are raised based on forecasts that are annually updated.

15 Employee benefit obligations and assets

Refer to note 45.18 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
15.1 Post-retirement medical benefits	52	48	52	48
15.2 Cash-settled arrangements	880	930	772	813
15.3 Employee benefit assets	-	(467)	-	(467)
Leave pay liability ¹	258	249	238	230
Staff and management bonuses ¹	918	882	799	774
Net employee benefit	2 108	1 642	1 861	1 398
Current	1 733	1 241	1 488	999
Non-current	375	401	373	399
	2 108	1 642	1 861	1 398

¹ These line items were previously disclosed on a combined basis and have since been disaggregated to improve comparability and enhance the usefulness of the information presented.

Employee benefit expenses are included in the income statement. Refer to note 25.3.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
15.1 Post-retirement medical benefits				
Balance at beginning - unfunded	48	54	48	54
Current service costs	1	1	1	1
Past service cost and gains and losses on settlements/curtailments (expensed)	(2)	-	(2)	-
Interest expense	4	6	4	6
Actuarial gains - other comprehensive income	6	(5)	6	(5)
Employer contributions	-	-	-	-
Settlements	(1)	(1)	(1)	(1)
Benefits paid and transferred	(4)	(7)	(4)	(7)
Balance at end - unfunded	52	48	52	48
Current	5	5	5	5
Non-current	47	43	47	43
	52	48	52	48

Valuation methodology

Liabilities for qualifying employees and current retirees are taken as the actuarial present value of all future medical contribution subsidies, using the long-term valuation assumptions. The current medical scheme contribution rates are projected into the future using the long-term healthcare inflation rate, while the value of the portion subsidised by the employer after retirement is discounted back to the valuation date using the valuation rate of interest. The projected unit credit method is used to calculate the liabilities.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

15 Employee benefit obligations and assets continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
15.2 Cash-settled arrangements				
Retention and remuneration schemes				
Balance at beginning	930	585	813	515
Additional provisions	613	778	526	687
Benefits paid	(645)	(435)	(558)	(389)
Transfers (to)/from group companies	(12)	-	(9)	-
Exchange differences	(6)	2	-	-
Balance at end	880	930	772	813
Current	507	522	446	457
Non-current	373	408	326	356
	880	930	772	813

Share schemes

Long-term Incentive Plan (LTIP)

The purpose of the LTIP is to incentivise and retain key senior staff members. The LTIP comprises three separate long-term incentives, the first being a grant of retention units, the second being an award of performance units, and the third being a grant of deferred bonus units.

The retention units have no imposed performance criteria and therefore vest on award date, subject to the employee maintaining satisfactory performance during the period between the award date and the settlement date.

The performance units have performance criteria based on minimum hurdles related to the return on embedded value (EV) of the Group. The units will therefore vest after a period of three years, and the Group's performance will be averaged over the same period to determine whether the criteria have been met.

The deferred bonus units represent the deferred portion of short-term incentives above a threshold. These units vest subject to the employee remaining in the employ of the Group on the vesting date, and not being subject to disciplinary action during the period between the award date and the vesting date.

When the retention units, performance units and deferred bonus units have vested on the vesting date, they represent the right to receive a cash sum on the settlement date equal to the fair market price of an MGL share (average of 20 trading days before the settlement date).

15 Employee benefit obligations and assets continued**15.2 Cash-settled arrangements continued****Share schemes continued**

Group	LTIP		SAR	
	Performance units '000	Deferred bonus units '000	Performance units '000	Retention units '000
Units in force at 1 July 2024	32 177	19 784	-	368
Units granted during year	8 266	7 315	-	-
Units converted to retention units	-	-	-	-
Units transferred to other Group companies during year	(994)	(177)	-	-
Units exercised/released during year	(6 426)	(9 440)	-	(368)
Units cancelled/lapsed during year	(382)	(619)	-	-
Units in force at 1 July 2025	32 641	16 863	-	-
Units granted during year	9 846	6 925	-	-
Units converted to retention units	-	-	-	-
Units transferred (to)/from other Group companies during year	(388)	17	-	-
Units exercised/released during year	(7 937)	(11 103)	-	-
Units cancelled/lapsed during year	(1 975)	(626)	-	-
Units in force at 30 June 2026	32 187	12 076	-	-

2025

Market value of range at date of exercise/release (cents) 2 831 - 2 831 2 831 - 3 073 - 2 831 - 2 831

2026

Market value of range at date of exercise/release (cents) **3 345 - 3 620** **3 357 - 3 822** - -

The market value of range at date of exercise/release (cents) was incorrectly not presented in the prior year. The prior year has been restated accordingly.

Shares outstanding (by expiry date) for the LTIP and Share Appreciation Rights Scheme (SAR) are as follows:

	LTIP		SAR	
	Performance units '000	Deferred bonus units '000	Performance units '000	Retention units '000
2026				
Financial year 2026/2027	8 530	6 835	-	-
Financial year 2027/2028	8 445	3 663	-	-
Financial year 2028/2029	7 762	1 574	-	-
Financial year 2029/2030	4 804	4	-	-
Financial year 2030/2031	2 646	-	-	-
Total outstanding shares	32 187	12 076	-	-
2025				
Financial year 2025/2026	7 716	9 401	-	-
Financial year 2026/2027	8 797	5 342	-	-
Financial year 2027/2028	8 718	2 120	-	-
Financial year 2028/2029	5 207	-	-	-
Financial year 2029/2030	2 203	-	-	-
Total outstanding shares	32 641	16 863	-	-

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

15 Employee benefit obligations and assets continued

15.2 Cash-settled arrangements continued

Share schemes continued

Company	LTIP		SAR	
	Performance units '000	Deferred bonus units '000	Performance units '000	Retention units '000
Units in force at 1 July 2024	28 982	16 245	-	359
Units granted during year	7 407	6 082	-	-
Units converted to retention units	-	-	-	-
Units transferred to other Group companies during year	(930)	(124)	-	-
Units exercised/released during year	(5 973)	(7 811)	-	(359)
Units cancelled/lapsed during year	(312)	(236)	-	-
Units in force at 1 July 2025	29 174	14 156	-	-
Units granted during year	8 837	5 723	-	-
Units converted to retention units	-	-	-	-
Units transferred from other Group companies during year	(388)	61	-	-
Units exercised/released during year	(7 196)	(9 318)	-	-
Units cancelled/lapsed during year	(1 953)	(505)	-	-
Units in force at 30 June 2026	28 474	10 117	-	-

2025

Market value of range at date of exercise/release (cents) 2 216 - 3 024 2 216 - 3 428 - 2 708 - 2 831

2026

Market value of range at date of exercise/release (cents) **3 345 - 3 620** **3 357 - 3 715** - -

Shares outstanding (by expiry date) for the LTIP and SAR are as follows:

	LTIP		SAR	
	Performance units '000	Deferred bonus units '000	Performance units '000	Retention units '000
2026				
Financial year 2025/2026	-	-	-	-
Financial year 2026/2027	7 553	5 739	-	-
Financial year 2027/2028	7 438	3 069	-	-
Financial year 2028/2029	6 839	1 305	-	-
Financial year 2029/2030	4 275	4	-	-
Financial year 2030/2031	2 369	-	-	-
Total outstanding shares	28 474	10 117	-	-
2025				
Financial year 2025/2026	7 019	7 911	-	-
Financial year 2026/2027	7 851	4 466	-	-
Financial year 2027/2028	7 743	1 779	-	-
Financial year 2028/2029	4 596	-	-	-
Financial year 2029/2030	1 965	-	-	-
Total outstanding shares	29 174	14 156	-	-

15 Employee benefit obligations and assets continued**15.2 Cash-settled arrangements** continued**Inputs used in the valuation of the share schemes****2026****LTIP**

	Valuation assumptions include			
	Outstanding tranche period in months	Take-up rate on units outstanding	Current vesting rate	Share price at year end
Award date 01/10/2021 and vesting date 01/10/2024 and settlement date 01/10/2026 – performance units	3	99%	100%	R40.63
Award date 01/10/2022 and vesting date 01/10/2025 and settlement date 01/10/2026 – performance units	3	99%	100%	R40.63
Award date 01/10/2022 and vesting date 01/10/2025 and settlement date 01/10/2027 – performance units	15	93%	100%	R40.63
Award date 01/04/2023 and vesting date 01/04/2026 and settlement date 01/04/2027 – performance units	9	96%	100%	R40.63
Award date 01/04/2023 and vesting date 01/04/2026 and settlement date 01/04/2028 – performance units	21	90%	100%	R40.63
Award date 01/10/2023 and vesting date 01/10/2026 and settlement date 01/10/2026 – performance units	3	99%	70%	R40.63
Award date 01/10/2023 and vesting date 01/10/2026 and settlement date 01/10/2027 – performance units	15	93%	70%	R40.63
Award date 01/10/2023 and vesting date 01/10/2026 and settlement date 01/10/2028 – performance units	27	88%	70%	R40.63
Award date 01/10/2024 and vesting date 01/10/2027 and settlement date 01/10/2027 – performance units	15	93%	69%	R40.63
Award date 01/10/2024 and vesting date 01/10/2027 and settlement date 01/10/2028 – performance units	27	88%	69%	R40.63
Award date 01/10/2024 and vesting date 01/10/2027 and settlement date 01/10/2029 – performance units	39	83%	69%	R40.63
Award date 01/10/2025 and vesting date 01/10/2028 and settlement date 01/10/2028 – performance units	27	88%	60%	R40.63
Award date 01/10/2025 and vesting date 01/10/2028 and settlement date 01/10/2029 – performance units	39	83%	60%	R40.63
Award date 01/10/2025 and vesting date 01/10/2028 and settlement date 01/10/2030 – performance units	51	75%	60%	R40.63
Award date 01/10/2023 and vesting date 01/10/2026 – deferred bonus units	3	99%	100%	R40.63
Award date 01/10/2024 and vesting date 01/10/2026 – deferred bonus units	3	99%	100%	R40.63
Award date 01/10/2024 and vesting date 01/10/2027 – deferred bonus units	15	93%	100%	R40.63
Award date 01/04/2025 and vesting date 01/04/2027 – deferred bonus units	9	96%	100%	R40.63
Award date 01/04/2025 and vesting date 01/04/2028 – deferred bonus units	21	90%	100%	R40.63
Award date 01/10/2025 and vesting date 01/04/2027 – deferred bonus units	9	96%	100%	R40.63
Award date 01/10/2025 and vesting date 01/04/2028 – deferred bonus units	21	90%	100%	R40.63
Award date 01/10/2025 and vesting date 01/04/2029 – deferred bonus units	33	85%	100%	R40.63
Award date 01/04/2026 and vesting date 01/10/2026 – deferred bonus units	3	99%	100%	R40.63
Award date 01/04/2026 and vesting date 01/10/2027 – deferred bonus units	15	93%	100%	R40.63
Award date 01/04/2026 and vesting date 01/10/2028 – deferred bonus units	27	88%	100%	R40.63
Award date 01/04/2026 and vesting date 01/10/2029 – deferred bonus units	39	83%	100%	R40.63

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

15 Employee benefit obligations and assets continued

15.2 Cash-settled arrangements continued

Inputs used in the valuation of the share schemes continued

2025

LTIP	Valuation assumptions include			
	Outstanding tranche period in months	Take-up rate on units outstanding	Current vesting rate	Share price at year end
Award date 01/10/2020 and vesting date 01/10/2023 and settlement date 01/10/2025 – performance units	3	99%	100%	R34.29
Award date 01/04/2021 and vesting date 01/04/2024 and settlement date 01/04/2026 – performance units	9	96%	100%	R34.29
Award date 01/10/2021 and vesting date 01/10/2024 and settlement date 01/10/2025 – performance units	3	99%	100%	R34.29
Award date 01/10/2021 and vesting date 01/10/2024 and settlement date 01/10/2026 – performance units	15	93%	100%	R34.29
Award date 01/10/2022 and vesting date 01/10/2025 and settlement date 01/10/2025 – performance units	3	99%	100%	R34.29
Award date 01/10/2022 and vesting date 01/10/2025 and settlement date 01/10/2026 – performance units	15	93%	100%	R34.29
Award date 01/10/2022 and vesting date 01/10/2025 and settlement date 01/10/2027 – performance units	27	88%	100%	R34.29
Award date 05/10/2022 and vesting date 05/10/2025 and settlement date 05/10/2025 – performance units	3	99%	100%	R34.29
Award date 05/10/2022 and vesting date 05/10/2025 and settlement date 05/10/2026 – performance units	15	93%	100%	R34.29
Award date 05/10/2022 and vesting date 05/10/2025 and settlement date 05/10/2027 – performance units	27	88%	100%	R34.29
Award date 01/04/2023 and vesting date 01/04/2026 and settlement date 01/04/2026 – performance units	9	96%	100%	R34.29
Award date 01/04/2023 and vesting date 01/04/2026 and settlement date 01/04/2027 – performance units	21	90%	100%	R34.29
Award date 01/04/2023 and vesting date 01/04/2026 and settlement date 01/04/2028 – performance units	33	85%	100%	R34.29
Award date 01/10/2023 and vesting date 01/10/2026 and settlement date 01/10/2026 – performance units	15	93%	68%	R34.29
Award date 01/10/2023 and vesting date 01/10/2026 and settlement date 01/10/2027 – performance units	27	88%	68%	R34.29
Award date 01/10/2023 and vesting date 01/10/2026 and settlement date 01/10/2028 – performance units	39	83%	68%	R34.29
Award date 01/10/2024 and vesting date 01/10/2027 and settlement date 01/10/2027 – performance units	27	88%	71%	R34.29
Award date 01/10/2024 and vesting date 01/10/2027 and settlement date 01/10/2028 – performance units	39	83%	71%	R34.29
Award date 01/10/2024 and vesting date 01/10/2027 and settlement date 01/10/2029 – performance units	51	78%	71%	R34.29
Award date 01/10/2022 and vesting date 01/10/2025 – deferred bonus units	3	99%	100%	R34.29
Award date 01/04/2023 and vesting date 01/04/2026 – deferred bonus units	9	96%	100%	R34.29
Award date 01/10/2023 and vesting date 01/10/2025 – deferred bonus units	3	99%	100%	R34.29
Award date 01/10/2023 and vesting date 01/10/2026 – deferred bonus units	15	93%	100%	R34.29
Award date 01/04/2023 and vesting date 01/10/2025 – deferred bonus units	3	99%	100%	R34.29
Award date 01/10/2024 and vesting date 01/10/2025 – deferred bonus units	3	99%	100%	R34.29
Award date 01/10/2024 and vesting date 01/10/2026 – deferred bonus units	15	93%	100%	R34.29
Award date 01/10/2024 and vesting date 01/10/2027 – deferred bonus units	27	88%	100%	R34.29
Award date 01/04/2025 and vesting date 01/04/2026 – deferred bonus units	9	96%	100%	R34.29
Award date 01/04/2025 and vesting date 01/04/2027 – deferred bonus units	21	90%	100%	R34.29
Award date 01/04/2025 and vesting date 01/04/2028 – deferred bonus units	33	85%	100%	R34.29

15 Employee benefit obligations and assets continued

15.2 Cash-settled arrangements continued

Vesting rate assumptions regarding performance units in the previous tables

Long-term Incentive Plan (LTIP)

There are currently three LTIP schemes in flight which were awarded in October 2023, October 2024 and the latest LTIP tranche was issued in October 2025.

The October 2023 LTIP tranche was issued with performance criteria normalised headline earnings (NHE), value of new business (VNB), return on equity (ROE) and total shareholder return (TSR). NHE and VNB targets set for each of the financial years 2024 to 2026. Each year's target contributes 33.33% to the total three-year allocated weightings of 30%. The ROE target will be measured for the end of the three-year measurement period (as at June 2026) with a total weighting of 20%. The TSR target was set and measured against the peer group (Discovery, Old Mutual and Sanlam) as an average over the three-year performance measurement period with a total weighting of 20%. As at June 2026 the 2023 LTIP liability was calculated using a 69.93% vesting probability assumption.

The October 2024 LTIP tranche was issued with performance criteria NHE, VNB, ROE, TSR, three strategic enablers and two environmental, social and governance (ESG) criteria. NHE and VNB targets set for each of the financial years 2025 to 2027 whereby each year's target contributes 8.3%, 8.3%, 8.4% respectively – the total allocated weightings are 25%. The ROE target will be measured for the end of the three-year measurement period (as at June 2027) with a total weighting of 15%. The TSR target was set and measured against the peer group (Discovery, Old Mutual and Sanlam) as an average over the three-year performance measurement period with a total weighting of 15%. Each of the three strategic enablers contribute 5% weight and are to be measured at the end of the performance period with a total weighting of 15%. The two ESG criteria are measured at the end of the performance period and are weighted 2.5% each and 5% in total. As at June 2026 the 2024 LTIP liability was calculated using a 69.41% vesting probability assumption.

The October 2025 LTIP tranche was issued with performance criteria NHE, VNB, ROE, TSR, three strategic enablers and two ESG criteria. NHE and VNB targets for F2026 to F2028, contributes 33.33% annually to the three-year weightings of 30%. The ROE target is to be measured at the end of the three-year period (June 2028) and contributes 10%. The TSR target is to be measured against peers (Discovery, Old Mutual, Sanlam) over the three-year performance period and contributes 10%. Each of the three strategic enablers contribute 5% weight and are to be measured at the end of the performance period with a total weighting of 15%. The two ESG criteria are measured at the end of the performance period and are weighted 2.5% each and 5% in total. As at June 2026 the 2025 LTIP liability was calculated using a 59.75% vesting probability assumption.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

15 Employee benefit obligations and assets continued

15.2 Cash-settled arrangements continued

Share scheme

Momentum Sales Phantom Scheme (MSPS)

In November 2013, Momentum Sales began issuing phantom shares to sales staff. Allocations made vest in three equal tranches on the third, fourth and fifth anniversary, after the grant date. When the shares vest, the Group will make a cash payment to the employee to the value of the share price on vesting date. No shares are issued by the Group and therefore the scheme is cash-settled.

Reconciliation of units/options in force:

	MSPS '000
Units/Options in force at 01 July 2024	2 317
Granted at prices ranging between (cents)	1 427 - 2 866
Units/Options granted during year	440
Granted at prices ranging between (cents)	2 866 - 2 866
Units/Options exercised/released during year	(512)
Market value of range at date of exercise/release	2 866 - 3 037
Units/Options cancelled/lapsed during year	(110)
Granted at prices ranging between (cents)	1 966 - 2 866
Units/Options in force at 30 June 2025	2 135
Granted at prices ranging between (cents)	2 079 - 3 396
Units/Options granted during year	286
Granted at prices ranging between (cents)	3 396 - 3 396
Units/Options exercised/released during year	(510)
Market value of range at date of exercise/release	3 043 - 3 396
Units/Options cancelled/lapsed during year	(188)
Granted at prices ranging between (cents)	1 427 - 3 396
Units/Options in force at 30 June 2026	1 723

Shares outstanding (by expiry date) for the MSPS are as follows:

	MSPS '000
2026	
Financial year 2026/2027	512
Financial year 2027/2028	502
Financial year 2028/2029	385
Financial year 2029/2030	229
Financial year 2030/2031	95
Total outstanding shares	1 723
2025	
Financial year 2025/2026	558
Financial year 2026/2027	566
Financial year 2027/2028	550
Financial year 2028/2029	315
Financial year 2029/2030	146
Total outstanding shares	2 135

Valuation assumptions:

Assumptions	2026	2025
Share price	2 079 - 3 396	1 427 - 2 866
Forfeiture rate	4.5%	4.5%

Share-based payment expense

The share-based payment expense relating to cash-settled schemes is R613 million (2025: R778 million) for the Group and R526 million (2025: R687 million) for the Company and is disclosed under employee benefit expenses in note 25.3.

15 Employee benefit obligations and assets continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
15.3 Employee benefit assets				
Sage Group Pension Fund (SGPF)	-	(467)	-	(467)

This was a defined benefit fund that provided pension benefits to members who previously belonged to the Sage Life Ltd Staff Pension and Life Assurance scheme. In the prior year, the plan assets exceeded the defined benefit obligations of nil.

In terms of a decision taken by the Board of Trustees of the Fund, all sources of surplus that accrued after the surplus apportionment date of the Fund were to be allocated to the Employer Surplus Account. In view of this, the asset ceiling had been set equal to the funded status (plan assets).

The FSCA approved the preliminary liquidation account in January 2023 and liquidation payments were set to commence once the FSCA provided the necessary approval for payments to proceed after the public inspection period was completed and any objections are resolved. The payments were subsequently received in August 2025 after the FSCA granted approval for the payments to proceed.

16 Share capital and share premium

Refer to note 45.20 for the accounting policies relating to this note.

Authorised share capital of MML

225 million ordinary shares of 5 cents each.

Issued share capital

The issued share capital of the Group reflects the issued share capital of MML.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Balance at 30 June	1 041	1 041	1 041	1 041
	1 041	1 041	1 041	1 041
Share capital	9	9	9	9
Share premium	1 032	1 032	1 032	1 032
	1 041	1 041	1 041	1 041

MML had 190 million ordinary shares in issue at 30 June 2026 (2025: 190 million).

Dividends

For detail of dividends declared and paid during the year, refer to the directors' report and to note 30.5 on related party transactions.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

17 Other components of equity

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
17.1 Land and building revaluation reserve	437	405	-	-
17.2 Foreign currency translation reserve	84	215	-	-
17.3 Non-distributable reserve	(13)	(13)	-	-
17.4 Employee benefit revaluation reserve	101	82	101	82
17.5 Common control reserve	10 141	10 141	10 141	10 141
17.6 Revaluation of subsidiaries reserve	-	-	432	(541)
17.7 Equity-settled share-based payment arrangements	112	99	110	97
Artwork Revaluation Reserve	18	-	18	-
	10 880	10 929	10 802	9 779
<i>Movements in other reserves</i>				
17.1 Land and building revaluation reserve				
Refer to note 45.5 for the accounting policies relating to this note.				
Balance at beginning	405	329	-	-
Earnings directly attributable to other components of equity	32	76	-	-
Revaluation	36	80	-	-
Deferred tax on revaluation	(4)	(4)	-	-
Balance at end	437	405	-	-
17.2 Foreign currency translation reserve				
Refer to note 45.3 for the accounting policies relating to this note.				
Balance at beginning	215	191	-	-
Currency translation differences	(131)	24	-	-
Balance at end	84	215	-	-
17.3 Non-distributable reserve				
Balance at beginning	(13)	(13)	-	-
Balance at end	(13)	(13)	-	-
17.4 Employee benefit revaluation reserve				
Refer to note 45.18 for the accounting policies relating to this note.				
Balance at beginning	82	77	82	77
Remeasurement of post-employment benefit obligations	(2)	5	(2)	5
Transfer to retained earnings	21	-	21	-
Balance at end	101	82	101	82

17 Other components of equity continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
17.5 Common control reserve				
Balance at beginning	10 141	10 141	10 141	10 141
Balance at end	10 141	10 141	10 141	10 141

The Group acquired the life insurance business of Metropolitan Life Ltd with effect from 31 May 2013. This reserve reflects the difference between the purchase price and the MGL Group carrying value of the business acquired under a common control business combination.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
17.6 Revaluation of subsidiaries reserve				
Balance at beginning	-	-	(541)	(1 037)
Fair value movement	-	-	973	469
Transfer to retained earnings	-	-	-	27
Balance at end	-	-	432	(541)

For subsidiaries that are measured at fair value through other comprehensive income, the fair value movements are recorded in the revaluation of subsidiary reserve.

There are no deferred tax consequences relating to the revaluation of the subsidiaries classified as fair value through other comprehensive income. The Company does not provide for deferred taxation where the timing of the reversal of temporary differences is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. As the Company does not foresee the subsidiaries held at fair value through other comprehensive income to be disposed of in the foreseeable future, no deferred tax is raised on the revaluation thereof.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
17.7 Equity-settled share-based payment arrangements				
B-BBEE share-based payment reserve				
Balance at beginning	99	83	97	82
Share schemes – value of services provided	13	16	13	15
Balance at end	112	99	110	97

iSabelo Trust

To achieve our long-term strategic business objectives and to strengthen our broad-based black economic empowerment (B-BBEE) ownership, Momentum Metropolitan has made available an Employee Share Ownership Plan to its employees. iSabelo is structured to benefit all permanently employed South African based employees to promote inclusivity.

Units were granted to all permanent Momentum Metropolitan employees based in South Africa who were employed by the Group as at 28 February 2021. The units were granted to these eligible employees during April 2021.

These units are allocated on a deferred delivery basis over a seven-year period. All units need to be held for an initial period of ten years (lock-in period) before they can be redeemed for Momentum Group Ltd shares. At the end of the lock-in period, the iSabelo Trust will exchange the units for Momentum Group Ltd shares.

Employees will retain the proportional vesting of units for the portion of the seven years they were employed by Momentum Group, however if they leave within the first year of the scheme they will forfeit their entire allocation. Units were granted annually to new permanent South African based employees of the Group who joined between the period of 1 March 2021 to 30 April 2025, under the same terms as above. No further units will be allocated to any new employees after April 2025.

The fair value used in determining the allocation is based on the unit price on grant date, adjusted for various variables. Refer to note 43 for more details regarding the valuation assumptions. The total unit allocation costs relating to the current year for the iSabelo Trust amounting to R13 million (2025: R16 million) for the Group and amounting to R13 million (2025: R15 million) for the Company has been included in the income statement. Refer to note 25.3.

Refer to note 43 for valuation assumptions relating to this scheme.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

17 Other components of equity continued

17.7 Equity-settled share-based payment arrangements continued

The following units were awarded and the redemption thereof deferred to a predetermined future date:

	Grant date ¹	Allocation date ¹	Redemption date	Weighted average remaining contractual life	Grant date fair value	Number of units '000
Units awarded F2021	22-Apr-21	12-Apr-21	12-Apr-31	4.8 years	64	248 158
Units awarded F2022	29-Apr-22	28-Apr-22	28-Apr-32	5.8 years	48	56 733
Units awarded F2023	24-Apr-23	24-Apr-23	24-Apr-33	6.8 years	36	57 150
Units awarded F2024 (offer date 24/04/2024)	24-Apr-24	24-Apr-24	24-Apr-34	7.8 years	42	46 637
Units awarded F2024 (offer date 08/06/2024)	08-Jun-24	08-Jun-24	24-Apr-34	7.8 years	80	4 144
Units awarded F2025	24-Apr-25	24-Apr-25	24-Apr-35	8.8 years	148	31 027

¹ The IFRS 2 grant date refers to the date that there was a shared understanding of the terms and conditions of the arrangement. The allocation date refers to the date the units were allocated to the employees.

To meet the trust deed requirements, additional units were allocated to existing black female employees during May 2026 (referred to as top-up units). The top-up units were granted to existing employees who previously received an award. The vesting date of the top-up award corresponds to the original vesting date of their original award. This resulted in additional 11 085 447 top-up units being allocated during the year at an incremental fair value of R0.33 per top-up unit granted.

The following top-up units were awarded and the redemption thereof deferred to a predetermined future date:

	Modification date	Number of units '000	Redemption date	Weighted average remaining contractual life
Units awarded F2021	06-May-26	6 840	12-Apr-31	4.8 years
Units awarded F2022	06-May-26	799	28-Apr-32	5.8 years
Units awarded F2023	06-May-26	978	24-Apr-33	6.8 years
Units awarded F2024	06-May-26	1 247	24-Apr-34	7.8 years
Units awarded F2025	06-May-26	1 221	24-Apr-35	8.8 years

	Weighted average price Cents	'000
Movements during the year:		
As at 1 July 2024	61	205 400
Awarded units added due to reinstatements	48	164
Units Awarded	148	31 027
Awarded units lapsed due to resignation	62	(30 934)
Awarded units cancelled due to non-acceptance	148	(4 872)
Units Transferred from/to another Group company	72	828
As at 30 June 2025	72	201 613
Awarded units added due to reinstatements		-
Top-up units awarded	33	11 085
Awarded units lapsed due to resignation	65	(16 222)
Awarded units cancelled due to non-acceptance	65	(330)
Units Transferred from/to another Group company	33	211
As at 30 June 2026	71	196 357

18 Provisions

Provisions

Group	Reinter-mediation provision Rm	Deregistration of closed schemes Rm	Operational incident and related provision Rm	Other Rm	Total Rm
2026					
Balance at beginning	102	74	-	51	227
Paid/utilised during year	(5)	(1)	-	(26)	(32)
Unutilised amounts reversed	(35)	-	-	(14)	(49)
Additional provisions	15	5	90	48	158
Increases arising due to the passage of time and the effect of changes in the discount rate	6	-	-	-	6
Exchange differences	-	-	-	-	-
Balance at end	83	78	90	59	310
2025					
Balance at beginning	139	71	-	138	348
Paid/utilised during year	(4)	-	-	(139)	(143)
Unutilised amounts reversed	(67)	(1)	-	(5)	(73)
Additional provisions	17	4	-	55	76
Increases arising due to the passage of time and the effect of changes in the discount rate	17	-	-	-	17
Exchange differences	-	-	-	2	2
Balance at end	102	74	-	51	227

Company	Reinter-mediation provision Rm	Deregistration of closed schemes Rm	Other Rm	Total Rm
2026				
Balance at beginning	102	74	25	201
Amounts utilised during year	(5)	(1)	(20)	(26)
Unutilised amounts reversed	(35)	-	(1)	(36)
Additional provisions	15	5	53	73
Increases arising due to the passage of time and the effect of changes in the discount rate	6	-	-	6
Balance at end	83	78	57	218
2025				
Balance at beginning	139	71	20	230
Amounts utilised during year	(4)	-	(17)	(21)
Unutilised amounts reversed	(67)	(1)	(1)	(69)
Additional provisions	17	4	23	44
Increases arising due to the passage of time and the effect of changes in the discount rate	17	-	-	17
Balance at end	102	74	25	201

Reintermediation provision

There is an obligation to reintermediate clients that are not linked to a financial adviser. A provision was made to provide for the expenses that will be incurred to reintermediate these clients with in-force policies to a financial adviser. It is expected that the provision will be utilised over the next five years, but there is uncertainty about the number of advisers and clients that will participate in this reintermediation programme, as well as the timing, which impacts the amount of the provision and timing of the utilisation. The provision will be re-assessed annually and adjusted as required based on the actual experience associated with the number of financial advisers and clients that will participate in this reintermediation programme.

Deregistration of closed schemes

The Momentum Corporate segment has an obligation to deregister existing closed and terminated retirement funds with the regulator. A provision was recognised as a result of a legal obligation to incur certain costs as a result of the initiation of the deregistration process. The timing of when the costs will be incurred is uncertain due to the time required per fund to complete the deregistration. An amount per fund, based on historical experience was used to estimate the total cost of the deregistration process. The provision will be assessed annually based on actual expenses incurred per fund deregistration.

Operational incident and related provision

During the year, the Group identified an operational incident involving unauthorised transactions affecting certain clients. The provision represents management's best estimate based on the information available at the reporting date for the estimated cost of restoring affected clients to the positions they would have occupied had the incident not occurred. The amount ultimately settled may vary because of changes in relevant investment values and the finalisation of the remediation process. Settlement is expected within the next financial year. The Group is pursuing potential recoveries under applicable insurance arrangements and from other parties. No recovery asset has been recognised because receipt was not virtually certain at the reporting date. Management considers an inflow from insurance to be probable; however, it is not practicable to disclose a reliable estimate of the amount or timing of that recovery at this stage. Certain additional information ordinarily required by IAS 37 has not been disclosed because management considers that doing so could seriously prejudice the Group's position in the related insurance and recovery processes. The Group has nevertheless disclosed the general nature of the matter and the reason for omitting this information.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

19 Insurance revenue

Refer to note 45.10 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Contracts not measured under the PAA				
Amounts relating to the changes in the LRC	20 372	19 238	20 372	19 238
Expected incurred claims and other expenses after loss component allocation	16 897	16 138	16 897	16 138
Change in the risk adjustment for non-financial risk for the risk expired after loss component allocation	623	584	623	584
CSM recognised in profit or loss for the services provided	2 761	2 471	2 761	2 471
Other	91	45	91	45
Insurance acquisition cash flows recovery	1 741	1 546	1 741	1 546
Insurance revenue from contracts not measured under the PAA	22 113	20 784	22 113	20 784
Insurance revenue from contracts measured under the PAA	6 687	6 466	6 687	6 466
	28 800	27 250	28 800	27 250

20 Insurance service expenses

Refer to note 45.10 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Incurred claims and other directly attributable expenses	20 809	20 157	20 809	20 157
Changes that relate to past service – adjustments to the LIC	(834)	(851)	(834)	(851)
Losses on onerous contracts and reversal of those losses	738	138	738	138
Insurance acquisition cash flows amortisation	1 741	1 546	1 741	1 546
Insurance acquisition cash flows recognised when incurred	300	269	300	269
	22 754	21 259	22 754	21 259

Insurance service expenses include the impact of the movement in loss components during the reporting period. Insurance service expenses do not include incurred non-distinct investment components included in net insurance benefits and claims (refer to note 25.1).

21 Allocation of reinsurance premiums

Refer to note 45.10 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Contracts not measured under the PAA				
Amounts relating to the changes in the assets for remaining coverage	3 063	2 794	3 063	2 794
Expected recovery of incurred claims and other expenses after loss-recovery component allocation	3 051	2 874	3 051	2 874
Change in the risk adjustment for non-financial risk for the risk expired after loss-recovery component allocation	54	47	54	47
CSM recognised in profit or loss for the services received	9	(151)	9	(151)
Other	(51)	24	(51)	24
Allocation of reinsurance premiums from contracts not measured under the PAA	3 063	2 794	3 063	2 794
Allocation of reinsurance premiums from contracts measured under the PAA	415	770	415	770
	3 478	3 564	3 478	3 564

22 Amounts recoverable from reinsurers for incurred claims

Refer to note 45.10 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Amounts recoverable for incurred claims and other expenses	2 941	3 095	2 941	3 095
Changes that relate to past service – adjustments to the AIC	(57)	(81)	(57)	(81)
Changes in the loss-recovery component	(61)	(127)	(61)	(127)
	2 823	2 887	2 823	2 887

23 Net investment result

Group	2026			Restated ¹ 2025		
	Insurance related Rm	Non- insurance related Rm	Total Rm	Insurance related Rm	Non- insurance related Rm	Total Rm
23.1 Investment income	1 736	9 476	11 212	1 537	8 487	10 024
23.2 Net realised and unrealised fair value gains/(losses)	34 859	52 772	87 631	22 154	59 766	81 920
23.3 Net impairment reversal/(loss) on financial assets	-	73	73	-	(22)	(22)
23.4 Finance expenses from insurance contracts issued	(36 035)	-	(36 035)	(21 609)	-	(21 609)
23.5 Finance income from reinsurance contracts held	1 769	-	1 769	642	-	642
Fair value adjustments on investment contract liabilities	-	(52 297)	(52 297)	-	(58 536)	(58 536)
Fair value adjustments on collective investment scheme (CIS) liabilities	-	(5 259)	(5 259)	-	(5 265)	(5 265)
	2 329	4 765	7 094	2 724	4 430	7 154
23.1 Investment income						
Refer to note 45.23.2 for the accounting policies relating to this note.						
Interest income	361	1 334	1 695	422	1 388	1 810
At amortised cost using the effective interest rate method						
Cash and cash equivalents	341	1 284	1 625	416	1 337	1 753
Financial assets at amortised cost	20	24	44	6	40	46
Non-financial assets	-	-	-	-	2	2
Related party	-	26	26	-	9	9
Dividend income	1 158	6 718	7 876	893	5 884	6 777
At fair value through profit and loss						
Dividend income – listed	398	2 600	2 998	521	2 810	3 331
Dividend income – unlisted	759	4 024	4 783	370	2 981	3 351
Dividends on preference shares – unlisted	1	24	25	2	16	18
Dividends on preference shares – listed	-	7	7	-	12	12
Dividend income from subsidiary and fellow subsidiary companies	-	63	63	-	65	65
Rental income	216	1 274	1 490	221	1 185	1 406
Investment properties	216	1 270	1 486	221	1 181	1 402
Owner-occupied properties	-	4	4	-	4	4
Other income	1	150	151	1	30	31
	1 736	9 476	11 212	1 537	8 487	10 024

¹ Prior year comparative information has been restated due to a change in accounting policy relating to the presentation of interest and fair value movements on financial instruments measured at fair value through profit and loss. The interest income from financial assets at fair value through profit or loss has been removed from this note. The impact is as follows:

Insurance related investment income has decreased by R10 442 million and insurance related net realised and unrealised fair value gains/(losses) has increased by R10 442 million.

Non-insurance related investment income has decreased by R12 437 million and non-insurance related net realised and unrealised fair value gains/(losses) has increased by R12 549 million.

Total investment income has decreased by R22 879 million and net realised and unrealised fair value gains/(losses) has increased by R22 991 million.

The total net investment result has increased by R112 million.

Refer to the restatement note for more information.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

23 Net investment result continued

	2026			Restated ¹ 2025		
	Insurance related Rm	Non- insurance related Rm	Total Rm	Insurance related Rm	Non- insurance related Rm	Total Rm
23.2 Net realised and unrealised fair value gains/(losses)						
Refer to note 45.6, 45.7 and 45.11 for the accounting policies relating to this note.						
Financial assets	34 758	52 494	87 252	22 093	59 555	81 648
Designated at fair value through profit and loss	25 441	(6 505)	18 936	14 941	(5 551)	9 390
Mandatorily at fair value through profit and loss	6 115	57 207	63 322	6 242	63 642	69 884
Net derivative financial instruments	3 202	1 841	5 043	910	1 458	2 368
Net realised and unrealised foreign exchange differences on financial instruments not at FVPL	-	(49)	(49)	-	6	6
Investment property	103	274	377	84	195	279
Valuation (losses)/gains	103	242	345	84	193	277
Change in accelerated rental income	-	32	32	-	2	2
Other investments	(2)	4	2	(23)	16	(7)
	34 859	52 772	87 631	22 154	59 766	81 920

¹ Prior year comparative information has been restated due to a change in accounting policy relating to the presentation of interest and fair value movements on financial instruments measured at fair value through profit and loss. The net realised and unrealised fair value losses on financial liabilities designated at FVPL has been removed from this note. The impact is as follows:

Insurance related investment income has decreased by R10 442 million and insurance related net realised and unrealised fair value gains/(losses) has increased by R10 442 million.

Non-insurance related investment income has decreased by R12 437 million and non-insurance related net realised and unrealised fair value gains/(losses) has increased by R12 549 million.

Total investment income has decreased by R22 879 million and net realised and unrealised fair value gains/(losses) has increased by R22 991 million.

The total net investment result has increased by R112 million.

Refer to the restatement note for more information.

The movement in net realised and unrealised fair value gains/(losses) for the period mainly relates to local and global equity performance.

23 Net investment result continued

	2026			2025		
	Insurance related Rm	Non-insurance related Rm	Total Rm	Insurance related Rm	Non-insurance related Rm	Total Rm
23.3 Net impairment reversal/(loss) on financial assets						
Refer to note 45.7 for the accounting policies relating to this note.						
Financial assets at amortised cost						
Accounts receivable	-	12	12	-	-	-
Funds on deposit and other money market instruments	-	-	-	-	-	-
Related party loans	-	49	49	-	(10)	(10)
Other loans	-	12	12	-	(12)	(12)
	-	73	73	-	(22)	(22)
23.4 Finance expenses from insurance contracts issued						
Refer to note 45.10 for the accounting policies relating to this note.						
Changes in fair value of underlying items	10 353	-	10 353	9 351	-	9 351
Interest accreted using locked-in rates	1 594	-	1 594	1 502	-	1 502
Interest accreted using current rates	5 282	-	5 282	5 237	-	5 237
Effect of changes in interest rates and other financial assumptions	18 970	-	18 970	5 564	-	5 564
Effect of changes in fulfilment cash flows at current rates when CSM is unlocked at locked-in rates	(59)	-	(59)	121	-	121
Effects of risk mitigation option	(105)	-	(105)	(166)	-	(166)
	36 035	-	36 035	21 609	-	21 609
23.5 Finance income/(expenses) from reinsurance contracts held						
Refer to note 45.10 for the accounting policies relating to this note.						
Interest accreted	204	-	204	209	-	209
Effect of changes in interest rates and other financial assumptions	1 614	-	1 614	421	-	421
Effect of changes in fulfilment cash flows at current rates when CSM is unlocked at locked-in rates	(49)	-	(49)	12	-	12
	1 769	-	1 769	642	-	642

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

23 Net investment result continued

Company	2026			Restated ¹ 2025		
	Insurance related Rm	Non- insurance related Rm	Total Rm	Insurance related Rm	Non- insurance related Rm	Total Rm
23.1 Investment income	1 736	6 743	8 479	1 537	5 833	7 370
23.2 Net realised and unrealised fair value gains/(losses)	34 857	48 472	83 329	22 153	55 464	77 617
23.3 Net impairment reversal/(loss) on financial assets	-	63	63	-	(11)	(11)
23.4 Finance expenses from insurance contracts issued	(36 035)	-	(36 035)	(21 609)	-	(21 609)
23.5 Finance expenses from reinsurance contracts held	1 769	-	1 769	642	-	642
Fair value adjustments on investment contract liabilities	-	(52 318)	(52 318)	-	(58 370)	(58 370)
Fair value adjustments on collective investment scheme (CIS) liabilities	-	-	-	-	-	-
	2 327	2 960	5 287	2 723	2 916	5 639
23.1 Investment income						
Refer to note 45.23.2 for the accounting policies relating to this note.						
Interest income	361	787	1 148	422	880	1 302
At amortised cost using the effective interest rate method						
Cash and cash equivalents	341	785	1 126	416	876	1 292
Financial assets at amortised cost	20	2	22	6	2	8
Non-financial assets	-	-	-	-	2	2
Dividend income	1 158	5 419	6 577	893	4 327	5 220
At fair value through profit and loss						
Dividend income - listed	398	1 368	1 766	521	1 277	1 798
Dividend income - unlisted	759	3 799	4 558	370	2 824	3 194
Dividends on preference shares - unlisted	1	15	16	2	15	17
Dividends on preference shares - listed	-	-	-	-	1	1
Dividend income from subsidiary and fellow subsidiary companies ²	-	237	237	-	210	210
Rental income	216	515	731	221	601	822
Investment properties	216	511	727	221	597	818
Owner-occupied properties	-	4	4	-	4	4
Other income	1	22	23	1	25	26
	1 736	6 743	8 479	1 537	5 833	7 370

¹ Prior year comparative information has been restated due to a change in accounting policy relating to the presentation of interest and fair value movements on financial instruments measured at fair value through profit and loss. The interest income from financial assets at fair value through profit or loss has been removed from this note.

The impact is as follows:

Insurance related investment income has decreased by R10 442 million and insurance related net realised and unrealised fair value gains/(losses) has increased by R10 442 million.

Non-insurance related investment income has decreased by R10 583 million and non-insurance related net realised and unrealised fair value gains/(losses) has increased by R10 653 million.

Total investment income has decreased by R21 025 million and net realised and unrealised fair value gains/(losses) has increased by R21 095 million.

The total net investment result has increased by R70 million.

Refer to the restatement note for more information.

² Consists of dividend income from subsidiaries of R174 million (2025: R145 million) and dividends from fellow subsidiaries of R63 million (2025: R65 million).

23 Net investment result continued

	2026			Restated ¹ 2025		
	Insurance related Rm	Non- insurance related Rm	Total Rm	Insurance related Rm	Non- insurance related Rm	Total Rm
23.2 Net realised and unrealised fair value gains/(losses)						
Refer to note 45.6, 45.7 and 45.11 for the accounting policies relating to this note.						
Financial assets	34 756	36 282	71 038	22 093	40 953	63 046
Designated at fair value through profit and loss	25 439	6 477	31 916	14 941	4 727	19 668
Mandatorily at fair value through profit and loss	6 115	28 627	34 742	6 242	35 200	41 442
Net derivative financial instruments – gains/(losses)	3 202	1 202	4 404	910	1 030	1 940
Net realised and unrealised foreign exchange differences on financial instruments not at FVPL	-	(24)	(24)	-	(4)	(4)
Investment property	103	185	288	84	94	178
Valuation (losses)/gains	103	85	188	84	69	153
Change in accelerated rental income	-	100	100	-	25	25
Investments in subsidiaries at fair value through profit and loss	(2)	11 997	11 995	(24)	14 417	14 393
Subsidiary companies	(2)	34	32	(24)	5	(19)
Collective investment schemes	-	11 963	11 963	-	14 412	14 412
Other investments	-	8	8	-	-	-
	34 857	48 472	83 329	22 153	55 464	77 617

¹ Prior year comparative information has been restated due to a change in accounting policy relating to the presentation of interest and fair value movements on financial instruments measured at fair value through profit and loss. The net realised and unrealised fair value losses on financial liabilities designated at FVPL has been removed from this note.

The impact is as follows:

Insurance related investment income has decreased by R10 442 million and insurance related net realised and unrealised fair value gains/(losses) has increased by R10 442 million.

Non-insurance related investment income has decreased by R10 583 million and non-insurance related net realised and unrealised fair value gains/(losses) has increased by R10 653 million.

Total investment income has decreased by R21 025 million and net realised and unrealised fair value gains/(losses) has increased by R21 095 million.

The total net investment result has increased by R70 million.

Refer to the restatement note for more information.

The movement in net realised and unrealised fair value gains/(losses) for the period mainly relates to local and global equity performance.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

23 Net investment result continued

	2026			2025		
	Insurance related Rm	Non-insurance related Rm	Total Rm	Insurance related Rm	Non-insurance related Rm	Total Rm
23.3 Net impairment reversal/(loss) on financial assets						
Refer to note 45.7 for the accounting policies relating to this note.						
Financial assets at amortised cost						
Accounts receivable	-	14	14	-	(2)	(2)
Funds on deposit and other money market instruments	-	-	-	-	-	-
Loans due from subsidiaries and fellow MGL subsidiaries	-	49	49	-	(9)	(9)
	-	63	63	-	(11)	(11)
23.4 Finance expenses from insurance contracts issued						
Refer to note 45.10 for the accounting policies relating to this note.						
Changes in fair value of underlying items	10 353	-	10 353	9 351	-	9 351
Interest accreted using locked-in rates	1 594	-	1 594	1 502	-	1 502
Interest accreted using current rates	5 282	-	5 282	5 237	-	5 237
Effect of changes in interest rates and other financial assumptions	18 970	-	18 970	5 564	-	5 564
Effect of changes in fulfilment cash flows at current rates when CSM is unlocked at locked-in rates	(59)	-	(59)	121	-	121
Effects of risk mitigation option	(105)	-	(105)	(166)	-	(166)
	36 035	-	36 035	21 609	-	21 609
23.5 Finance income/(expenses) from reinsurance contracts held						
Refer to note 45.10 for the accounting policies relating to this note.						
Interest accreted	204	-	204	209	-	209
Effect of changes in interest rates and other financial assumptions	1 614	-	1 614	421	-	421
Effect of changes in fulfilment cash flows at current rates when CSM is unlocked at locked-in rates	(49)	-	(49)	12	-	12
	1 769	-	1 769	642	-	642

24 Fee income

Refer to note 45.23.1 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Contract administration	4 618	4 175	4 614	4 172
Investment contract administration	4 520	4 089	4 519	4 089
Release of deferred front-end fees	98	86	95	83
Trust and fiduciary services	1 320	1 349	615	574
Asset management	695	764	-	-
Retirement fund administration	615	574	615	574
Asset administration	10	11	-	-
Other fee income	520	398	68	69
Administration fees income	17	12	2	2
Scrip lending fees	2	4	2	4
Related party fees income	214	240	10	8
Other	287	142	54	55
	6 458	5 922	5 297	4 815

Revenue disaggregation

Revenue from contracts with customers is disaggregated by type of revenue and also split per the Group's reporting segments. This most accurately depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

25 Expenses

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
25.1 Net insurance benefits and claims	27 829	27 362	27 829	27 362
25.2 Depreciation, amortisation and impairment expenses	313	322	251	260
25.3 Employee benefit expenses	5 821	6 074	5 148	5 369
25.4 Sales remuneration	3 901	3 704	3 831	3 655
25.5 Other expenses	5 117	4 691	3 682	3 507
	42 981	42 153	40 741	40 153
Represented by				
Insurance and other directly attributable expenses	34 108	33 730	34 108	33 730
Other operating expenses	8 873	8 423	6 633	6 423
	42 981	42 153	40 741	40 153

The amounts disclosed in note 25 are the total expenses incurred by the Group in rendering financial services to policyholders and managing the operations of the Group. The portion of the total expenses that are attributable to rendering of insurance contract services is disclosed in note 20 and presented in insurance service expenses on the face of the income statement.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
25.1 Net insurance benefits and claims				
Life insurance contracts	27 829	27 362	27 829	27 362
Death and disability claims	13 230	12 977	13 230	12 977
Maturity claims	3 572	4 059	3 572	4 059
Annuities	8 417	7 805	8 417	7 805
Surrenders	2 159	2 087	2 159	2 087
Terminations, disinvestments and withdrawal benefits	99	21	99	21
Other ¹	352	413	352	413
	27 829	27 362	27 829	27 362

¹ Other includes cash-back benefits of R188 million (2025: R164 million) paid out on insurance products.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

25 Expenses continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
25.2 Depreciation, amortisation and impairment expenses				
Refer to note 45.4 and 45.5 for the accounting policies relating to this note.				
Depreciation	199	206	146	154
Owner-occupied properties (refer to note 3.1.1)	34	32	-	-
Fixed assets and right-of-use assets (refer to note 3.2)	114	112	103	100
Right-of-use assets (refer to note 3.1.2)	51	62	43	54
Amortisation (refer to note 2)	117	118	105	106
Customer relationships	56	56	44	44
Brand	54	53	54	53
Computer software	7	9	7	9
Right-of-use assets	-	-	-	-
Impairment (reversal)/charges of intangible assets (refer to note 2)	-	-	-	-
Goodwill	-	-	-	-
Impairment reversal of owner-occupied properties (refer note 3.1.1)	(3)	(2)	-	-
	313	322	251	260
25.3 Employee benefit expenses				
Refer to note 45.18 for the accounting policies relating to this note.				
Salaries	4 617	4 718	4 122	4 193
Defined contribution retirement fund	286	289	255	253
Contributions to medical aid funds	158	159	144	145
Share-based payment expenses – Cash-settled arrangements (refer to note 15.2)	613	778	526	687
Training costs	73	55	69	52
Retirement fund assets	-	(39)	-	(39)
Share-based payment expenses – Equity-settled arrangements (refer to note 17.7)	13	16	13	15
Post-retirement medical benefits	3	7	3	7
Other	58	91	16	56
	5 821	6 074	5 148	5 369

For detail of directors' and prescribed officers' remuneration, refer to note 44.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
25.4 Sales remuneration				
Commission and sales remuneration expenses incurred for the acquisition of insurance contracts	2 190	2 274	2 201	2 278
Commission and sales remuneration expenses incurred for the acquisition of investment contracts	1 382	1 258	1 382	1 258
Amortisation of DAC on investment business	358	202	327	171
Impairment of DAC on investment business	24	-	-	-
(Impairment reversal)/Impairment of amounts due from agents and brokers (refer to note 6.2)	(10)	(2)	(10)	(2)
Related party commission recoveries	(43)	(28)	(69)	(50)
	3 901	3 704	3 831	3 655

25 Expenses continued

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
25.5 Other expenses				
Asset management fees	1 479	1 306	1 409	1 237
Consulting fees	364	439	233	255
Information technology expenses	138	5	59	45
Direct property operating expenses on investment property	723	656	383	355
Office costs	216	205	158	162
Marketing costs	340	320	322	303
Other indirect taxes	437	440	373	384
Momentum Multiply benefit payments	-	1	-	-
Travel expenses	141	122	126	109
Auditors' remuneration	129	116	92	86
Audit fees	126	116	92	86
Fees for other services	3	-	-	-
Bank charges	55	64	41	48
Lease charges ¹	26	26	26	18
Policy services	136	146	135	145
Regulatory fees	59	65	49	51
Insurance expenses	51	47	45	42
Net expenses recovered by/(from) subsidiaries and fellow subsidiaries	518	594	109	202
Expenses recovered by subsidiaries and fellow subsidiaries ²	1 361	1 469	1 349	1 423
Expenses recovered from subsidiaries and fellow subsidiaries ²	(843)	(875)	(1 240)	(1 221)
Other expenses	305	139	122	65
	5 117	4 691	3 682	3 507

¹ Group: Included in lease charges are R26 million (2025: R24 million) relating to short-term leases and Rnil (2025: R2 million) relating to variable lease payments.
Company: Included in lease charges are R26 million (2025: R17 million) relating to short-term leases and Rnil (2025: R1 million) relating to variable lease payments.

² **Expenses recovered by subsidiaries and fellow subsidiaries:**

These represent expenses incurred predominantly by Group Wide Services (Pty) Ltd, a fellow subsidiary, in providing services to group companies. The related costs primarily consists of facilities rental and information technology charges and are allocated to group entities based on usage, headcount, or other appropriate allocation methodologies.

Expenses recovered from subsidiaries and fellow subsidiaries:

These represent expenses incurred by the Company on behalf of subsidiaries and fellow subsidiaries for services provided to those entities. The related costs consist primarily of employee benefit and information technology expenses and are recovered from the benefiting entities based on usage or other appropriate allocation methodologies.

26 Other finance costs

Refer to note 45.24.1 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	Restated ¹ 2025 Rm	2026 Rm	Restated ¹ 2025 Rm
Finance costs on financing financial liabilities				
Subordinated debt instruments	395	465	395	465
Cost of carry positions	1 510	1 338	1 364	1 229
Lease liabilities	6	8	5	7
Preference shares	39	49	-	-
Cost of trading positions	-	12	-	-
Other finance costs	178	150	7	8
	2 128	2 022	1 771	1 709
Designated at fair value through profit and loss	1 944	1 852	1 759	1 694
Amortised cost	184	170	12	15
	2 128	2 022	1 771	1 709

¹ Prior year comparative information has been restated following a change in accounting policy relating to the presentation of interest and fair value movements on financial instruments designated at fair value through profit or loss.

The impact of the restatement on the comparative finance costs disclosure was as follows:

Subordinated debt instruments increased by R70 million for both the Group and the Company.

Cost of carry positions decreased by R7 million for the Group.

Preference share finance costs of R49 million for the Group, previously presented within net realised and unrealised fair value gains and losses on financial instruments designated at FVPL, are now included in finance costs.

As a result, finance costs on financial instruments designated at FVPL increased by R112 million for the Group and R70 million for the Company.

Refer to the restatement note for more information.

Finance costs include interest on financial liabilities at amortised cost, as well as interest and the net realised and unrealised fair value gains and losses on financing financial liabilities at fair value through profit and loss.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

27 Income tax expense

Refer to note 45.12 and 45.13 for the accounting policies relating to this note.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Income tax expenses/(credits)				
Current taxation	3 100	2 988	2 829	2 766
Shareholder tax				
South African normal tax – current year	2 003	2 085	1 899	2 029
South African normal tax – prior year	(22)	(10)	(22)	(10)
Foreign countries – normal tax	1	(5)	-	-
Foreign withholding tax	160	172	-	1
Global minimum tax	6	-	-	-
Contract holder tax				
Tax on contract holder funds – current year	923	762	923	762
South African normal tax – prior year	29	(16)	29	(16)
Tax attributable to cell captive owners	-	-	-	-
Deferred tax	(142)	93	(145)	78
Shareholder tax				
South African normal tax – current year	(262)	(75)	(253)	(96)
South African normal tax – prior year	8	-	-	-
Foreign countries – normal tax	5	(5)	-	-
Contract holder tax				
Tax on contract holder funds – current year	107	173	108	174
Tax on contract holder funds – prior year	-	-	-	-
	2 958	3 081	2 684	2 844

	Group		Company	
	2026 %	2025 %	2026 %	2025 %
Tax rate reconciliation				
Tax calculated at standard rate of South African tax on earnings	27.0	27.0	27.0	27.0
Prior year adjustments	(1.1)	(0.2)	(0.3)	(0.1)
Foreign taxes differential due to different statutory rates	(0.1)	(0.3)	-	-
Capital gains tax	1.3	1.4	1.4	1.5
Non-taxable income ¹	(4.5)	(5.0)	(6.6)	(5.7)
Non-deductible expenses ²	0.6	0.6	0.6	0.6
Deferred tax asset not recognised	(0.3)	0.3	-	-
Other	(0.5)	1.8	(0.6)	1.8
Shareholder effective tax rate	22.4	25.6	21.5	25.1
Taxation on contract holder funds	14.8	13.2	14.0	12.1
Effective rate	37.2	38.8	35.5	37.2

¹ Non-taxable income mainly comprises dividend income which is not taxable.

² Non-deductible expenses comprise Shareholder expenses which are not directly attributable to an income-generating unit, including depreciation and impairments, and are thus not deductible for tax purposes.

28 Cash flow from operating activities

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
28.1 Cash utilised in operations				
Profit before tax	7 960	7 949	7 571	7 636
Adjusted for				
Items disclosed separately				
Dividend income	(7 876)	(6 777)	(6 577)	(5 220)
Interest income ¹	(25 126)	(24 767)	(22 734)	(22 405)
Finance costs ²	2 192	2 029	1 874	1 758
Adjustments to reconcile profit before tax to net cash flows				
Share of (profits)/losses of associates and joint ventures	(18)	(4)	-	-
Depreciation and amortisation expenses	316	324	251	260
Impairment reversal	(3)	(2)	-	-
Revaluation of investment in subsidiary	-	-	(32)	19
Gains and losses on foreign exchange differences and fair value gains and losses relating to investing and financing and forex movements on cash and cash equivalents	202	120	72	85
Equity-settled share-based payment expense	13	16	13	15
Changes in operating assets and liabilities				
Investment contract liabilities ³	65 353	61 643	65 194	61 428
Deferred acquisition costs on investment business	(72)	(199)	(95)	(194)
Financial assets at amortised cost ³	(965)	5 396	(1 008)	5 619
Other receivables	102	20	92	19
Insurance contract assets and liabilities ³	26 499	15 792	26 499	15 792
Reinsurance assets and liabilities	(1 470)	(442)	(1 469)	(442)
Employee benefit assets and obligations	475	608	470	523
Investment property	(398)	(262)	(310)	(151)
Other operating liabilities ³	2 007	(44)	1 881	(97)
Financial assets and liabilities ³	(89 661)	(78 004)	(77 512)	(61 019)
Investments in subsidiary CIS	-	-	(7 887)	(15 077)
Cash utilised in operations	(20 470)	(16 604)	(13 707)	(11 451)
¹ Interest income comprises R71 million (2025: R78 million) of interest earned on policy loans by both the Group and the Company, and interest income on financial assets measured at FVPL of R23 361 million (2025: R22 879 million) for the Group and R21 468 million (2025: R21 025 million) for the Company.				
² Finance costs includes R125 million (2025: R119 million) related to interest accrued on late claims.				
³ The prior year has been restated. Refer to the unsettled trades, termination accrual and reinvested distributions errors in the restatement note for more information. The impact on line items are as follows: Investment contract liabilities: R227 million increase; Financial assets at amortised cost: R54 million increase; Other operating liabilities: R343 million decrease; Financial assets and liabilities: R2 529 million increase for the Group and R2 390 increase for the Company and Investments in subsidiary CIS: R2 944 million increase.				
28.2 Income tax paid				
Receivable/(due) at beginning	(425)	(131)	(432)	(125)
Current income tax asset	11	4	-	-
Current income tax liability	(436)	(135)	(432)	(125)
Charged to income statement	(3 100)	(2 988)	(2 829)	(2 766)
Other	-	-	-	-
(Receivable)/due at end	252	425	258	432
Current income tax asset	19	11	-	-
Current income tax liability	(271)	(436)	(258)	(432)
	(3 273)	(2 694)	(3 003)	(2 459)
28.3 Interest paid				
Subordinated debt instruments	370	389	370	389
Cost of carry positions	1 497	1 348	1 352	1 232
Lease liabilities	5	7	5	7
Cost of trading positions	-	12	-	-
Other	340	339	132	127
	2 212	2 095	1 859	1 755

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

28 Cash flow from operating activities continued

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm
28.4 Liabilities arising from financing activities				
28.4.1 Subordinated debt instruments	5 637	4 382	5 637	4 382
28.4.2 Carry positions	23 475	18 954	21 469	17 322
28.4.3 Preference shares at fair value through profit and loss	465	426	-	-
28.4.4 Financial liabilities at fair value through profit and loss: Other borrowings	140	314	-	-
28.4.5 Financial liabilities at amortised cost	1 022	1 204	53	61
	30 739	25 280	27 159	21 765
28.4.1 Subordinated debt instruments				
Due at beginning	4 382	4 324	4 382	4 324
Subordinated debt instruments issued	1 500	750	1 500	750
Other finance costs ¹	395	465	395	465
Interest paid	(370)	(389)	(370)	(389)
Subordinated debt instruments repaid	(270)	(750)	(270)	(750)
Own credit gain included in other comprehensive income	-	(18)	-	(18)
Due at end	5 637	4 382	5 637	4 382
28.4.2 Carry positions				
Due at beginning	18 954	15 714	17 322	14 382
Net proceeds from carry positions	4 508	3 250	4 135	2 943
Proceeds from carry positions	322 613	266 798	288 572	245 682
Repayment of carry positions	(318 105)	(263 548)	(284 437)	(242 739)
Other finance costs ¹	1 510	1 338	1 364	1 229
Interest paid	(1 497)	(1 348)	(1 352)	(1 232)
Due at end	23 475	18 954	21 469	17 322
28.4.3 Preference shares at fair value through profit and loss				
Due at beginning	426	377	-	-
Other finance costs	39	49	-	-
Due at end	465	426	-	-
28.4.4 Financial liabilities at fair value through profit and loss: Other borrowings				
Due at beginning	314	10	-	-
Proceeds from other borrowings	122	309	-	-
Repayment of other borrowings	(294)	(5)	-	-
Other finance costs	(2)	-	-	-
Due at end	140	314	-	-

¹ Prior year comparative information has been restated due to a change in accounting policy relating to the presentation of interest and fair value movements on financial instruments measured at FVPL. Refer to the restatement note for more information. Previously "fair value movements" as well as "accrued interest" were presented. These amounts are now included in the "accrued interest". The restatement is not material.

28 Cash flow from operating activities continued**28.4 Liabilities arising from financing activities continued**

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
28.4.5 Financial liabilities at amortised cost				
Due at beginning	1 204	1 247	61	89
New leases entered into	48	42	48	30
Accrued interest on leases	6	8	5	7
Interest paid on leases	(5)	(7)	(5)	(7)
Payment of principal portion of lease liability	(50)	(70)	(47)	(57)
Modifications	(9)	(1)	(9)	(1)
Exchange differences on leases	(2)	1	-	-
Proceeds from term loans	10	49	-	-
Repayment of capital portion of term loans	(134)	3	-	-
Accrued interest on term loans	89	101	-	-
Interest paid on term loans	(126)	(172)	-	-
Repayment of other borrowings	-	(3)	-	-
Exchange differences on other borrowings	(9)	6	-	-
Due at end	1 022	1 204	53	61

28.5 Disposal of subsidiaries reconciliation

The Company disposed of its 85% investment in Taung Square Mall to Momentum RCIS QI Property Hedge Fund and its 100% investment in MMH Rosslyn to Momentum RCIS QI Multi Sector Property Hedge Fund, in exchange for units in the respective QIHF funds. The transactions occurred within the MML Group.

The carrying amount of the net assets disposed of was R118 million for Taung Square Mall and R30 million for Rosslyn.

No gain or loss was recognised in the income statement.

	Taung Square Mall	Rosslyn	Total
Assets/(liabilities) disposed of:			
Investment Properties	196	223	419
Financial instruments – assets	1	6	7
Other receivables	5	15	20
Current income tax asset	-	-	-
Cash and Cash Equivalents	9	33	42
Financial Liabilities – Amortised Cost	(65)	(147)	(212)
Deferred income tax liability	(24)	(7)	(31)
Other payables	(3)	(93)	(96)
Current income tax liability	(1)	-	(1)
Net assets disposed	118	30	148
Profit/(loss) on sale of subsidiary	-	-	-
Loan ceded	10	60	70
Value of QIHF units received	128	90	218

In the prior year, the Group declared and distributed a dividend in specie to its ultimate holding company, Momentum Group, consisting of its entire investment in Momentum Life Botswana Ltd. As a result, the Group lost control of Momentum Life Botswana Ltd in accordance with IFRS 10 – Consolidated Financial Statements.

The carrying amount of the net assets disposed of as a dividend in specie was R22 million.

No gain or loss was recognised in profit or loss.

The transaction was non-cash in nature and is disclosed as a non-cash transaction in the cash flow.

Assets/(liabilities) disposed of:	
Financial instruments – assets	7
Current income tax asset	1
Cash and Cash Equivalents	15
Other Payables	(1)
Net assets disposed	22
Profit/(loss) on sale of subsidiary	-
Receipt from disposal of Momentum Life Botswana Ltd	-
Cash flow from sale of subsidiary	-
Cash proceeds on disposal of Momentum Life Botswana Ltd	-
Cash and cash equivalents disposed of	(15)
Net cash on disposal	(15)

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for the year ended 30 June 2026

29 Business combinations

Business combinations for the year ended 30 June 2026

There were no business combinations in the current year.

Business combinations for the year ended 30 June 2025

There were no business combinations in the prior year.

30 Related party transactions

30.1 Major shareholders and Group companies

The holding company of Momentum Metropolitan Life Limited is Momentum Group Limited (MGL).

The most significant related parties of the Company are Momentum Investment Management (Pty) Ltd, Momentum Global Investment Management Company Ltd, 102 Rivonia Road (Pty) Ltd, 129 Rivonia Road (Pty) Ltd, Momentum Wealth International Ltd, and Momentum Wealth (Pty) Ltd, all subsidiaries of the Company. Subsidiaries and associated companies of these companies are also related parties.

Significant subsidiaries of the Company are listed in note 5, along with loans due to or from these entities.

Various collective investment schemes in which the Group invests are defined as subsidiaries as the Group controls them in terms of IFRS 10; these are listed in note 41. Collective investment schemes over which the Group has significant influence but not control are classified as investments in associates carried at fair value; details are included in note 42.

Other related parties include directors, key management personnel and their families. Key management personnel for the Group are defined as the executive and non-executive directors. It is not considered necessary to disclose details of key management family members and the separate entities that they influence or control. To the extent that specific transactions have occurred between the Group and these related parties (as defined in IAS 24) the details are included in the aggregate disclosure contained below under key management, where full details of all relationships and terms of the transactions are provided.

30.2 Transactions with entities in the Momentum Group

During the year, the Company transferred its interests in the Taung Square Mall and MMH Rosslyn subsidiaries, together with investment properties of R1 382 million, to the Momentum RCIS QI Property Hedge Fund and Momentum RCIS QI Multi Sector Property Hedge Fund in exchange for units in the funds. As the fund is controlled by the Group, the transaction constitutes a common control transaction and is accordingly regarded as a related party transaction.

Refer to note 30.7 for a summary of transactions with related parties within the Momentum Group.

30.3 Transactions with directors and key management personnel and their families

During the year, the Company transferred its interests in the Taung Square Mall and MMH Rosslyn subsidiaries, together with investment properties of R1 382 million, to the Momentum RCIS QI Property Hedge Fund and Momentum RCIS QI Multi Sector Property Hedge Fund in exchange for units in these funds. Thereafter, the Company's units in these hedge funds were exchanged for units in a Fund of Hedge Funds, resulting in the recognition of a new significant subsidiary within the Group. As the fund is controlled by the Group, the transaction constitutes a common control transaction and is accordingly regarded as a related party transaction.

Refer to note 30.7 for a summary of transactions with related parties within the Momentum Group.

	Group and Company	
	2026 Rm	2025 Rm
Salaries and other short-term employee benefits	109	114
Post-employment benefits	1	1
Termination benefits	-	-
Share-based payments	84	148
Directors' fees	24	24
	218	287

The Group's executive directors are members of the staff pension schemes.

The executive directors participate in the Group's long-term retention schemes, the details of which are in note 15.2.

Aggregate details of insurance and investment transactions between the Company (including any subsidiary) and key management personnel and their families are as follows:

	2026		2025	
	Insurance Rm	Investment Rm	Insurance Rm	Investment Rm
Fund value (at 30 June)	-	263	-	225
Aggregate life and disability cover (at 30 June)	53	-	53	-
Deposits/premiums (for 12 months to June)	1	49	1	21
Withdrawals/claims (for 12 months to June)	-	(30)	-	(24)

In aggregate, the Group earned fees and charges totalling R1.4 million (2025: R1.9 million) on the insurance and investment products set out above.

30 Related party transactions continued

30.4 Contract administration

Certain companies in the Group carry out third-party contract and other administration activities for other related companies in the Group. These transactions are entered into at market-related rates. These fees are eliminated on consolidation.

Refer to note 30.7 for details on related party transactions.

30.5 Transactions with significant shareholders

MML dividend declarations:

In September 2026 MML declared a R1 515 million final ordinary cash dividend to Momentum Group Limited for the year ended 30 June 2026 to be paid in October 2026. This dividend declaration is an increase from the R1 500 million final ordinary dividend for the year ended 30 June 2025.

An interim cash dividend of R925 million was declared in March 2026 (2025: R2 950 million) being R4.88 (2025: R15.55) per ordinary share to Momentum Group Limited.

30.6 Post-employment benefit plans

Refer to note 15 for details of the Group's employee benefit plans.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
30.7 Summary of related party transactions				
Transactions with holding company				
Dividends declared/paid	2 425	3 872	2 425	3 872
Transactions with subsidiaries				
Fee income for administrative functions	-	-	411	368
Dividend income	-	-	174	144
Interest income	-	-	139	119
Sales remuneration recoveries	-	-	26	22
Fee expenses for administrative functions	-	-	(831)	(678)
Owner-occupied property sold	-	-	-	-
Transactions with fellow subsidiaries				
Insurance revenue – from contracts measured under the premium allocation approach	14	14	14	14
Amounts recoverable for incurred claims and other	8	6	8	6
Fees income for administrative functions	1 155	1 177	844	861
Commission income	1	1	-	-
Dividend income	63	65	63	65
Interest income	25	10	20	5
Rental income	19	19	-	-
Sales remuneration recoveries	43	28	43	28
Fees expense for administrative functions	(1 609)	(1 670)	(1 468)	(1 535)

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions only if such terms can be substantiated.

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for the year ended 30 June 2026

31 Capital and lease commitments and receivables

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Capital commitments				
Authorised but not contracted	4	8	4	8
	4	8	4	8
The above commitment, which is in respect of building refurbishments of R4 million (2025: R8 million) will be financed from internal sources.				
Lease commitments				
The minimum future lease payments relating to short-term leases, low-value asset leases and variable lease payments payable under non-cancellable leases on property and equipment:				
Less than 1 year	1	1	1	1
	1	1	1	1
The minimum future lease payments receivable under non-cancellable operating leases on investment properties:				
Less than 1 year	625	436	287	298
Between 1 and 2 years	527	355	221	251
Between 2 and 3 years	423	269	161	196
Between 3 and 4 years	361	217	130	162
Between 4 and 5 years	322	204	115	154
More than 5 years	535	601	278	315
	2 793	2 082	1 192	1 376
The minimum future lease payments receivable under non-cancellable operating leases on owner-occupied properties:				
Less than 1 year	20	19	-	-
Between 1 and 2 years	-	20	-	-
	20	39	-	-

32 Contingent liabilities

Refer to note 45.17 for the accounting policies relating to this note.

The Group is party to legal proceedings in the normal course of business and appropriate provisions are made when losses are expected to materialise.

The Group does not have any material contingent liabilities at 30 June 2026 (2025: nil).

33 Events after the reporting period

During September 2026, the Board declared a final dividend of R1 515 million to be paid in October 2026. Refer to note 30.5 for details.

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

34 Financial and insurance risk management

The Group recognises that sound risk and capital management is an integral part of generating sustainable shareholder value while protecting client interests, and therefore seeks to strike the appropriate balance between different stakeholder needs. Risk and capital management forms part of the decision-making process that enables the Group in its entirety to ensure that risk-taking is a consciously chosen strategic decision.

The Group is exposed to financial risk and insurance risk through the insurance and investment products issued to policyholders and financial instruments and reinsurance contracts held. Uncertainty or risk is the essence of an insurance contract. Insurance contracts contain uncertainties regarding the probability of an insured event occurring, the timing of the insured event or the cash flows arising from the insured event.

The Board-approved risk appetite framework articulates the level and type of risk that the Group is prepared to seek, accept or tolerate in pursuit of its strategic objectives. The risk taxonomy describes the structure of the risk categories used in the Group risk management framework and provides generic definitions of these risk categories. This ensures consistency in the approaches to risk management applied across the Group. The risk strategy seeks to guide the way in which the Group assumes risk through the qualitative expression of its appetite for exposure to the different types and sources of risk and is supported by quantitative tolerances and limits which are set to ensure that underlying risk exposures remain within appetite.

The risk taxonomy and risk strategy differentiate between quantitative financial and insurance risk, and qualitative risks that include operational, strategic, compliance, conduct and business risk. While some of these risk exposures are interdependent, the Group enjoys significant risk diversification between these different risk types as a result of the diversity of its business operations.

The Board is responsible for the total process of risk management, as well as forming an opinion on the effectiveness of the respective processes employed in the Group's risk management, balance sheet management and compliance functions. The Risk, Capital and Compliance Committee has an independent role and makes recommendations to the Momentum Group Ltd Board for its consideration and final approval in respect of risk management and oversight. It also ensures that the Group has implemented and maintains an effective risk management system comprising the totality of strategies, policies and procedures for identifying, measuring, monitoring, managing and reporting of all material risks that will enhance the Group's ability to achieve its strategic objectives.

34.1 Insurance risks

Life insurance risk: Life insurance risk is the risk of loss or adverse change in the value of life insurance contracts resulting from changes in the timing, frequency, or severity of current or expected future risk claims or policyholder persistency. This can be through the realisation of an operating experience loss or the change in insurance liabilities. Life insurance risk relates to risk exposures across mortality, morbidity (including disability), retrenchment, longevity, and policy terminations and alterations. Exposure to life insurance risk could result in changes in fulfilment cash flows attributable to life insurance contracts and changes to profit or loss for the Group.

Health insurance risk: Health insurance risk is the risk of loss, or adverse change in the value of insurance liabilities, due to health insurance experience being worse than expected or future expected experience being worse than previously assumed. Exposure to health insurance risk could result in changes in fulfilment cash flows attributable to health insurance contracts and changes to profit or loss for the Group. The Group has exposure to health insurance risk through health insurance contracts issued in South Africa.

34.2 Financial risks

Market risk: Market risk is the risk of financial loss due to adverse movements in the market value of assets supporting liabilities relative to the value of those liabilities, or due to a decrease in the NAV, as a consequence of changes in market conditions or as a result of the performance of investments held. This includes exposure to equities, property, credit and basis spreads, price inflation, interest rates and currencies. The carrying amounts of some insurance and reinsurance contracts are sensitive to changes in equity prices, property prices and interest rates. Market risk can result in changes in profit or loss for the Group.

Liquidity risk: Liquidity risk is the risk that the Group, though solvent, has inadequate liquid financial resources to meet its financial and insurance obligations as and when they fall due, or can only secure these resources at excessive cost. The Group differentiates between funding liquidity risk (the risk of losses arising from difficulty in raising funding to meet obligations when they become due or from excessive funding costs), market liquidity risk (the risk of losses arising when engaging in financial instrument transactions due to inadequate market depth and/or breadth or a market disruption), and surrender liquidity risk (liquidity risk arising from large unexpected client withdrawals of investments).

Credit risk: Credit risk is the risk of losses arising from the potential that a counterparty will fail to meet its obligations in accordance with agreed terms. It could arise from the decrease in the value of an asset subsequent to the downgrading of a counterparty. The Group is exposed to credit risk through premium debtors, loans granted to policyholders, amounts due from reinsurers, trade and other receivables, derivative instruments, cash and cash equivalents and debt instruments held.

34.3 Business risks

The issue of insurance contracts exposes the Group, to among others, the following business risks:

Expense risk: Expense risk is the risk of loss or adverse change in value arising from the variation in the level, trend or volatility of expenses incurred. This may be due to inefficiencies, higher than expected expense inflation, lower than expected volumes of new business or higher than expected terminations resulting in a smaller in-force book size. Budget controls are in place to mitigate this risk. The Group performs expense investigations annually and sets pricing and valuation assumptions to be in line with actual experience, with allowance for expense inflation and known future developments. The expense inflation assumption furthermore allows for the expected gradual shrinking of the number of policies arising from the run-off of certain books that are closed to new business.

Business volume risk: There is a risk that the Group may not sell sufficient volumes of new business to meet the expenses associated with distribution and administration. A significant portion of the new business acquisition costs is variable and relates directly to sales volumes. The fixed cost component can be scaled down if there is an indication of a permanent decline in business volumes, but this will happen over a period of time. A further mitigating factor is that the distribution channels used to generate new insurance and investment business are used to distribute a range of product lines within the Group.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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34 Financial and insurance risk management continued

34.4 Claims development

Temporary and permanent health insurance - Liability for incurred claims

The Group provides temporary and permanent health insurance benefits to policyholders. The insurance policies are predominantly sold by Momentum Corporate and Momentum Life. The nature of these insurance benefits results in uncertainties regarding the amount and timing of benefit payments. These uncertainties are resolved over a period of time, in some cases longer than 12 months, since the claim was incurred. As a result, claims development tables have been included for both segments. For further information regarding temporary and permanent health insurance benefits, please refer to note 36.2.1.

The table was added for the period ended 30 June 2026 to comply with the requirements of IFRS 17 Insurance Contracts. Comparative information was restated. The restatement had no impact on the Group's statement of financial position, statement of comprehensive income, statement of changes in equity or statement of cash flows.

Momentum Corporate

• Present value of expected claim payments at 30 June

The present value of expected claim payments is part of the liability of incurred claims and relates to claims incurred by 30 June. Expected claim payments include incurred claims as well as claims incurred but not yet reported. The information is presented per claim event date. Changes to the present value of expected claim payments is a result of, amongst others, changes in estimates of expected claim payments, adjustments for the time value of money, claims incurred, claims incurred but not yet reported and claims paid. For example, the amount of R8 574 million in the 2026 column relates to the present value of expected claims incurred by 30 June 2026.

Claim event date	Financial year							
	2019 Rm	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Prior to 30 June 2019	5 482	4 726	4 419	3 942	3 791	3 444	3 117	2 875
1 July 2019 – 30 June 2020	-	1 059	683	617	608	571	529	515
1 July 2020 – 30 June 2021	-	-	1 404	756	695	569	519	502
1 July 2021 – 30 June 2022	-	-	-	1 576	1 092	793	672	651
1 July 2022 – 30 June 2023	-	-	-	-	1 090	1 079	798	786
1 July 2023 – 30 June 2024	-	-	-	-	-	1 325	1 224	933
1 July 2024 – 30 June 2025	-	-	-	-	-	-	1 113	1 241
1 July 2025 – 30 June 2026	-	-	-	-	-	-	-	1 071
Total	5 482	5 785	6 506	6 891	7 276	7 781	7 972	8 574

• Changes in estimates

The table indicates changes in the measurement of expected claim payments. The measurement changes were incurred during the relevant period, but relate to claims incurred by 30 June of the previous period. For example, the amount of R458 million incurred in the period ended 30 June 2026 is a measurement adjustment of claims incurred by 30 June 2025. The Group transitioned to IFRS 17 Insurance Contracts on 1 July 2022.

	Financial year			
	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Changes that relate to past service	(324)	(442)	(597)	(458)

34 Financial and insurance risk management continued

34.4 Claims development continued

Momentum Corporate continued

• Claim payments expected to take place over the following period

The table incorporates claim payments expected to take place over the period. The expected claim payments are payments for claims incurred at 30 June of the previous period. The information is presented by claim event date. For example, the amount of R1 606 million in the 2026 column represents the claim payments expected to take place in the period ended 30 June 2026 for claims incurred at 30 June 2025.

Claim event date	Financial year						
	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Prior to 30 June 2019	1 023	919	824	744	697	638	582
1 July 2019 – 30 June 2020	96	304	151	123	114	103	93
1 July 2020 – 30 June 2021	-	98	399	160	120	107	96
1 July 2021 – 30 June 2022	-	-	90	399	175	128	120
1 July 2022 – 30 June 2023	-	-	-	95	370	176	142
1 July 2023 – 30 June 2024	-	-	-	-	109	292	184
1 July 2024 – 30 June 2025	-	-	-	-	-	111	274
1 July 2025 – 30 June 2026	-	-	-	-	-	-	115
Total	1 119	1 321	1 464	1 521	1 585	1 555	1 606

• Claims paid during the period

The table incorporates claim payments that took place over the period for claims incurred at 30 June of the previous period. The information is presented by claim event date. For example, the amount of R1 574 million in the 2026 column represents claim payments that took place in the period ended 30 June 2026 for claims incurred at 30 June 2025.

Claim event date	Financial year						
	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Prior to 30 June 2019	1 062	909	806	744	688	633	585
1 July 2019 – 30 June 2020	75	196	146	126	114	102	94
1 July 2020 – 30 June 2021	-	68	202	146	119	107	97
1 July 2021 – 30 June 2022	-	-	70	229	164	134	122
1 July 2022 – 30 June 2023	-	-	-	82	234	175	147
1 July 2023 – 30 June 2024	-	-	-	-	92	250	187
1 July 2024 – 30 June 2025	-	-	-	-	-	80	259
1 July 2025 – 30 June 2026	-	-	-	-	-	-	83
Total	1 137	1 173	1 224	1 327	1 411	1 481	1 574

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

34 Financial and insurance risk management continued

34.4 Claims development continued

Momentum Corporate continued

Claims paid vs expected claim payments at 30 June

The table compares claims paid with claims expected to be paid during the reporting period, for claims incurred at 30 June of the previous period. For example, for the period ended 30 June 2026, the amount of claims paid was less than the amount of expected claim payments by R32 million. The claims paid variance was 2% of expected claim payments and claims paid as a percentage of expected claim payments was 98%.

	Financial year						
	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Claims paid versus expected claim payments	18	(148)	(240)	(194)	(174)	(74)	(32)
	%	%	%	%	%	%	%
Claims paid variance as a percentage of expected claim payments at 1 July	2%	(11%)	(16%)	(13%)	(11%)	(5%)	(2%)
Claims paid as a percentage of expected claim payments at 1 July	102%	89%	84%	87%	89%	95%	98%

Momentum Retail

Present value of expected claim payments at 30 June

The present value of expected claim payments is part of the liability of incurred claims and relates to claims incurred by 30 June. Expected claim payments include incurred claims as well as claims incurred but not yet reported. The information is presented per claim event date. Changes to the present value of expected claim payments is a result of, amongst others, changes in estimates of expected claim payments, adjustments for the time value of money, claims incurred, claims incurred but not yet reported and claims paid. For example, the amount of R1 710 million in the 2026 column relates to the present value of expected claims incurred by 30 June 2026.

Claim event date	Financial year							
	2019 Rm	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Prior to 30 June 2019	602	512	457	520	512	512	505	514
1 July 2019 – 30 June 2020	-	205	134	102	131	141	127	146
1 July 2020 – 30 June 2021	-	-	207	148	167	171	171	188
1 July 2021 – 30 June 2022	-	-	-	206	148	156	153	187
1 July 2022 – 30 June 2023	-	-	-	-	141	144	130	147
1 July 2023 – 30 June 2024	-	-	-	-	-	120	134	170
1 July 2024 – 30 June 2025	-	-	-	-	-	-	184	214
1 July 2025 – 30 June 2026	-	-	-	-	-	-	-	144
Total	602	717	798	976	1 099	1 244	1 404	1 710

Changes in estimates

The table indicates changes in the measurement of expected claim payments. The measurement changes were incurred during the relevant period, but relate to claims incurred by 30 June of the previous period. For example, the amount of R267 million incurred in the period ended 30 June 2026 is a measurement adjustment of claims incurred by 30 June 2025. The Group transitioned to IFRS 17 Insurance Contracts on 1 July 2022.

	Financial year			
	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Changes that relate to past service	180	172	153	267

34 Financial and insurance risk management continued

34.4 Claims development continued

Momentum Retail continued

- Claim payments expected to take place over the following period**

The table incorporates claim payments expected to take place over the period. The expected claim payments are payments for claims incurred at 30 June of the previous period. The information is presented by claim event date. For example, the amount of R229 million in the 2026 column represents claim payments expected to take place in the period ended 30 June 2026 for claims incurred at 30 June 2025.

Claim event date	Financial year						
	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Prior to 30 June 2019	71	73	78	84	87	81	81
1 July 2019 – 30 June 2020	1	12	13	16	17	21	19
1 July 2020 – 30 June 2021	-	-	11	21	22	21	28
1 July 2021 – 30 June 2022	-	-	1	24	22	22	21
1 July 2022 – 30 June 2023	-	-	-	10	22	16	16
1 July 2023 – 30 June 2024	-	-	-	-	10	18	19
1 July 2024 – 30 June 2025	-	-	-	-	-	13	33
1 July 2025 – 30 June 2026	-	-	-	-	-	-	12
Total	72	85	103	155	180	192	229

- Claims paid during the period**

The table incorporates claim payments that took place over the period for claims incurred at 30 June of the previous period. The information is presented by claim event date. For example, the amount of R235 million in the 2026 column represents claim payments that took place in the period ended 30 June 2026 for claims incurred at 30 June 2025.

Claim event date	Financial year						
	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Prior to 30 June 2019	83	78	83	79	95	77	77
1 July 2019 – 30 June 2020	13	21	19	17	16	18	23
1 July 2020 – 30 June 2021	-	13	22	20	21	18	20
1 July 2021 – 30 June 2022	-	-	18	27	22	20	24
1 July 2022 – 30 June 2023	-	-	-	16	25	15	14
1 July 2023 – 30 June 2024	-	-	-	-	13	25	19
1 July 2024 – 30 June 2025	-	-	-	-	-	18	40
1 July 2025 – 30 June 2026	-	-	-	-	-	-	18
Total	96	112	142	159	192	191	235

- Claims paid vs expected claim payments at 30 June**

The table compares claims paid with claims expected to be paid during the reporting period. For example, for the period ended 30 June 2026 claims paid exceeded expected claim payments by R6 million. The claims paid variance was 3% of expected claim payments and claims paid as a percentage of expected claim payments was 103%.

	Financial year						
	2020 Rm	2021 Rm	2022 Rm	2023 Rm	2024 Rm	2025 Rm	2026 Rm
Claims paid versus expected claim payments	24	27	39	4	12	(1)	6
	%	%	%	%	%	%	%
Claims paid variance as a percentage of expected claim payments at 1 July	33%	32%	38%	3%	7%	(1%)	3%
Claims paid as a percentage of expected claim payments at 1 July	133%	132%	138%	103%	107%	99%	103%

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34 Financial and insurance risk management continued

34.5 Risk management

The Group accounts for insurance contracts issued and reinsurance contracts held per the measurement models set out in the accounting policies (note 45) and as disclosed in notes 9 and 10. Notes 35 to 40 provide information on the processes in place to manage and mitigate the financial and insurance risks to which the Group is exposed.

Insurance and reinsurance contracts	Insurance risk						Financial risk			
	Expense risk	Morbidity and mortality risk	Persis-tency risk	Premium risk	Reserve risk	Catastro-phe risk	Credit risk	Liquidity risk	Interest rate risk	Price risk
Life insurance contracts										
Individual insurance contracts										
Market-related	x	x	x				x	x	x	x
Discretionary participation	x	x	x				x	x	x	x
With-profit annuities	x	x					x	x	x	x
Non-profit annuities	x	x					x	x	x	
Other non-profit business	x	x	x			x	x	x	x	x
Group insurance contracts										
Market-related	x	x	x				x	x	x	x
Discretionary participation	x	x	x				x	x	x	x
With-profit annuities	x	x					x	x	x	x
Non-profit annuities	x	x					x	x	x	
Other non-profit business	x	x	x			x	x	x	x	x
Health insurance	x	x	x	x	x	x	x	x		
Reinsurance contracts held	x	x				x	x	x	x	

The table below has been included in 2026 to indicate how insurance contracts issued and reinsurance contracts held are largely allocated to the IFRS 17 measurement models:

Insurance and reinsurance contracts	Measurement models		
	General measurement model	Variable fee approach	Premium allocation approach
Life insurance contracts			
Individual insurance contracts			
Market-related		x	
Discretionary participation	x	x	
With-profit annuities		x	
Non-profit annuities	x		
Other non-profit business	x		x
Group insurance contracts			
Market-related	n/a	n/a	n/a
Discretionary participation	n/a	n/a	n/a
With-profit annuities		x	
Non-profit annuities	x		
Other non-profit business			x
Health insurance			x
Reinsurance contracts held	x		x

The life insurance contracts reflected in the tables above are included as follows in the table below. Market-related and with-profit Annuity business are included under Long-term savings. Discretionary participation business is included under Long-term savings (if smoothed bonus) and Traditional (if conventional with-profit). Non-profit annuities are included under Annuities and structured products. Other non-profit business consists mostly of Protection business.

Carrying values of insurance products issued	2026 Rm	2025 Rm
Protection	26 460	19 397
Long-term savings	41 975	38 527
Annuities and structured products	85 007	69 527
Traditional	23 000	22 507
Health	(1)	21
Other	(3)	(40)
Insurance contracts	176 438	149 939

35 Capital management

35.1 Capital management objectives

The Board has the ultimate responsibility for the efficient management of capital within the Group and Company. The balance sheet management function is responsible for the day-to-day activities relating to capital management and for making timely, prudent recommendations to the relevant governance committees.

The key objectives of the Group's and Company's capital management programme are to maintain compliance with minimum regulatory solvency capital requirements (SCR) as defined in the Insurance Act 18 of 2017 and its associated Prudential Standards, as well as the target SCR cover ratios as approved as part of the Group's and Company's risk appetite framework. The focus on maintaining an optimal solvency position will always be balanced with the aim of not retaining excessive surplus capital on the statement of financial position. In order to do this, the Group and the Company continue to focus on optimising capital consumption, the Group and Company capital structure, capital deployment and capital distribution. When these activities are combined, capital management drives value creation within the Group and Company. The capital management programme is underpinned by appropriate links to the Group's and Company's risk appetite framework and governance processes while focusing on the effective implementation and execution of the principles.

35.2 Capital management framework

The Group's and Company's capital management framework rests on the following key principles:

- **Capital requirements and definition of capital**

The risks inherent in the Group's business activities drive the need to hold sufficient capital reserves to protect the business against the adverse impacts of unexpected risk events. This is the primary aim of holding capital on the statement of financial position. In addition, holding capital on the statement of financial position enables the Group and Company to support its business strategy.

Within the Group and Company, capital is measured and monitored on both the IFRS Accounting Standards and regulatory basis. On the IFRS Accounting Standards basis, capital is defined as the total equity plus subordinated debt. On the regulatory basis, capital is defined as the total eligible own funds calculated in line with the technical specifications of the Prudential Standards, together with any applicable Prudential Authority approvals obtained.

The table below shows the Group's and Company's total capital as of 30 June 2026 and the comparative amount as of 30 June 2025.

Capital type	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
IFRS Accounting Standards NAV	21 799	19 335	24 387	20 929
Subordinated debt	5 637	4 382	5 637	4 382
Total	27 436	23 717	30 024	25 311

- **Own funds and solvency capital requirements**

The regulatory capital coverage is determined as the ratio of own funds to the SCR. The calculation of the own funds and SCR are in accordance with the technical specifications of the Prudential Standards applicable to all of the Group's local insurance entities.

- **Capital coverage**

The Group and Company specify capital coverage ratios and ranges for the Group and Company and its regulated insurance entities, which are defined under its risk appetite framework. The regulatory capital coverage is determined as the ratio of own funds to the SCR.

- **Capital allocation**

As a general principle, subsidiaries are capitalised to ensure medium-term regulatory solvency while additional capital is held centrally to support the long-term regulatory solvency of the entities. MML houses Momentum Group's shareholder assets, therefore, MML is capitalised in excess of what its own covered business requires.

- **Investment of assets backing shareholder capital**

The assets held in the shareholder capital portfolios, housed within MML, are financial assets that are in excess of the assets required to meet policyholder obligations and are directly attributable to the Group's shareholders. These assets back the Group's and Company's minimum required capital, approved capital buffers, the subordinated debt programme, as well as discretionary and surplus capital. The assets backing shareholder capital portfolios are invested in line with approved risk appetite and mandates.

- **Capital planning process**

The Group's and Company's capital planning process facilitates value creation by aligning corporate strategy, capital allocation and performance measurement. This process is conducted on a forward-looking basis through regular solvency and liquidity projections that take into account capital sourcing requirements, strategic capital deployment and subsidiary capital requirements.

- **Dividends**

Momentum Metropolitan Life acts as the Momentum Group's capital centre, it may distribute any excess capital above the required capital to the Momentum Group after taking the following into consideration:

- (1) That the available capital is greater than required capital post the capital distribution.
- (2) Regulatory solvency position of Momentum Metropolitan Life remains within the target solvency range of 1.6x to 2.0x SCR after the capital distribution and taking any imminent pressures on solvency into account.
- (3) The liquidity position post the capital distribution should remain strong.
- (4) Any planned capital deployments within Momentum Metropolitan Life.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

35 Capital management continued

35.3 Overview of capital management developments

35.3.1 Changes in capital structure

Subordinated debt raising and settlement

On 12 August 2025, MML redeemed the MMIG04 subordinated debt instrument, with a nominal amount of R270 million, on the first call date.

On 19 May 2026, MML listed two subordinated debt instruments, the MML10 floating rate bond and the MML11 fixed rate bond, with a combined value of R1 500 million on the JSE Ltd. The issuance aimed to optimise the Group's capital structure.

35.3.2 Subordinated debt profile

The table below shows a summary of the Company subordinated debt profile, which relates to unsecured callable notes currently in issue:

Instrument code	Amount issued (Rm)	Tenor	Date issued	Coupon rate	Interest rate type
2026					
MML01	290	7 years	Dec 2019	JIB03+175 bps	Floating
MML02	460	7 years	Dec 2019	9.29%	Fixed
MML03	300	7.1 years	Feb 2021	JIB03+194 bps	Floating
MML04	450	7.1 years	Feb 2021	7.89%	Fixed
MML05	865	5 years	May 2022	JIB03+160 bps	Floating
MML06	135	7 years	May 2022	10.01%	Fixed
MML06 tap	410	5.6 years	Oct 2023	10.01%	Fixed
MML07	340	5.6 years	Oct 2023	JIB03+134 bps	Floating
MML08	250	5.5 years	Nov 2024	JIB03+129 bps	Floating
MML09	500	5.5 years	Nov 2024	9.52%	Fixed
MML10	500	5 years	May 2026	ZARONIA+109 bps	Floating
MML11	1 000	5 years	May 2026	8.62%	Fixed
Total	5 500				
2025					
MMIG04	270	10 years	Aug 2015	11.30%	Fixed
MML01	290	7 years	Dec 2019	JIB03+175 bps	Floating
MML02	460	7 years	Dec 2019	9.29%	Fixed
MML03	300	7.1 years	Feb 2021	JIB03+194 bps	Floating
MML04	450	7.1 years	Feb 2021	7.89%	Fixed
MML05	865	5 years	May 2022	JIB03+160 bps	Floating
MML06	135	7 years	May 2022	10.01%	Fixed
MML06 tap	410	5.6 years	Oct 2023	10.01%	Fixed
MML07	340	5.6 years	Oct 2023	JIB03+134 bps	Floating
MML08	250	5.5 years	Nov 2024	JIB03+129 bps	Floating
MML09	500	5.5 years	Nov 2024	9.52%	Fixed
Total	4 270				

The Group and Company believe that the current capital mix is adequate and will continue to pursue strategies to optimise the capital mix within the Prudential Standards.

35 Capital management continued

35.3 Overview of capital management developments continued

35.3.2 Subordinated debt profile continued

The table below shows the maturity profile of MML's subordinated debt:

Bond code	Bond issue amount (Rm)	Date issued	Outstanding tenor	Maturity year
2026				
MML01	290	Dec 2019	0.4 years	2026
MML02	460	Dec 2019	0.4 years	2026
MML03	300	Feb 2021	1.7 years	2028
MML04	450	Feb 2021	1.7 years	2028
MML05	865	May 2022	0.9 years	2027
MML06	135	May 2022	1.9 years	2029
MML06 tap	410	Oct 2023	1.9 years	2029
MML07	340	Oct 2023	1.9 years	2029
MML08	250	Nov 2024	3.9 years	2030
MML09	500	Nov 2024	3.9 years	2030
MML10	500	May 2026	4.9 years	2031
MML11	1 000	May 2026	4.9 years	2031
Total	5 500			
2025				
MMIG04	270	Aug 2015	0.1 years	2025
MML01	290	Dec 2019	1.4 years	2026
MML02	460	Dec 2019	1.4 years	2026
MML03	300	Feb 2021	2.7 years	2028
MML04	450	Feb 2021	2.7 years	2028
MML05	865	May 2022	1.9 years	2027
MML06	135	May 2022	3.9 years	2029
MML06 tap	410	Oct 2023	3.9 years	2029
MML07	340	Oct 2023	3.9 years	2029
MML08	250	Nov 2024	4.9 years	2030
MML09	500	Nov 2024	4.9 years	2030
Total	4 270			

35.4 Capital coverage

MML has adopted a target range for regulatory solvency cover of 1.6 to 2.0 times the SCR, pre-foreseeable dividend. This makes allowance for the capital required to support the covered business against a range of severe but plausible scenarios, as well as the wider strategic investments of the Group. The regulatory solvency cover of MML (after foreseeable dividends) was within the target range at 30 June 2026 (and also within the target range at 30 June 2025).

The Prudential Authority (PA) has designated Momentum Group as an insurance group. The Momentum Group has received approval to calculate its group solvency position using the Accounting Consolidation method (for MML, Momentum Insure Company Ltd and the Asset Holding Intermediaries held by these entities) as well as certain additional methodology approvals that have a minor impact on Group solvency.

The Momentum Group targets an SCR cover range of 1.35 to 1.65 times SCR, pre-foreseeable dividend. The Momentum Group's solvency position is determined by aggregating the adjusted own funds and SCR under the regulatory framework of all the underlying entities, after elimination of intragroup arrangements. The prescribed Deduction and Aggregation method is applied in aggregating the adjusted solo own funds and solo SCRs of the controlling company and its participations. For entities for which approval has been received for inclusion in the Accounting Consolidation group, the eligible own funds and SCR are calculated using a consolidated balance sheet approach as required by the Framework for Financial Soundness of Insurance Groups. The SCR cover of the Group was within the target range at 30 June 2026 (and at 30 June 2025).

35.5 Credit ratings

In May 2026, Moody's published their press release for MML. In that press release, Moody's affirmed the MML credit ratings while changing the outlook from "stable" to "positive". The change in the credit rating outlook was due to a similar change in the South African sovereign credit rating outlook. The table below shows the relevant MML's entity credit ratings as at 30 June 2026.

Entity	Type	National scale		Global scale		Outlook
		2026	2025	2026	2025	
MML	Insurance Financial Strength (IFS)	Aaa.za (AAA)	Aaa.za (AAA)	Ba1 (BB+)	Ba1 (BB+)	Positive
MML	Issuer rating	Aa1.za (AA+)	Aa1.za (AA+)	Ba2 (BB)	Ba2 (BB)	Positive
Subordinated debt	N/A	Aa3.za (AA-)	Aa3.za (AA-)	Ba3 (BB-)	Ba3 (BB-)	Positive

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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36 Insurance and investment business

36.1 Classes of insurance and investment contract business

Individual and group contracts with market exposure: Market-related business

Market-related or unit-linked contracts are those invested in investment portfolios where there is a direct relationship between the returns earned on the underlying portfolio and the returns credited to the contract. The market-related policyholder contracts may be investment contracts or insurance contracts.

The amount and timing of cash flows from these contracts are impacted, among others, by investment returns, timing of insured events and policyholder behaviour, exposing the Group to insurance risk.

Since there is a direct relationship between the returns credited to the policyholder contract and the returns earned on the underlying items, the policyholder is exposed to market risk, credit risk and liquidity risk associated with the underlying items.

In instances where fee income is based on investment returns or the fair value of underlying items or where recoupment of expenses is impacted by investment conditions, the Group is exposed to financial risks associated with the underlying items to the extent of the unrealised fee income.

The Group is exposed to reputational risk if actual investment performance is not in line with policyholder expectations.

Individual and group contracts with market exposure: Discretionary participation business

Discretionary participation business includes smoothed bonus business, conventional with-profit business and group with-profit annuities. The discretionary participation business contracts may be insurance contracts or investment contracts.

The investment return earned on the underlying portfolios, after tax and charges, is credited to contracts in the form of bonuses. The use of bonuses is a mechanism to smooth returns to policyholders in order to reduce the risk of volatile investment performance. Any returns not yet distributed are retained in a bonus stabilisation account (BSA) for future distribution to policyholders. The BSA can be negative. The amount and timing of benefit payments on discretionary participation business are impacted, among others, by investment returns, declared bonuses, timing of insured events and policyholder behaviour.

Bonuses can be vested or non-vested and are declared considering a number of factors, including actual investment returns, previous bonus rates declared, product design, affordability, management discretion and contract holders' reasonable expectations. In principle, all returns on the underlying portfolio are credited to the underlying contracts over time.

A portion of discretionary participation fund values or benefits is usually deemed vested and thereby constitutes a form of investment guarantee in certain circumstances. This includes vested bonuses for smoothed bonus business, as well as amounts invested for smoothed bonus business, sums assured for conventional with-profit business and current annuity levels for with-profit annuity business.

The Group carries the same risks for these contracts as it does for market-related business. In addition, the Group is exposed to financial risks, specifically market risk, to the extent that investment returns do not support the vested guarantees or policyholder expectations.

In instances where fee income is based on investment returns or the fair value of underlying items, the Group is exposed to market risk and credit risk associated with the underlying items, to the extent of the unrealised fee income.

The contracts described above are measured using either the general measurement model or the variable fee approach, depending on the nature of the contract and the presence of direct participation features.

Non-profit annuity business

A non-profit annuity policy pays an income to the annuitant in return for a lump sum consideration paid on origination of the annuity policy. Payments normally cease on death of the insured life or lives, but different options, such as guaranteed payment periods and maximum payment terms, are offered to policyholders.

Benefit payments on non-profit annuities are generally fixed in nominal or inflation-adjusted terms and guaranteed at inception. The amount and timing of benefit payments are impacted primarily by longevity of policyholders and increases in benefit payments.

Non-profit annuity insurance contracts expose the Group to longevity risk and interest rate risk, expense risk and liquidity risk. In instances where annuity payments or increases in payments are guaranteed, the Group is exposed to further liquidity risk. The investments held to fund annuity liabilities expose the Group to market risk, credit risk and liquidity risk.

Other non-profit business

These include long-term regular premium insurance contracts of varying durations. These policies mainly represent whole life and term assurance contracts that provide lump sum benefits on death and disability. Benefits and premiums are guaranteed in nominal or inflation-linked terms, subject to reviewability clauses. The amount and timing of benefits payments are impacted, among others, by persistency, mortality and morbidity. Non-profit insurance business exposes the Group to persistency risk, mortality risk, morbidity risk, expense risk and liquidity risk. The Group is exposed to market risk, credit risk and liquidity risk through the investments that it holds to back the non-profit insurance liabilities.

36 Insurance and investment business continued

36.1 Classes of insurance and investment contract business continued

Investment guarantees

The terms and conditions of some insurance and investment contracts contain the following types of investment guarantees:

- A minimum guaranteed maturity value is attached to the majority of the discretionary participation business and some market-related business. Some products also provide minimum benefits on early duration deaths and on early terminations.
- Discretionary participation business has a minimum death or maturity value equal to the vested benefits.
- Some older blocks of retirement annuity business have guaranteed annuity options on maturity. The options give contract holders the right to purchase conventional annuity contracts at guaranteed rates specified at the inception dates of the retirement annuity contracts. The liabilities in respect of these types of guarantees are much less significant than the liabilities in respect of minimum guaranteed maturity values and minimum vested benefits.
- In instances where regulatory requirements indicate that pension income cannot reduce in nominal terms, inflation-linked annuities contain a minimum annual increase rate.
- The Group has books of universal life business that offer minimum maturity values, based on a specified rate of investment return. These guaranteed rates range from 0% to 4.5% p.a. for the bulk of business. This applies to smoothed bonus portfolios as well as certain market-linked portfolios (the latter mostly closed to new business).
- On some smoothed bonus portfolios, there is also a guarantee to policyholders that the average annual bonus rate, measured over the lifetime of the contract, will not be less than a contractual minimum (around 4.5% p.a.).
- The Group also carries conventional business that offers minimum guarantees on maturity, surrender and death, with different forms of guarantees that apply in each event.

The amount and timing of investment guarantee payments are impacted by future investment returns relative to guarantees provided. Investment guarantees expose the Group to market risk, credit risk and liquidity risk.

36.2 Life insurance risks

Life insurance risk is the risk of loss or adverse change in the value of life insurance contracts resulting from changes in the timing, frequency, or severity of current or expected future risk claims or policyholder persistency. This can be through the realisation of an operating experience loss or a change in insurance liabilities.

In determining the value of insurance contracts, assumptions need to be made regarding future rates of mortality and morbidity, termination rates, retrenchment rates, expenses and investment performance. Insured events are random and the actual number and amount of claims and benefits will vary from year to year. The uncertainty of these rates may result in actual experience being different from that assumed and hence actual cash flows being different from those projected. In adverse circumstances, actual claims and benefits may exceed the liabilities held. Statistically, the larger the portfolio of similar insurance contracts, the smaller the relative variability around the expected outcome will be. Similarly, diversification of the portfolio with respect to risk factors reduces life insurance risk.

Life insurance risk management

The Heads of Actuarial Function (HAFs) have a duty under the Insurance Act, 18 of 2017 and its associated prudential guidelines to evaluate and provide advice to the Board of directors and management on the financial soundness of the insurer. This includes the accuracy of the calculations and the appropriateness of the assumptions underlying the valuation of the insurer's technical provisions and calculation of the insurer's capital requirements, calculated in accordance with the requirements of the Insurance Act, 18 of 2017 and its associated Prudential Standards. The HAFs report on these matters to the Board, Actuarial Committee and the Prudential Authority. The Actuarial Committee supports the HAFs in their responsibility for the oversight of insurance risk. The Actuarial Committee has been appointed by the Board to ensure that the technical actuarial aspects specific to insurance companies are debated and, where necessary, independently reviewed.

The main insurance risks, as well as the Group's approach to the management of these risks, are set out below:

36.2.1 Demographic risks (mortality, morbidity, persistency, longevity)

The risk of loss or adverse change in the value of life insurance contracts arising from changes in the level, trend, or volatility of demographic rates in respect of insurance obligations where a change in demographic rates leads to an increase in the value of insurance liabilities or claims. Underwriting processes are in place to manage exposure to these risks. The most significant measures are:

- The HAFs are required to evaluate and provide advice to the Board on the actuarial soundness of the terms and conditions of insurance contracts (Insurance Act, 18 of 2017, GOI 3).
- Regular experience investigations are conducted and used to set premium rates and valuation assumptions.
- Reinsurance arrangements are negotiated in order to limit the risk from any individual contract or aggregation of contracts. These include company-wide catastrophe reinsurance.

The nature of risks varies depending on the class of business. The material classes of business most affected by these risks are discussed below.

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36 Insurance and investment business continued

36.2 Life insurance risks continued

36.2.1 Demographic risks (mortality, morbidity, persistency, longevity) continued

Individual insurance business

These are contracts providing benefits on death, disability, accident, medical events and survival that are sold directly to individuals. These contracts may also bear significant financial risk.

Factors affecting demographic risks for individual insurance business include the following:

- The most significant factors that could substantially change the frequency of claims are epidemics or widespread changes in lifestyle (smoking, exercise, eating), resulting in more or earlier claims.
- Economic conditions can potentially affect retrenchment claims as well as morbidity claims where benefits are determined in terms of the ability to perform an occupation.
- Medical advances can potentially affect the size and severity of medical claims (including critical illness claims).
- Anti-selection, such as where a client who has a pre-existing condition or disease purchases a product where a benefit will be paid on death or in the event of contracting such a disease.
- The effect of selective terminations, which means policyholders are less likely to terminate voluntarily if the cover is more likely to be needed in the foreseeable future.
- Concentration risk, which is the risk of a large number of claims from a single event or in a particular geographical area.

Demographic risks are managed as follows:

- Risk premiums on most with-cover smoothed bonus and market-related contracts may be adjusted within the terms and conditions of the contracts. The ability of the Group to adjust these charges so that on average they reflect actual mortality experience reduces mortality risk. There is residual mortality risk resulting from delays in identifying worsening experience and adjusting charges as well as marketing pressures and client expectation management.
- To reduce cross-subsidisation of risks and the possibility of anti-selection, premium rates differentiate on the basis of some or all of age, gender, occupation, smoker status, education, income level, geographic region and the results of underwriting investigations. Experience investigations have shown that these are reliable indicators of the risk exposure.
- Guarantee periods shorter than the policy term on risk business enable the Group to review premium rates on in-force contracts during the life of those contracts.
- Applications for risk cover above certain limits are reviewed by experienced underwriters and evaluated against established standards.
- Compulsory testing for the human immunodeficiency virus (HIV) is carried out in all cases where the applications for risk cover exceed limits specified for a product. Where HIV tests are not required, this is fully reflected in the pricing and experience is closely monitored.
- Underwriting is done to identify non-traditional risks and take appropriate action, such as applying additional premium loadings or altering benefit terms.
- Reinsurance agreements are used to limit the risk on any single policy and aggregation of policies. A primary objective of reinsurance is to align the risk profile with the Group's risk strategy and risk appetite. Each business unit determines its own reinsurance programme in line with its scale and the types of business written. There is no reinsurance in place for funeral products.
- Concentration risk is reduced by diversification of business over a large number of uncorrelated risks and several classes of insurance, as well as by company-wide catastrophe reinsurance.

Group insurance business

Factors affecting risks from group insurance business include the following:

- Contracts are similar to individual insurance contracts but there is greater risk of correlation between claims on group schemes because the assured lives live in the same geographical location or work in the same industry; hence a higher degree of concentration risk exists.
- The products are mostly simple designs with a one-year renewable term. In most cases the products are compulsory for all employees although members can have a degree of choice when selecting risk benefits.
- Underwriting on group business is generally much less stringent than for individual business as there is typically less scope for anti-selection. The main reason for this is that participation in the Group's insurance programmes is normally compulsory, and as a rule members have limited choice in the level of benefits. Where choice in benefits and levels is offered, this is accompanied by an increase in the level of underwriting to limit anti-selection.
- Smaller schemes are priced using standard mortality and morbidity tables. The price for an individual scheme can be adjusted for certain risk factors, such as age, salary or gender structure, region or industry.
- For large schemes (typically 400 or more members), a scheme's past experience is an important input in setting rates for the scheme. The larger the scheme, the more weight is given to the scheme's past experience.
- Acquired immunodeficiency syndrome (AIDS) risk is no longer material, given the impact of anti-retrovirals and the reduction in AIDS cases.

Risks from group insurance business are managed as follows:

- Anti-selection risk is managed by an "actively at work" clause, which requires members to be actively at work and attending to their normal duties for cover to take effect. In addition, pre-existing conditions may be excluded.
- A standard proportional reinsurance treaty is in place covering group business. Facultative reinsurance arrangements are in place for large schemes if adverse experience on the scheme could have a significant impact on profit and loss.
- Catastrophe reinsurance cover is used for group business, as there is considerably more concentrations of risks compared to individual business.

36 Insurance and investment business continued

36.2 Life insurance risks continued

36.2.1 Demographic risks (mortality, morbidity, persistency, longevity) continued

Non-profit annuity business

Non-profit annuity contracts provide a specified regular income, normally for the life of the annuitant. The principal risk in this case is longevity risk – the risk that the annuitants may live longer than assumed in the pricing of the contract.

Factors affecting longevity risk includes the following:

- Increased longevity due to medical advances and improvement in socio-economic conditions.
- Selection bias – individuals purchasing annuities are in better health and therefore live longer than assumed in the pricing basis.

Longevity risk is managed as follows:

- Mortality on non-profit annuities is monitored and future mortality improvements are allowed for in the pricing.
- Annuity products are sometimes sold in combination with whole life cover, which provides a natural hedge against longevity and mortality risk.
- Premium rates differentiate on the basis of age and sex.

Permanent health insurance business

The Group also pays permanent health insurance (PHI) income to disabled employees, the bulk of which are from employee benefit insured schemes. The income payments continue to the earlier of death, recovery or retirement of the disabled employee.

Factors affecting risks from permanent health insurance business includes the following:

- Lower than expected recovery or mortality rates result in claims being paid for longer periods.

Risks from permanent health insurance business are managed as follows:

- Claims are reviewed at inception to determine the eligibility of the claim. Ongoing claims in payment are reviewed regularly to ensure that claimants continue to qualify for benefits.
- Rehabilitation is managed and encouraged.

Termination and alteration risk

Termination and alteration risk is the risk of loss or adverse change in the value of life insurance contracts due to adverse lapse, surrender, paid-up or alteration (including premium indexation take-up) experience, or to a change in the expected exercise rates of such policyholder options.

Expenses such as commission and acquisition costs are largely incurred at the outset of the contract. These upfront costs are expected to be recouped over the term of the contract from fees and charges in respect of the contract. Therefore, if the contract or premiums are terminated before the contractual date, expenses might not have been fully recovered, resulting in losses being incurred.

Terminations can have the effect of increasing insurance risk, e.g. contract holders whose health has deteriorated are less likely on average to terminate a contract providing medical, disability or death benefits.

For certain risk policies, the risk at later durations is that terminations are less than assumed when pricing and valuing policies because upfront costs have largely been recouped and a termination at that stage releases a liability.

Factors affecting termination and alteration risks include the following:

- Economic conditions – economic hardship can cause an increase in terminations due to a reduced ability to afford premiums or a need for funds.

Termination and alteration risks are managed as follows:

- Persistency rates are measured on an ongoing basis by a variety of factors and based on this information, management actions are implemented as and when required.
- Customer retention programmes are in place to actively retain customers at risk of departure due to a lapse or surrender.
- Premium rates are determined using realistic assumptions with regard to termination rates (rates of lapse, surrender and paid-up) and premium indexation take-up rates based on the Group's actual experience.
- Benefit incentives are built in to the product design in order to encourage the take-up of premium indexation options.
- Where withdrawal benefits are payable on termination, these can be adjusted to recover certain expenses. However, market and regulatory restrictions limit the extent to which this can be done.
- Commission paid on many products can be recouped on early termination.

Retrenchment risk

Retrenchment risk is the risk of loss, or of adverse changes in the value of life insurance contracts due to retrenchment rates being higher than expected or future expected retrenchment rates being higher than previously assumed.

The Group has limited exposure to retrenchment risk and may consider future opportunities which provide adequate risk-adjusted return and can be appropriately mitigated. The risk is seen as an enabler to get more exposure to other risks to which the Group has a risk-seeking attitude. When writing retrenchment risk, the Group carefully considers the design of benefits, benefit term, premium guarantees as well as the expected diversification across employers and industries.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

36 Insurance and investment business continued

36.3 Health insurance risks

The Group sells health insurance policies to policyholders in South Africa. These policies expose the Group to morbidity risk, anti-selection risk, expense risks, credit risk and liquidity risk.

The principal risk that the Group faces under its insurance contracts is that the actual claims payments exceed the amount of the insurance liabilities. This could occur because the frequency or severity of claims is greater than estimated. Insurance events are random and the actual number and amounts of claims will vary from year to year.

To mitigate against this principal risk, products are priced using statistical regression techniques which identify risk factors through correlations identified in past loss experiences. Where appropriate deterministic methods are used based on past claims experience with allowance for medical inflation and utilisation changes. Premiums on all contracts are annually renewable allowing the insurer to update pricing based on current experience. Monitoring of claims experiences forms an integral part of risk mitigation.

To mitigate against the costs of claims being higher than expected in the pricing basis, reimbursements to healthcare service providers are at agreed tariff rates, which are annually negotiated. The maturity of these agreements varies by territory, based on the provider landscape. Claims are monitored and managed when trends of abuse start to emerge.

The Group has developed an underwriting framework to enforce appropriate risk selection criteria and to mitigate against anti-selection risk by including appropriate waiting periods, exclusions and premium loadings.

Detailed expense analyses and retrospective reviews are performed annually to ensure that the pricing basis makes allowance for all expenses. Expenses are managed relative to approved budgets.

Premium payment terms vary across territories but are mostly payable monthly in advance. Premium debtors are closely monitored for appropriate intervention when required.

The Group mitigates liquidity risk by ensuring that sufficient cash and liquid investments are available to settle obligations when due. Liquidity risk is managed by preparing cash flow forecasts and using these to determine whether sufficient cash and liquid investments are available. The investments held to back health insurance liabilities expose the Group to market risk and credit risk.

36.4 Concentration risks

The Group is well diversified geographically, by product type and by business segment. This largely mitigates concentration risk in respect of insurance risks. Where necessary, residual areas of concern are managed using reinsurance or catastrophe insurance as noted in the above insurance risk commentary. See the segmental disclosures in the segmental report for a depiction of the diversified nature of the Group.

The table below shows the concentration of individual life insurance contract benefits (gross and net of reinsurance) by sum insured at risk:

Sum insured per benefit (R)	2026			2025		
	Number of benefits	Amount (gross) Rm	Amount (net) Rm	Number of benefits	Amount (gross) Rm	Amount (net) Rm
0 - 20 000	2 302 972	19 597	19 443	2 447 054	20 729	20 567
20 001 - 50 000	808 707	27 256	26 895	786 519	26 315	25 944
50 001 - 100 000	238 900	17 031	16 266	229 443	16 280	15 500
100 001 - 200 000	73 287	9 199	7 396	65 035	8 819	6 994
200 001 - 500 000	143 363	40 607	31 324	137 029	41 340	31 804
500 001 - 1 000 000	204 036	114 452	83 766	196 264	114 931	83 394
> 1 000 000	526 344	1 351 194	723 368	517 785	1 303 376	701 418
Total	4 297 609	1 579 336	908 458	4 379 129	1 531 790	885 621

The table below shows the concentration of group schemes by scheme size (as determined by the number of lives covered):

Lives covered by scheme	2026	2025
0 - 1 000	7 578	7 489
1 001 - 5 000	295	316
> 5 000	148	171
Total	8 021	7 976

The following table shows the distribution of number of annuitants by total amount per year:

Annuity amount per annum (R)	2026			2025		
	Number of annuitants	Total amount per annum (gross) Rm	Total amount per annum (net) Rm	Number of annuitants	Total amount per annum (gross) Rm	Total amount per annum (net) Rm
0 - 10 000	39 320	204	204	41 911	215	215
10 001 - 50 000	40 326	1 127	1 126	40 492	1 118	1 117
50 001 - 100 000	16 469	1 194	1 192	16 016	1 154	1 152
100 001 - 200 000	12 657	1 792	1 778	12 068	1 704	1 688
> 200 000	11 793	4 760	4 550	10 838	4 337	4 152
Total	120 565	9 077	8 850	121 325	8 528	8 324

37 Liquidity risk

Liquidity risk is the risk that the Group, though solvent, has inadequate liquid financial resources to meet its financial and insurance obligations as and when they fall due, or can only secure these resources at excessive cost. The Group differentiates between funding liquidity risk (the risk of losses arising from difficulty in raising funding), market liquidity risk (the risk of losses arising from transactions due to inadequate market depth and/or market breadth or from market disruption), and surrender liquidity risk (the risk of losses arising from large, unexpected client withdrawals of investments).

Liquidity risk governance

Liquidity risk for the Group is managed in terms of the Group liquidity risk management policy, which is a policy of the Group Enterprise Risk Management (ERM) function.

The Executive Capital Committee (ECC) is responsible for the Group's liquidity and funding risk management, while the Board Risk, Capital and Compliance Committee provide oversight for funding and liquidity risk assumed on behalf of shareholders. This includes the funding and liquidity risk on guaranteed and non-profit policyholder liabilities and shareholder portfolios.

Liquidity risk management

The principal risk relating to liquidity comprises the unfunded derivative exposure in the shareholder-backed portfolios. This risk gives rise to margin calls and is sensitive to market disruption that causes rollover risk of unfunded positions.

Liquidity risk also emanates from the Group's exposure to policyholder behaviour, e.g. unanticipated benefit withdrawals or risk-related claims. The insurance and investment contract liabilities comprise the bulk of the liabilities of the Group. Management of the liquidity risk is described below.

37.1 Unfunded derivative exposure in the yield enhancement portfolios

The liquidity risk exposure is managed by ensuring that the Group can cover all outflows in the event of a hypothetical liquidity stress event lasting a month. This is supported by setting aside a contingent liquidity buffer backed by assets that can be realised in cash over a period of a month and a contingent liquidity plan.

37.2 Policyholder liabilities

Non-profit annuity policyholder benefits

These contracts provide guaranteed annuity benefits and all liquidity risks arising from these contracts are borne by the shareholders. The expected liability outflow is matched as closely as possible with assets of an appropriate nature and term in order to match the duration and convexity of the portfolio and thus mitigate the interest rate risk exposure.

The asset portfolio is a diversified portfolio of liquid cash and fixed-interest instruments (government bonds, corporate bonds, interest rate swaps and promissory notes) that closely matches the liquidity profile of the liability cash flow.

Conventional with-profit and smoothed bonus policyholder benefits

When a claim is incurred, investments are disposed of to the extent that cash flows into the fund are insufficient to cover the settlement of the claim. Investments are easy to realise as they consist of mainly listed equity securities of large entities, government stock or funds on deposit.

The investment policy and mandates take the expected cash flows into account. By limiting the cash flow mismatch, the risk of premature realisation of investments or reinvestment of excess cash is mitigated. In addition, investment guidelines and limits are used to limit exposure to illiquid investments.

Maturity dates are generally known in advance and contractual claims can be projected. Cash flow projections are performed to aid in portfolio and cash flow management. Where the product design allows early termination value, the settlement value is not normally guaranteed, but is determined at the Group's discretion (subject to legislation). This limits the loss on early termination.

When a policyholder fund is shrinking (i.e. outflows exceed inflows), care is taken to ensure that the investment strategy and unit pricing structure of the fund are appropriate to meet liquidity requirements. In practice, such a fund is often merged with funds with positive cash flows to avoid unnecessary constraints on investment choices.

Linked and market-related policyholder benefits

Except for liquidity risk related to investment guarantees and risk benefit claims, the contracts do not expose the Group to significant liquidity risk, as the risk is borne by the policyholders. The investment policy and mandates take the expected liability cash flow into account. By limiting the cash flow mismatch, the risk of early realisation of assets or reinvestment of excess cash is mitigated. In addition, investment guidelines and limits are used to limit exposure to illiquid assets.

Other policyholder benefits

The liquidity risk arising from embedded investment guarantees is managed by backing these liabilities with sufficiently liquid financial instruments.

Policyholder contracts that provide mostly lump sum risk benefits do not normally give rise to significant liquidity risk when compared to policies that provide mostly savings benefits. Policyholder funds supporting risk benefits normally have substantial cash inflows from which claims can be paid. Accrued liabilities are matched by liquid assets to meet cash outflows in excess of expected inflows.

Terms and conditions of some large corporate policy contracts incorporate liquidity requirements. Examples of such contractual provisions include the payment of benefits in specie, or a provision for sufficient lag times between the termination notification and the payment of benefits.

Liquidity risk from non-profit annuity benefits is borne by shareholders. Liquidity risk is mitigated by ensuring that expected cash flows are matched with sufficiently liquid assets of appropriate nature and term.

Health insurance benefits

The Group mitigates liquidity risk by ensuring that sufficient cash and liquid investments are available to settle obligations when due. Liquidity risk is managed by preparing cash flow forecasts and using these to determine whether sufficient cash and liquid investments are available.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

37 Liquidity risk continued

37.3 Shareholder funds

The significant shareholder liabilities of the Group are the carry positions and the subordinated call notes issued by Momentum Metropolitan Life Ltd.

The Group holds sufficient cash and liquid marketable financial instruments in its shareholders' funds to meet its commitments as and when they fall due. The investments backing the shareholder funds are invested in a diversified portfolio of liquid cash, floating rate instruments and interests in subsidiaries and/or related entities. The investment mandate and guidelines that govern the investment of shareholder funds, restrict investment choices to high-quality assets.

The projected liquidity requirements of the shareholder portfolio are identified, measured and reported on a regular basis to the ECC. The reports take the expected shareholder cash flows (e.g. committed mergers and acquisition activity and liquidity needs of related entities) into account in order to identify material funding liquidity gaps early. The identification of potential liquidity gaps contributes towards mitigating the funding liquidity risk and market liquidity risks of the shareholder portfolios.

37.4 Liquidity risk tables

37.4.1 Insurance and reinsurance business

The liquidity risk tables for insurance contracts and reinsurance contracts are based on the present value of expected net future cash flows and the risk adjustment for non-financial risks (where applicable). The present value of the expected net future cash flows and risk adjustment are allocated to time periods based on the expected timing of the cash flows. The liquidity risk table provides separate disclosures on insurance contract assets, insurance contract liabilities, reinsurance contract assets and reinsurance contract liabilities.

Group and Company

Fulfilment cash flow recognition for insurance contract liabilities

An analysis of the expected recognition of the fulfilment cash flows remaining at the end of the reporting period is provided in the following table. The analysis indicates the expected amount and timing of fulfilment cash flows.

Fulfilment cash flows (discounted)	Payable on demand Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
General measurement model	64	7 665	6 772	6 246	5 865	5 489	22 179	14 328	8 993	13 246	90 847	101 321
Present value of future cash flows	64	7 487	6 607	6 116	5 739	5 368	21 647	13 943	8 732	12 979	88 682	
Risk adjustment for non-financial risk	-	178	165	130	126	121	532	385	261	267	2 165	
Variable fee approach	5 075	8 949	8 180	5 808	5 201	4 655	14 553	7 269	3 637	3 222	66 549	68 935
Present value of future cash flows	5 075	8 872	8 123	5 739	5 145	4 610	14 412	7 196	3 595	3 200	65 967	
Risk adjustment for non-financial risk	-	77	57	69	56	45	141	73	42	22	582	
Premium allocation approach	-	4 055	799	648	589	537	1 974	1 167	761	1 241	11 771	11 771
Present value of future cash flows	-	3 958	787	638	580	529	1 945	1 150	750	1 222	11 559	
Risk adjustment for non-financial risk	-	97	12	10	9	8	29	17	11	19	212	
	5 139	20 669	15 751	12 702	11 655	10 681	38 706	22 764	13 391	17 709	169 167	182 027
Restated 2025¹												
General measurement model	114	7 059	6 317	5 753	5 330	4 929	18 544	10 162	5 135	6 020	69 363	79 447
Present value of future cash flows	114	6 910	6 179	5 647	5 230	4 833	18 146	9 910	4 992	5 874	67 835	
Risk adjustment for non-financial risk	-	149	138	106	100	96	398	252	143	146	1 528	
Variable fee approach	5 004	7 292	7 245	5 533	5 022	4 690	14 770	6 959	3 218	2 607	62 340	64 565
Present value of future cash flows	5 004	7 217	7 193	5 460	4 964	4 643	14 638	6 909	3 197	2 621	61 846	
Risk adjustment for non-financial risk	-	75	52	73	58	47	132	50	21	(14)	494	
Premium allocation approach	-	4 293	783	560	516	455	1 550	838	546	1 638	11 179	11 179
Present value of future cash flows	-	4 165	769	550	507	447	1 522	823	536	1 609	10 928	
Risk adjustment for non-financial risk	-	128	14	10	9	8	28	15	10	29	251	
	5 118	18 644	14 345	11 846	10 868	10 074	34 864	17 959	8 899	10 265	142 882	155 191

¹ This table has been enhanced to provide additional information by disclosing the analysis of the present value of future cash flows and the risk adjustment for non-financial risk separately. June 2025 has been restated accordingly.

37 Liquidity risk continued**37.4 Liquidity risk tables continued****37.4.1 Insurance and reinsurance business continued****Group and Company continued****Fulfilment cash flow recognition for insurance contract assets**

An analysis of the expected recognition of the fulfilment cash flows remaining at the end of the reporting period is provided in the following table. The analysis indicates the expected amount and timing of fulfilment cash flows.

Fulfilment cash flows (discounted)	Payable on demand Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
General measurement model	91	(1 782)	(1 990)	(1 986)	(1 617)	(1 273)	(3 367)	(1 313)	(268)	1 674	(11 831)	(5 588)
Present value of future cash flows	91	(2 142)	(2 279)	(2 132)	(1 753)	(1 402)	(3 929)	(1 719)	(531)	1 618	(14 178)	
Risk adjustment for non-financial risk	-	360	289	146	136	129	562	406	263	56	2 347	
Variable fee approach	-	-	-	-	-	-	-	-	-	-	-	-
Present value of future cash flows	-	-	-	-	-	-	-	-	-	-	-	
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-	-	
Premium allocation approach	-	(1)	-	-	-	-	-	-	-	-	(1)	(1)
Present value of future cash flows	-	(4)	-	-	-	-	-	-	-	-	(4)	
Risk adjustment for non-financial risk	-	3	-	-	-	-	-	-	-	-	3	
	91	(1 783)	(1 990)	(1 986)	(1 617)	(1 273)	(3 367)	(1 313)	(268)	1 674	(11 832)	(5 589)
Restated 2025¹												
General measurement model	243	(1 600)	(1 799)	(1 738)	(1 396)	(1 102)	(2 655)	(851)	(169)	616	(10 451)	(5 252)
Present value of future cash flows	243	(1 972)	(2 103)	(1 908)	(1 551)	(1 245)	(3 189)	(1 158)	(329)	551	(12 661)	
Risk adjustment for non-financial risk	-	372	304	170	155	143	534	307	160	65	2 210	
Variable fee approach	-	-	-	-	-	-	-	-	-	-	-	-
Present value of future cash flows	-	-	-	-	-	-	-	-	-	-	-	
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-	-	
Premium allocation approach	-	-	-	-	-	-	-	-	-	-	-	-
Present value of future cash flows	-	-	-	-	-	-	-	-	-	-	-	
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-	-	
	243	(1 600)	(1 799)	(1 738)	(1 396)	(1 102)	(2 655)	(851)	(169)	616	(10 451)	(5 252)

¹ This table has been enhanced to provide additional information by disclosing the analysis of the present value of future cash flows and the risk adjustment for non-financial risk separately. June 2025 has been restated accordingly.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

37 Liquidity risk continued

37.4 Liquidity risk tables continued

37.4.1 Insurance and reinsurance business continued

Group and Company continued

Fulfilment cash flow recognition for reinsurance contract assets

An analysis of the expected recognition of the fulfilment cash flows remaining at the end of the reporting period is provided in the following table. The analysis indicates the expected amount and timing of fulfilment cash flows.

Fulfilment cash flows (discounted)	Payable on demand Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
General measurement model	1 588	633	115	29	34	40	311	459	523	2 054	5 786	5 693
Present value of future cash flows	1 588	583	68	(23)	(16)	(8)	107	328	454	2 137	5 218	
Risk adjustment for non-financial risk	-	50	47	52	50	48	204	131	69	(83)	568	
Premium allocation approach	-	605	119	98	89	79	288	163	96	117	1 654	1 654
Present value of future cash flows	-	586	117	97	88	78	283	161	95	115	1 620	
Risk adjustment for non-financial risk	-	19	2	1	1	1	5	2	1	2	34	
	1 588	1 238	234	127	123	119	599	622	619	2 171	7 440	7 347
Restated 2025¹												
General measurement model	1 509	844	219	143	141	137	628	490	351	911	5 373	4 193
Present value of future cash flows	1 509	791	169	87	89	89	450	401	315	925	4 825	
Risk adjustment for non-financial risk	-	53	50	56	52	48	178	89	36	(14)	548	
Premium allocation approach	-	781	100	72	66	58	198	107	70	209	1 661	1 661
Present value of future cash flows	-	758	98	71	65	57	194	105	69	205	1 622	
Risk adjustment for non-financial risk	-	23	2	1	1	1	4	2	1	4	39	
	1 509	1 625	319	215	207	195	826	597	421	1 120	7 034	5 854

¹ This table has been enhanced to provide additional information by disclosing the analysis of the present value of future cash flows and the risk adjustment for non-financial risk separately. June 2025 has been restated accordingly.

37 Liquidity risk continued**37.4 Liquidity risk tables continued****37.4.1 Insurance and reinsurance business continued****Group and Company continued****Fulfilment cash flow recognition for reinsurance contract liabilities**

An analysis of the expected recognition of the fulfilment cash flows remaining at the end of the reporting period is provided in the following table. The analysis indicates the expected amount and timing of fulfilment cash flows.

Fulfilment cash flows (discounted)	Payable on demand Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
General measurement model	10	6	(3)	(3)	(3)	(3)	(14)	(11)	(9)	(21)	(51)	(68)
Present value of future cash flows	10	5	(4)	(4)	(4)	(4)	(18)	(13)	(10)	(22)	(64)	
Risk adjustment for non-financial risk	-	1	1	1	1	1	4	2	1	1	13	
Premium allocation approach	-	-	-	-	-	-	-	-	-	-	-	-
Present value of future cash flows	-	-	-	-	-	-	-	-	-	-	-	
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-	-	
	10	6	(3)	(3)	(3)	(3)	(14)	(11)	(9)	(21)	(51)	(68)
Restated 2025¹												
General measurement model	9	1	(2)	(2)	(2)	(2)	(8)	(5)	(4)	(8)	(23)	(44)
Present value of future cash flows	9	-	(3)	(3)	(3)	(3)	(13)	(8)	(5)	(9)	(38)	
Risk adjustment for non-financial risk	-	1	1	1	1	1	5	3	1	1	15	
Premium allocation approach	-	-	-	-	-	-	-	-	-	-	-	-
Present value of future cash flows	-	-	-	-	-	-	-	-	-	-	-	
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-	-	
	9	1	(2)	(2)	(2)	(2)	(8)	(5)	(4)	(8)	(23)	(44)

¹ This table has been enhanced to provide additional information by disclosing the analysis of the present value of future cash flows and the risk adjustment for non-financial risk separately. June 2025 has been restated accordingly.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

37 Liquidity risk continued

37.4 Liquidity risk tables continued

37.4.2 Fulfilment cash flow recognition for investment contract liabilities

Group

An analysis of the expected cash flows remaining at the end of the reporting period is provided in the following table:

Expected cash flows (undiscounted)	Payable on demand Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
Investment contract liabilities	507 794	244	177	71	1 127	860	138	124	107	182	510 824	510 824
Restated 2025¹												
Investment contract liabilities	443 350	283	262	169	82	1 074	114	95	78	182	445 689	445 690

¹ During the current year, management identified a classification error of R782 million between investment contract liabilities and payables arising from investment contracts. The comparative information in the payable on demand time period has been restated to correct this classification error. Refer to the restatement note for more information on the restatement.

Company

An analysis of the expected cash flows remaining at the end of the reporting period is provided in the following table:

Expected cash flows (undiscounted)	Payable on demand Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
Investment contract liabilities	505 108	244	177	71	1 127	860	138	124	107	182	508 138	508 137
Restated 2025¹												
Investment contract liabilities	440 604	283	262	169	82	1 074	114	95	78	182	442 943	442 943

¹ During the current year, management identified a classification error of R782 million between investment contract liabilities and payables arising from investment contracts. The comparative information in the payable on demand time period has been restated to correct this classification error. Refer to the restatement note for more information on the restatement.

37.4.3 Financial liabilities at fair value through profit or loss

Group

An analysis of the contractual cash flows remaining at the end of the reporting period is provided in the following table:

Contractual cash flows (undiscounted)	Open-ended Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
Collective investment scheme liabilities	46 644	-	-	-	-	-	-	-	-	-	46 644	46 644
Subordinated debt instruments	-	2 069	1 088	1 165	947	1 629	-	-	-	-	6 898	5 637
Carry positions	-	23 478	-	-	-	-	-	-	-	-	23 478	23 475
Preference shares	-	670	-	-	-	-	21	-	-	-	691	465
Other borrowings	39	9	9	9	9	9	43	43	43	121	334	140
Payables arising from investment contracts	-	3 623	-	-	-	-	-	-	-	-	3 623	3 623
	46 683	29 849	1 097	1 174	956	1 638	64	43	43	121	81 668	79 984
Restated 2025												
Collective investment scheme liabilities	41 212	-	-	-	-	-	-	-	-	-	41 212	41 213
Subordinated debt instruments	-	643	1 935	958	1 039	821	-	-	-	-	5 396	4 382
Carry positions	-	18 981	-	-	-	-	-	-	-	-	18 981	18 954
Preference shares ¹	-	406	-	-	-	-	-	22	-	-	428	426
Other borrowings	-	27	27	271	-	3	1	4	-	-	333	314
Payables arising from investment contracts ²	-	3 260	-	-	-	-	-	-	-	-	3 260	3 260
	41 212	23 317	1 962	1 229	1 039	824	1	26	-	-	69 610	68 549

¹ The prior year contractual cash flows relating to preference shares have been restated to correct the allocation of cash flows between maturity buckets and the omission of consolidation eliminations. The impact on the 0-1 year bucket is an increase of R358 million, a R52 million decrease in the 1-2 years bucket, a R10 million decrease in the 2-3 years bucket, a R1 million decrease in the 5-10 year bucket and a R21 million increase in the 10-15 year bucket.

² The prior year has been restated to correct the omission of payables arising from investment contracts measured at fair value through profit or loss. As a result, the carrying amount and the 0-1 year maturity bucket increased by R3 260 million.

Collective investment scheme liabilities arise on consolidation and represent demand liabilities of scheme interests not held by the Group.

The cash flows relating to the subordinated debt instruments have been allocated to their respective maturity dates. They will be funded from cash resources at that time. The shareholder funds include sufficient cash resources to fund the coupon payments under these debt instruments.

Carry positions have a one-month rolling period and the funding thereof forms part of the general portfolio management.

37 Liquidity risk continued**37.4 Liquidity risk tables continued****37.4.3 Financial liabilities at fair value through profit or loss continued****Company**

An analysis of the contractual cash flows remaining at the end of the reporting period is provided in the following table:

Contractual cash flows (undiscounted)	Open-ended Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
Subordinated debt instruments	-	2 069	1 088	1 165	947	1 629	-	-	-	-	6 898	5 637
Carry positions	-	21 472	-	-	-	-	-	-	-	-	21 472	21 469
Payables arising from investment contracts	-	3 623	-	-	-	-	-	-	-	-	3 623	3 623
	-	27 164	1 088	1 165	947	1 629	-	-	-	-	31 993	30 729
Restated 2025												
Subordinated debt instruments	-	643	1 935	958	1 039	821	-	-	-	-	5 396	4 382
Carry positions	-	17 347	-	-	-	-	-	-	-	-	17 347	17 322
Payables arising from investment contracts ¹	-	3 260	-	-	-	-	-	-	-	-	3 260	3 260
	-	21 250	1 935	958	1 039	821	-	-	-	-	26 003	24 964

¹ The prior year has been restated to correct the omission of payables arising from investment contracts measured at fair value through profit or loss. As a result, the carrying amount and the 0-1 year maturity bucket increased by R3 260 million.

The cash flows relating to the subordinated debt instruments have been allocated to their respective maturity dates. They will be funded from cash resources at that time. The shareholder funds include sufficient cash resources to fund the coupon payments under these debt instruments.

Carry positions have a one-month rolling period and the funding thereof forms part of the general portfolio management.

37.4.4 Financial liabilities carried at amortised cost**Group**

An analysis of the contractual cash flows remaining at the end of the reporting period is provided in the following table:

Contractual cash flows (undiscounted)	Open-ended Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
Financial liabilities at amortised cost	-	600	151	248	38	68	11	5	6	27	1 154	1 022
Term loans	-	533	120	221	33	65	-	-	-	-	972	897
Lease liabilities	-	22	31	27	5	3	11	5	6	27	137	80
Other	-	45	-	-	-	-	-	-	-	-	45	45
Other payables (excluding payables arising from investment contracts)	4	8 207	22	-	-	-	39	-	-	-	8 272	6 767
	4	8 807	173	248	38	68	50	5	6	27	9 426	7 789
Restated 2025												
Financial liabilities at amortised cost	-	516	419	108	106	62	22	3	-	3	1 239	1 204
Term loans	-	481	383	92	103	58	12	-	-	-	1 129	1 112
Lease liabilities	-	35	36	16	3	4	10	3	-	3	110	92
Other	-	-	-	-	-	-	-	-	-	-	-	-
Other payables (excluding payables arising from investment contracts) ¹	4	7 233	2	-	-	80	8	-	-	21	7 348	5 251
	4	7 749	421	108	106	142	30	3	-	24	8 587	6 455

¹ The prior year has been restated due to payables arising from investment contracts measured at fair value through profit or loss being incorrectly included in other payables, as well as the unsettled trades and termination accrual restatements described in the restatement note. Refer to the restatement note for further details. The restatement resulted in a decrease of R4 158 million in the 0 to 1 year bucket and a decrease of R4 158 million in the carrying amount.

Other payables exclude deferred revenue liabilities. Refer to note 13.3 for details.

Other liabilities are considered to be excluded from the scope of IFRS 9 and IFRS 7; therefore no cash flows are provided for those liabilities.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

37 Liquidity risk continued

37.4 Liquidity risk tables continued

37.4.4 Financial liabilities carried at amortised cost continued

Company

An analysis of the contractual cash flows remaining at the end of the reporting period is provided in the following table:

Contractual cash flows (undiscounted)	Open- ended Rm	0-1 year Rm	1-2 years Rm	2-3 years Rm	3-4 years Rm	4-5 years Rm	5-10 years Rm	10-15 years Rm	15-20 years Rm	> 20 years Rm	Total Rm	Carrying amount Rm
2026												
Financial liabilities at amortised cost	-	18	28	23	2	-	-	-	-	-	71	53
Term loans	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	-	18	28	23	2	-	-	-	-	-	71	53
Other	-	-	-	-	-	-	-	-	-	-	-	-
Other payables (excluding payables arising from investment contracts)	-	5 154	22	-	-	-	-	-	-	-	5 176	5 176
	-	5 172	50	23	2	-	-	-	-	-	5 247	5 229
Restated 2025¹												
Financial liabilities at amortised cost	-	29	33	12	-	-	-	-	-	-	74	61
Term loans	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	-	29	33	12	-	-	-	-	-	-	74	61
Other	-	-	-	-	-	-	-	-	-	-	-	-
Other payables (excluding payables arising from investment contracts) ¹	-	3 598	-	-	-	50	-	-	-	-	3 648	3 647
	-	3 627	33	12	-	50	-	-	-	-	3 722	3 708

¹ The prior year has been restated due to payables arising from investment contracts measured at fair value through profit or loss being incorrectly included in other payables, as well as the unsettled trades and termination accrual restatements described in the restatement note. Refer to the restatement note for further details. The restatement resulted in a decrease of R4 158 million in the 0 to 1 year bucket and a decrease of R4 158 million in the carrying amount.

Other payables exclude deferred revenue liabilities. Refer to note 13.3 for details.

Other liabilities are considered to be excluded from the scope of IFRS 9 and IFRS 7; therefore no cash flows are provided for those liabilities.

37.4.5 Liquidity profile of assets

The following table illustrates that the Group's assets are fairly liquid in order to meet the liquidity needs of obligations if the Group should be required to settle earlier than expected:

	Group				Company			
	2026		Restated 2025		2026		Restated 2025	
Total asset liquidity	%	Rm	%	Rm	%	Rm	%	Rm
High ^{1,4}	79	638 693	79	551 342	83	622 821	81	529 834
Medium ^{2,4}	19	155 745	19	135 383	17	126 732	18	115 074
Low/illiquid ³	1	11 621	2	11 689	1	4 333	1	5 941
Other assets not included above								
- intangible assets		2 733		2 780		2 586		2 597
- employee benefit assets		-		467		-		467
- accelerated rental income		294		325		98		197
- prepayments		151		204		125		118
- deferred income tax		132		185		-		-
- assets relating to disposal groups held for sale		489		-		489		-
Total assets		809 858		702 375		757 184		654 228

¹ Highly liquid assets are those that are considered to be realisable within one month (e.g. level 1 financial assets at fair value, including funds on deposit and other money market instruments > 90 days, cash and cash equivalents), the current values of which might not be realised if a substantial short-term liquidation were to occur due to demand-supply principles.

² Medium liquid assets are those that are considered to be realisable within six months (e.g. level 2 and level 3 financial assets at fair value, except for funds on deposit and other money market instruments > 90 days, loans at amortised cost, insurance receivables, reinsurance contracts).

³ Low/illiquid assets are those that are considered to be realisable in excess of six months (e.g. intangible assets, investment and owner-occupied properties, property and equipment, equity-accounted associates).

⁴ Prior year balances for highly and moderately liquid assets have been restated due to an error relating to unsettled trades. Highly liquid assets decreased by R62 million and moderately liquid assets decreased by R54 million. Refer to the restatement note for more information.

37 Liquidity risk continued**37.4 Liquidity risk tables continued****37.4.6 Maturity profile of derivative financial instruments**

The following table indicates the expiry of derivative financial assets and liabilities. When the amount payable is not fixed, the amount disclosed is determined by reference to conditions existing at the reporting date.

Some of the Group's derivatives are subject to collateral requirements. Cash flows for those derivatives could occur earlier than the contractual maturity date.

Group

	Carrying amount Rm	Total Rm	0 to 1 year Rm	1 to 5 years Rm	>5 years
2026					
Derivatives held for trading					
Assets					
Equity derivatives	105	104	103	-	1
Interest rate derivatives	654	852	168	405	279
Bond derivatives	271	273	273	-	-
Credit derivatives	-	-	-	-	-
Currency derivatives	142	262	83	163	16
Total undiscounted cash flow projections	1 172	1 491	627	568	296
Liabilities					
Equity derivatives	397	400	400	-	-
Interest rate derivatives	1 489	2 004	205	1 069	730
Bond derivatives	33	30	30	-	-
Credit derivatives	1	(5)	(3)	(2)	-
Currency derivatives	25	16	23	(7)	-
Total undiscounted cash flow projections	1 945	2 445	655	1 060	730
Restated 2025					
Derivatives held for trading					
Assets					
Equity derivatives	284	301	298	-	3
Interest rate derivatives	760	1 775	52	104	1 619
Bond derivatives	228	255	254	1	-
Credit derivatives	-	10	3	7	-
Currency derivatives	16	(7)	(7)	-	-
Total undiscounted cash flow projections	1 288	2 334	600	112	1 622
Liabilities					
Equity derivatives	31	11	11	-	-
Interest rate derivatives	1 468	2 638	140	823	1 675
Bond derivatives	-	23	23	-	-
Credit derivatives	1	-	-	-	-
Currency derivatives	31	(38)	(2)	(36)	-
Total undiscounted cash flow projections	1 531	2 634	172	787	1 675

The maturity analysis for derivative financial assets and liabilities was previously presented on a net basis in note 37.4.3. It is now presented on a gross basis, and the comparative prior year information has been restated and disaggregated accordingly to enhance comparability and improve the usefulness of the disclosures.

Derivative financial instruments	2026 Rm	2025 Rm
Assets	1 172	1 288
Liabilities	(1 945)	(1 531)
Net assets/(liabilities)	(773)	(243)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

37 Liquidity risk continued

37.4 Liquidity risk tables continued

37.4.6 Maturity profile of derivative financial instruments continued

Company

	Carrying amount Rm	Total Rm	0 to 1 year Rm	1 to 5 years Rm	>5 years
2026					
Derivatives held for trading					
Assets					
Equity derivatives	101	101	100	-	1
Interest rate derivatives	603	836	160	399	277
Bond derivatives	266	268	268	-	-
Credit derivatives	-	-	-	-	-
Currency derivatives	5	5	5	-	-
Total undiscounted cash flow projections	975	1 210	533	399	278
Liabilities					
Equity derivatives	393	395	395	-	-
Interest rate derivatives	1 449	1 981	198	1 056	727
Bond derivatives	27	24	24	-	-
Credit derivatives	1	(5)	(3)	(2)	-
Currency derivatives	5	5	5	-	-
Total undiscounted cash flow projections	1 875	2 400	619	1 054	727
Restated 2025					
Derivatives held for trading					
Assets					
Equity derivatives	281	287	284	-	3
Interest rate derivatives	721	1 800	54	99	1 647
Bond derivatives	215	242	241	1	-
Credit derivatives	-	10	3	7	-
Currency derivatives	-	(8)	(8)	-	-
Total undiscounted cash flow projections	1 217	2 331	574	107	1 650
Liabilities					
Equity derivatives	8	11	11	-	-
Interest rate derivatives	1 445	2 613	123	815	1 675
Bond derivatives	-	23	23	-	-
Credit derivatives	1	-	-	-	-
Currency derivatives	9	10	10	-	-
Total undiscounted cash flow projections	1 463	2 657	167	815	1 675

The maturity analysis for derivative financial assets and liabilities was previously presented on a net basis in note 37.4.3. It is now presented on a gross basis, and the comparative prior year information has been restated and disaggregated accordingly to enhance comparability and improve the usefulness of the disclosures.

Derivative financial instruments	2026 Rm	2025 Rm
Assets	975	1 217
Liabilities	(1 875)	(1 463)
Net assets/(liabilities)	(900)	(246)

38 Market risk

Market risk is the risk of financial loss due to adverse movements in the market value of assets supporting liabilities relative to the value of those liabilities, or due to a decrease in the NAV, as a consequence of changes in market conditions or as a result of the performance of investments held. This includes exposure to equities, property, credit and basis spreads, price inflation, interest rates and currencies. Financial instruments, insurance contracts and reinsurance contracts held by the Group are subject to the components of market risk as follows:

	Group		Company		Market price risk	Interest rate risk	Currency risk
	Carrying amount		Carrying amount				
	2026 Rm	Restated 2025 Rm	2026 Rm	Restated 2025 Rm			
Assets							
Carried at FVPL							
Unit-linked investments	310 818	273 140	296 131	257 902	✓✓	✓	✓
Debt securities	250 287	205 023	200 802	165 786	✓	✓✓	✓
Equity securities	158 653	142 882	48 215	41 936	✓✓		✓
Funds on deposit and other money market instruments	25 441	21 489	14 483	9 290	✓	✓✓	✓
Derivative financial assets	1 172	1 288	975	1 217	✓✓	✓✓	✓
Carry positions	99	269	-	-	✓	✓✓	
Interest in subsidiaries	-	-	149 649	135 655	✓✓		✓
Carried at amortised cost							
Unsettled trades ¹	2 339	1 075	1 664	433			✓
Accounts receivable	2 289	1 825	1 339	1 011		✓	✓
Debt securities	-	-	-	-		✓✓	✓✓
Funds on deposit and other money market instruments	-	-	-	-		✓✓	✓✓
Loans	3 073	3 327	3 240	3 202		✓✓	✓
Cash and cash equivalents ¹	27 312	25 272	20 119	17 370		✓✓	✓
Other non-financial assets	14 994	15 132	7 408	9 005			
Other receivables	445	547	223	315			
Insurance contract assets	5 589	5 252	5 589	5 252	✓✓	✓✓	
Reinsurance contract assets	7 347	5 854	7 347	5 854	✓	✓✓	
Total assets	809 858	702 375	757 184	654 228			
Liabilities							
Carried at FVPL							
Investment contracts designated at FVPL ¹	510 824	445 690	508 137	442 943	✓✓	✓✓	✓
Payables arising from investment contracts ^{1,2}	3 623	3 260	3 623	3 260	✓✓	✓✓	✓
Collective investment scheme liabilities	46 644	41 213	-	-	✓✓	✓	✓
Subordinated call notes	5 637	4 382	5 637	4 382	✓	✓✓	
Carry positions	23 475	18 954	21 469	17 322	✓	✓✓	
Derivative financial liabilities	1 945	1 531	1 875	1 463	✓✓	✓✓	✓
Preference shares	465	426	-	-	✓	✓✓	
Other borrowings	140	314	-	-	✓	✓	✓
Carried at amortised cost							
Term loans	897	1 112	-	-		✓✓	✓
Lease liabilities	80	92	53	61		✓✓	✓
Other	45	-	-	-		✓	
Other payables (excluding deferred revenue liabilities)							
Unsettled trades ³	3 042	1 584	2 169	845			✓
Commission creditors	745	686	743	685			✓
Other	2 980	2 981	2 264	2 117			✓
Liabilities relating to disposal groups held for sale	-	-	-	-	✓✓	✓✓	
Other non-financial liabilities	5 422	5 580	4 732	4 986			
Insurance contract liabilities	182 027	155 191	182 027	155 191	✓✓	✓✓	
Reinsurance contract liabilities	68	44	68	44	✓	✓✓	
Total liabilities	788 059	683 040	732 797	633 299			

✓✓ High exposure

✓ Medium/low exposure

¹ The prior year has been restated due to the incorrect classification of R782 million of investment contracts designated at FVPL as payables arising from investment contracts. Refer to the restatement note for more information.

² In the prior year, payables arising from investment contracts were incorrectly excluded from the market price risk and interest rate risk exposures and has been restated.

³ The prior year has been restated due to certain financial assets being incorrectly presented as unsettled, when they had in fact been settled before year end. Refer to the restatement note for more information.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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38 Market risk continued

Market risk governance

Shareholder market risk is managed according to the Momentum Shareholder Market Risk Policy while the Client Investment Policy governs the management of policyholder market risk.

The ECC is responsible for the Group's market risk management relative to risk appetite needs. Segmental product management committees are responsible for residual market risk exposures deriving from product design features and product management processes.

The Board Risk Capital and Compliance Committee provides oversight over all market risks assumed on behalf of shareholders. The Momentum Product Management Committee provides oversight over the management of policyholder market risk.

Policyholder market risk is managed through various management-level governance committees established for this purpose. These committees monitor the performance of investment portfolios against client outcome requirements. This includes consideration of the appropriateness of the matching of assets and liabilities of the various policyholder portfolios where policyholder benefits are impacted by investment returns.

For policyholder liabilities, the financial instruments backing each major line of business are segregated to ensure that they are used exclusively to provide benefits for the relevant contract holders. The valuation of these financial instruments is subject to various market risks, particularly interest rate and price risk. Each portfolio consists of an asset mix deemed appropriate for the specific product.

Management of market risks from insurance and investment contracts

The Group attempts to mitigate market risks associated with guaranteed policyholder obligations by making use of liability-driven investment mandates and hedging strategies. Non-hedgeable market risks are mitigated through risk limits, product design and adequate costing of products. The Group uses derivative instruments for risk management and portfolio efficiency purposes. The use of derivative instruments for speculative purposes is not tolerated.

Market and reputational risks are managed through the rigorous investment research process applied by the Group's investment managers. Market risks from market-related/unit-linked insurance and investment contracts are transferred to the policyholder, subject to the terms and conditions of the policy.

Individual and group contracts with DPF

In the event of adverse investment performance, the BSA may be negative. In such an event, the following actions can be taken:

- Lower bonuses can be declared.
- For those contracts where a portion of bonuses declared is non-vested, the Group has the right to remove previously declared non-vested bonuses in the event of a fall in the market value of assets.
- A market value adjuster may be applied in the event of voluntary withdrawal in cases where the withdrawal benefit exceeds the market value. For some group contracts, an alternative option is to pay out the termination value over an extended term (usually 10 years). These measures are primarily to protect the remaining policyholders.
- Short-term derivative hedging or other partial derisking strategies can be used to protect the funding level against further deterioration due to poor investment performance.
- Funds may be transferred from the shareholder portfolio into the BSA on a temporary or permanent basis. The Group is exposed to investment risk to the extent that such transfers are required.

MML has issued the Principles and Practices of Financial Management (PPFMs) that are applied in the management of discretionary participation business. The PPFMs detail the investment strategies and bonus philosophies for the discretionary participation portfolios. In addition, management reports to the Fair Practice Committee (a subcommittee of the Momentum Group Ltd Board) on an annual basis regarding compliance with the PPFMs.

Investment Guarantee risk management

The risk of being unable to meet investment guarantees in respect of minimum maturity values and other guaranteed benefits is managed by including expected guarantee payments in the measurement of contracts and by holding additional statutory capital. Stochastic modelling is used to quantify the reserves and capital required to finance possible shortfalls in respect of minimum maturity values and other guaranteed benefits. The stochastic model is calibrated to market data. The shareholders' exposure to fluctuations in expected benefit payments is mitigated by the use of hedging strategies, subject to available instruments and the overall risk profile of the business.

Due to the long-term nature of guarantees and lack of investments with appropriate duration it is not possible to completely match risk exposures from investment guarantees with appropriate investments. Remaining risks are borne by the Group.

Non-profit annuity business

To hedge against the interest rate risk, the Group invests in an actively managed portfolio of government and corporate bonds, promissory notes from banks, swaps and other interest rate derivatives which provide a high degree of matching to the interest risk profile of the liabilities. The mismatch risk is managed on a dedicated risk management system that includes daily monitoring of approved limits. Index-linked annuities, which provide increases in line with inflation, are generally matched with index-linked bonds or bank-issued matching structures. Where cash flow matching is not possible, or not desirable from an overall risk profile perspective, interest rate risk is minimised by ensuring the values of assets and liabilities respond similarly to minor changes in interest rates.

38 Market risk continued

Market risk governance continued

Structured products

The interest rate exposure on these policies is hedged through holding appropriate interest-sensitive instruments. In cases where structured assets back this business, the assets will have a credit rating that corresponds to senior bank debt, equivalent to a long-term national scale rating of A+.

Other non-profit business

The market risks on these insurance contracts are mitigated through an actively managed combination of interest rate securities and interest rate derivatives, as well as contractual rights to review regular premium rates charged to clients. The investments held to fund benefit payments or manage risks will expose the Group to market risk and limited credit risk.

Shareholder cash flows in respect of individual contracts with investment components

The Group is subject to market risk as any changes in policyholder fund prices or long-term interest rates will result in a change in the value placed on shareholder cash flows. This risk is mitigated through diversification against other market risks as well as through the deployment of hedging strategies to the extent risk exposures outside the tolerances provided by risk appetite.

Exposure to market price risk – variable fee approach

Insurance contracts measured in terms of the variable fee approach expose the Group to market price risk from the underlying items. The carrying value of the insurance contracts assets and liabilities measured in terms of the variable fee approach indicates the gross exposure to market price from the underlying items. The Group carries underlying items on the statement of financial position and therefore the net exposure to market price risk is the Group's share in the fair value of the underlying items.

Risk mitigation option – variable fee approach

Changes in the amount of the Group's share of the fair value of the underlying items are accounted for in the contractual service margin. The contractual service margin is recognised in insurance revenue as the Group renders insurance contract services. The Group's share of the fair value of the underlying items expose the Group to financial risks. The Group makes use of derivative financial instruments to manage the exposures to financial risks. For specific portfolios of insurance contracts, the Group makes use of the risk mitigation option to account for a portion of the impact of time value of money and financial risks on the Group's share of the fair value of underlying items in insurance finance income and expenses and not in the contractual service margin. The use of the risk mitigation option aims to reduce accounting mismatches between the fair value gains or losses on derivative instruments accounted for in profit or loss before tax and the Group's share of the changes in fair value in underlying items accounted for in the contractual service margin. Refer to note 23.4 for the effect of the application of the risk mitigation option during the reporting period.

38.1 Equity risk

Equity risk is the risk of financial loss as a result of adverse movements in the market value or implied volatility of equities, and/or the income from equities. Equities (listed and unlisted) are reflected at market values, which are susceptible to fluctuations. The risks from these fluctuations can be separated into systemic risk (affecting all equity instruments) and specific risk (affecting individual securities). In general, specific risk can be reduced through diversification, while systemic risk cannot.

Equity risk management

In general, liabilities for guaranteed benefits are not backed by equity instruments. Equity risk associated with fee income charged on policyholder assets is generally tolerated, as a desirable exposure that is consequential to the Group's business. The investment mandates for shareholder funds backing capital requirements place emphasis on capital preservation and liquidity. However, these mandates may also expose shareholders to equity risk taken in accordance with the Group's risk appetite framework.

The Group manages its listed equity risk by employing the following procedures:

- Mandating specialist equity fund managers to invest in listed equities where there is an active market and where there is access to a broad spectrum of financial information relating to the companies invested in.
- Diversifying across many securities to reduce specific risk.
- Considering the risk-reward profile of holding equities and assuming appropriate risk in order to obtain higher expected returns on assets.

Unlisted equity investment risks are managed as follows:

- Mandating asset managers and specialist alternative investment boutiques to invest in diversified pools of private equity partnerships and other unlisted equity investments.
- Achieving diversification across sector, stage, vintage and geography.
- All investments are subject to prudential limits stipulated by the Momentum Private Equity Investments Committee, represented by specialist investment professionals and independent Momentum representatives.
- Mitigating the risk of potential subjective valuation due to the nature of unlisted investments by utilising the guideline developed by the South African Venture Capital and Private Equity Association (SAVCA) to provide a framework for valuation and disclosure in this regard. This framework is consistent with best practice exercised and recommended by the European Venture Capital and Private Equity Association.

Hedging strategies using derivatives and other structures are implemented to reduce equity risk on shareholder exposures in accordance with risk appetite requirements. Management investigates, implements and assesses risk mitigation efforts with consideration given to the market conditions at any given time.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

38 Market risk continued

38.2 Interest rate risk

Interest rate risk is the risk of financial loss arising from adverse movements in nominal and real interest rates.

Interest rate risk management

Exposure of insurance contracts issued and reinsurance contracts held to interest rates

The present values of fulfilment cash flows and therefore the carrying values of insurance and reinsurance contract assets and liabilities are sensitive to changes in the discount rates used. The Group makes use of a risk-free yield curve to identify risk-free interest rates to be used in determining the discount rates. Changes in the risk-free yield curves or movements along the curve affect the discount rates used.

The carrying values of insurance contracts assets and liabilities and reinsurance contract assets and liabilities measured under the general measurement model and the variable fee approach indicate exposure to interest rate risk.

Depending on the terms of the insurance contract and accounting policies, some insurance contracts measured under the premium allocation approach expose the Group to interest rate risk.

Premium allocation approach - Exposure to interest rate risk	2026 Rm	2025 Rm
Insurance contract liabilities	10 501	9 889
Insurance contract assets	60	-
Net insurance contract liabilities	10 561	9 889
Reinsurance contract liabilities	-	-
Reinsurance contract assets	1 573	1 428
Net reinsurance contract assets	1 573	1 428

Depending on the measurement model used, the impact of changes in discount rates affect current profit or loss before tax through insurance or reinsurance finance income or expense, insurance service results or future profit or loss before tax through releases from the contractual service margin. For further information on how changes in discount rates are accounted for, refer to the relevant accounting policies. The Group is exposed to interest rate risk in the various countries where it operates. For further information on the risk-free yield curves used in determining the relevant discount rates, refer to note 12.

Interest rate risk on guaranteed liabilities are highly matched, e.g. via government bonds or banks structures, to the extent available matching assets exist. The Group is averse to duration mismatch risks, although limited mismatches to individual government bond maturities may be tolerated where appropriately rewarded and in accordance with explicit risk management limits. Where aspects of long-term product features give rise to exposures that cannot be cost-effectively hedged in the South African market, such features would be mitigated through appropriate risk limits, pricing and management actions such as premium reviews and bonus decisions.

Hedging strategies using derivatives and other structures may be implemented to mitigate interest rate risk on shareholder exposures in accordance with risk appetite requirements.

Management investigates, implements and assesses risk mitigation efforts with consideration given to the market conditions at any given time. Risk mitigation efforts are independently monitored with the objective of preventing significant mismatch losses due to a shift in the yield curve or a change in the shape of the yield curve.

Exposure of financial instruments to interest rates

Changes in market interest rates have a direct effect on the contractually determined cash flows associated with floating rate financial assets and financial liabilities, and on the fair value of other investments. Fair values of fixed maturity investments included in the Group's investment portfolios are subject to changes in prevailing market interest rates. The following table provides a split of interest-bearing assets that are exposed to cash flow interest rate risk and those that are exposed to fair value interest rate risk. Debt securities with no interest rate risk exposure are securities where the valuation is driven by factors other than interest rates, such as capital structured notes where the valuation is derived from the underlying investments. Financial assets at amortised cost with short-term cash flows are considered not to have any interest rate risk since the effect of interest rate risk on these balances is not considered significant. The Group has included unit-linked investments under the interest rate risk disclosure. Although the Group does not manage unit-linked investments with a focus on interest rate sensitivity, as the investment risk is borne by policyholders, these investments are nonetheless subject to changes in market interest rates that may affect their fair value.

38 Market risk continued**38.2 Interest rate risk continued****Interest rate risk management** continued**Exposure of financial instruments to interest rates** continued**Group**

Instrument class	Carrying amount Rm	Cash flow interest rate risk Rm	Fair value interest rate risk Rm	No interest rate risk Rm	Weighted average rate %
2026					
At fair value through profit and loss					
Unit-linked investments (categorised as interest-bearing and money market – refer to note 42)	33 238	-	33 238	-	N/A
Debt securities ¹	250 287	76 912	157 616	15 759	8%
Funds on deposit and other money market instruments	25 441	6 336	19 105	-	7%
Derivative financial assets	1 172	-	1 172	-	N/A
Derivative financial liabilities	(1 945)	-	(1 945)	-	N/A
Carry positions	99	-	99	-	-
At amortised cost					
Debt securities	-	-	-	-	-
Funds on deposit and other money market instruments	-	-	-	-	N/A
Loans and receivables at amortised cost ¹	7 701	867	-	6 834	-
Cash and cash equivalents ¹	27 312	24 426	-	2 886	6%
	343 305	108 541	209 285	25 479	
Restated 2025					
At fair value through profit and loss					
Unit-linked investments (categorised as interest-bearing and money market – refer to note 42)	25 460	-	25 460	-	N/A
Debt securities ¹	205 023	73 393	120 300	11 330	8%
Funds on deposit and other money market instruments	21 489	8 301	13 188	-	6%
Derivative financial assets	1 288	-	1 288	-	N/A
Derivative financial liabilities	(1 531)	-	(1 531)	-	N/A
Carry positions	269	-	269	-	-
At amortised cost					
Funds on deposit and other money market instruments	-	-	-	-	N/A
Loans and receivables at amortised cost ^{1,2}	6 227	965	-	5 262	-
Cash and cash equivalents ^{1,2}	25 271	22 345	-	2 926	6%
	283 496	105 004	158 974	19 518	

¹ Included in the no interest rate risk balances are equity-linked notes (ELNs) within debt securities, whose returns are linked to underlying equity or index performance rather than interest rates; non-interest-bearing receivables and unsettled trades within loans and receivables at amortised cost; and fixed rate balances within cash and cash equivalents, for which the impact of changes in market interest rates is not considered material.

² The prior year has been restated due to certain financial assets being incorrectly presented as unsettled, when they had in fact been settled before year-end. Refer to the restatement note for more information. The restatement impacted the "no interest rate risk" for loans and receivables at amortised cost and the "cash flow interest rate risk" for cash and cash equivalents. The restatements are immaterial.

Liability exposure to interest rates is reflected in note 13.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

38 Market risk continued

38.2 Interest rate risk continued

Interest rate risk management continued

Exposure of financial instruments to interest rates continued

Company

Instrument class	Carrying amount Rm	Cash flow interest rate risk Rm	Fair value interest rate risk Rm	No interest rate risk Rm	Weighted average rate %
2026					
At fair value through profit and loss					
Unit-linked investments (categorised as interest-bearing and money market – refer to note 42)	23 848	-	23 848	-	n/a
Debt securities ¹	200 802	51 061	132 143	17 598	8%
Funds on deposit and other money market instruments	14 483	2 859	11 624	-	7%
Derivative financial assets	975	-	975	-	n/a
Derivative financial liabilities	(1 875)	-	(1 875)	-	n/a
Carry positions	-	-	-	-	-
At amortised cost					
Funds on deposit and other money market instruments	-	-	-	-	-
Loans and receivables at amortised cost ¹	6 243	124	-	6 119	-
Cash and cash equivalents ¹	20 119	18 987	-	1 132	6%
	264 595	73 031	166 715	24 849	
Restated 2025					
At fair value through profit and loss					
Unit-linked investments (categorised as interest-bearing and money market – refer to note 42)	21 011	-	21 011	-	n/a
Debt securities ¹	165 786	51 710	101 166	12 910	8%
Funds on deposit and other money market instruments	9 290	3 364	5 926	-	6%
Derivative financial assets	1 217	-	1 217	-	n/a
Derivative financial liabilities	(1 463)	-	(1 463)	-	n/a
Carry positions	-	-	-	-	-
At amortised cost	-				
Funds on deposit and other money market instruments	-	-	-	-	n/a
Loans and receivables at amortised cost ^{1,2}	4 646	244	-	4 402	-
Cash and cash equivalents ^{1,2}	17 370	16 241	-	1 129	6%
	217 857	71 559	127 857	18 441	

¹ Included in the no interest rate risk balances are equity-linked notes (ELNs) within debt securities, whose returns are linked to underlying equity or index performance rather than interest rates; non-interest-bearing receivables and unsettled trades within loans and receivables at amortised cost; and fixed rate balances within cash and cash equivalents, for which the impact of changes in market interest rates is not considered material.

² The prior year has been restated due to certain financial assets being incorrectly presented as unsettled, when they had in fact been settled before year end. Refer to the restatement note for more information. The restatement impacted the "no interest rate risk" for loans and receivables at amortised cost and the "cash flow interest rate risk" for cash and cash equivalents. The restatements are immaterial.

Liability exposure to interest rates is reflected in note 13.

Future change in the reference interest rate: Transition from JIBAR to ZARONIA

The South African Reserve Bank (SARB), through the Market Practitioners Group (MPG), has identified the South African Rand Overnight Index Average (ZARONIA) as the preferred alternative risk-free rate (RFR) to replace the Johannesburg Interbank Average Rate (JIBAR) as part of global benchmark reform initiatives aimed at enhancing the robustness and reliability of financial benchmarks.

In line with SARB guidance, from 1 May 2026, financial institutions and market participants were required to cease issuing new financial instruments referencing JIBAR. The SARB has announced 31 December 2026 as the JIBAR cessation date. The transition of legacy exposures is expected to continue through to the end of 2026, which coincides with the formal cessation of JIBAR.

38 Market risk continued

38.2 Interest rate risk continued

Interest rate risk management continued

Future change in the reference interest rate: Transition from JIBAR to ZARONIA continued

As at the reporting date, the Group's exposures to JIBAR are concentrated in:

- Derivative assets and liabilities, primarily futures and swaps.
- Financial assets and liabilities, which include floating rate and credit-linked debt instruments, bonds, cash and short-term deposits.

The Group has established a dedicated, cross-functional programme to manage the transition from JIBAR to ZARONIA. Within this programme management continues to assess the operational, financial reporting, risk management and contractual implications arising from the transition. This programme includes:

- Engaging with counterparties and industry bodies to confirm fallback language and market conventions.
- Assessing legal, taxation and contractual implications across affected instruments.
- Updating valuation methodologies and system architecture to accommodate ZARONIA-based pricing and risk management.
- Evaluating potential impacts on financial reporting, including disclosures and measurement under IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures.

Significant milestones have been achieved in the transition programme. The Group has established the capability to execute new ZARONIA-linked transactions across key product classes, including:

- From June 2024, linear derivative instruments such as interest rate swaps; and
- From May 2025, cash market and funded assets such as money market instruments and floating rate notes.

In accordance with market transition requirements, from 1 May 2026 the Group ceased entering into new JIBAR-referenced transactions, except in limited circumstances permitted by the market transition framework.

Following the amendments introduced by Interest Rate Benchmark Reform – Phase 2, the Group will apply the practical expedients available for modifications that arise directly as a result of the benchmark reform and that are on economically equivalent terms. For financial instruments measured at amortised cost or at fair value through profit or loss, contractual changes solely due to replacing JIBAR with ZARONIA (including any necessary spread adjustments) will be treated as a modification without derecognition, and no immediate gain or loss is expected to arise on transition, provided the conditions under IFRS 9 are met.

Management has assessed the impact of benchmark reform activities completed to date and concluded that no significant gain or loss has arisen from modifications resulting from the transition process.

For investment contracts without significant insurance risk that reference JIBAR, modifications will be assessed under the same principles.

As the cessation of JIBAR will only occur on 31 December 2026 and transition activities remain ongoing, management is not yet able to reliably determine the extent of exposures that may remain outstanding at the cessation date and consequently be subject to contractual modification.

Accordingly, quantitative disclosure of remaining JIBAR-linked exposures is presented as at 30 June 2026.

Quantitative exposure to JIBAR-linked financial instruments

	Notional/Principal exposure	
	2026 Rm	Restated 2025 Rm
Total assets recognised on the statement of financial position subject to JIBAR reform yet to transition		
Derivative financial assets ¹	33 774	31 129
Other financial assets ²	78 799	86 657
	112 573	117 786
Total liabilities recognised on the statement of financial position subject to JIBAR reform yet to transition		
Derivative financial liabilities ¹	23 180	23 734
Other financial liabilities ^{2,4}	3 600	3 633
	26 780	27 367
Total exposure³	139 353	145 153

¹ Derivative assets and liabilities include interest rate swaps, cross-currency swaps, and futures directly referencing JIBAR, including futures, bond options and CFDs indirectly referencing JIBAR.

² Financial assets and liabilities include floating rate and credit-linked debt instruments, bonds, cash and short-term deposits.

³ Exposures represent notional or principal amounts referencing JIBAR as at the reporting date.

⁴ The comparative information has been restated to include term loans of R1 588 million exposed to JIBAR and to calculate total exposure on a gross basis as the aggregate of all exposures. In the prior year, total exposure was presented on a net basis, with financial liabilities deducted from financial assets.

Developments subsequent to 30 June 2026:

- The MML Company has adhered to the ISDA Fallbacks Protocol, which enables the standardised transition of derivative contracts to being ZARONIA-based after the JIBAR cessation date.
- Momentum Investments segment is in the process of adhering to the ISDA Fallbacks Protocol.

This will have no impact on valuations of such instruments as at 30 June 2026.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

38 Market risk continued

38.3 Currency risk

Currency risk is the risk that the Rand value and/or future cash flows of financial assets and liabilities will fluctuate due to changes in foreign exchange rates. Currency risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The translation of the financial position, results and cash flows of these foreign operations into Rand for consolidation purposes does not, in itself, give rise to currency risk exposure for the Group. Only foreign currency-denominated assets and liabilities held directly by the Group (rather than via consolidation) create currency risk.

The majority of the Group's currency exposure results from the offshore assets held by policyholder portfolios. These investments were made for the purpose of obtaining a favourable international exposure to foreign currency and to investment value fluctuations in terms of investment mandates, subject to limitations imposed by the SARB.

To the extent that these offshore assets are held in respect of contracts where the contract holder benefits mirror the returns on the underlying assets, the Group's net currency risk exposure is limited.

Details of currency risk contained in investments in local collective investment schemes that are not subsidiaries have not been included in the following table as the look-through principle was not applied.

The Group's exposure to foreign currency risk comprises both shareholder assets directly held and the Group's exposure to future asset-based fee income earned on policyholder portfolios invested in foreign assets.

The following exposures, denominated in foreign currencies, where the currency risk (including translation risk) resides with the Group, are included in the Group's statement of financial position at 30 June:

Group	UK £ Rm	US \$ Rm	Euro € Rm	Asian Pacific ¹ Rm	Other ¹ Rm	Total Rm
2026						
<i>Closing exchange rate</i>	21.7481	16.3872	18.7325			
Financial assets						
Investment securities						
At FVPL						
Unit-linked investments	9 436	59 348	1 130	434	155	70 503
Equity securities	3 048	45 655	6 733	10 176	5 286	70 898
Debt securities	804	5 527	613	635	183	7 762
Funds on deposit and other money market instruments	-	699	-	-	22	721
Derivative financial assets ²	(497)	(1 110)	1	-	1	(1 605)
At amortised cost						
Loans and accounts receivable	90	365	25	11	16	507
Cash and cash equivalents	411	3 018	157	74	56	3 716
	13 292	113 502	8 659	11 330	5 719	152 502
Financial liabilities						
Financial liabilities at FVPL						
CIS liabilities	632	12 186	-	213	-	13 031
Derivative financial liabilities	4	90	3	11	3	111
Other	-	-	-	-	-	-
Financial liabilities at amortised cost						
Term loans	8	-	-	-	-	8
Lease liabilities	17	-	-	-	-	17
	661	12 276	3	224	3	13 167
2025						
<i>Closing exchange rate</i>	24.3490	17.7699	20.8591			
Financial assets						
Investment securities						
At FVPL						
Unit-linked investments	9 371	51 346	1 167	349	172	62 405
Equity securities	3 248	40 096	7 036	6 596	5 424	62 400
Debt securities	700	4 603	1 229	1 312	3	7 847
Funds on deposit and other money market instruments	-	1 569	-	-	-	1 569
Derivative financial assets	-	53	-	2	-	55
At amortised cost						
Loans and accounts receivable	80	281	26	3	18	408
Cash and cash equivalents	470	2 536	151	56	66	3 279
	13 869	100 484	9 609	8 318	5 683	137 963
Financial liabilities						
Financial liabilities at FVPL						
CIS liabilities	816	12 035	-	245	-	13 096
Derivative financial liabilities	469	15	13	8	-	505
Other	3	-	-	-	-	3
Financial liabilities at amortised cost						
Term loans	119	-	-	-	-	119
Lease liabilities	21	-	-	-	-	21
	1 428	12 050	13	253	-	13 744

¹ The currencies with significant exposures in the Asia Pacific category include the Australian Dollar (AUD), South Korean Won (KRW), Indian Rupee (INR), Japanese Yen (JPY), New Taiwan Dollar (TWD), and Hong Kong Dollar (HKD). The currencies with significant exposures in the Other category are the Swiss Franc (CHF) and Canadian Dollar (CAD).

² The disclosure and sensitivity analysis includes cross-currency swap (CCS) contracts that reflects only the foreign currency-paying legs of the swaps. The gross Rand receiving leg has not been disclosed as it does not expose the Group to foreign currency risk.

38 Market risk continued**38.3 Currency risk continued**

A significant portion of the foreign currency assets represents policyholder assets. The related policyholder liabilities are not included in the table; however, the economic currency risk to shareholders is limited as these exposures are largely pass-through in nature.

The following exposures, denominated in foreign currencies and held for the benefit of shareholders, where the currency risk (including translation risk) resides with the Group, are included in the Group's statement of financial position at 30 June:

	UK £ Rm	US \$ Rm	Total Rm
2026			
Net Asset Value of foreign subsidiaries	805	113	918
Total	805	113	918

2025			
Net Asset Value of foreign subsidiaries	926	119	1 045
Total	926	119	1 045

Company	UK £ Rm	US \$ Rm	Euro € Rm	Asian Pacific Rm	Other Rm	Total Rm
2026						
Closing exchange rate	21.7481	16.3872	18.7325			
Financial assets						
Investment securities						
At FVPL						
Unit-linked investments	7 910	53 025	824	75	155	61 989
Equity securities	420	8 306	999	175	229	10 129
Debt securities	133	3 759	10	14	11	3 927
Funds on deposit and other money market instruments	-	699	-	-	22	721
Derivative financial assets	-	72	-	-	-	72
Interest in subsidiaries	1 022	-	-	-	-	1 022
At amortised cost						
Debt securities	-	-	-	-	-	-
Funds on deposit and other money market instruments	-	-	-	-	-	-
Loans and accounts receivable	1	152	-	-	-	153
Cash and cash equivalents	130	2 283	44	6	15	2 478
	9 616	68 296	1 877	270	432	80 491
Financial liabilities						
Financial liabilities at FVPL						
Derivative financial liabilities	-	17	-	-	-	17
	-	17	-	-	-	17
2025						
Closing exchange rate	24.3490	17.7699	20.8591			
Financial assets						
Investment securities						
At FVPL						
Unit-linked investments	7 448	44 306	854	35	172	52 815
Equity securities	264	6 683	617	69	249	7 882
Debt securities	126	3 494	34	14	-	3 668
Funds on deposit and other money market instruments	-	1 569	-	-	-	1 569
Derivative financial assets	-	23	-	-	-	23
Interest in subsidiaries	1 187	-	-	-	-	1 187
At amortised cost						
Loans and accounts receivable	2	18	-	-	-	20
Cash and cash equivalents	72	1 535	52	7	29	1 695
	9 099	57 628	1 557	125	450	68 859
Financial liabilities						
Financial liabilities at FVPL						
Derivative financial liabilities	-	10	-	-	-	10
	-	10	-	-	-	10

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

38 Market risk continued

38.3 Currency risk continued

Currency risk management

The Group attempts to mitigate currency risk from obligations for guaranteed benefits by holding assets in the same currency as the liabilities. Currency risk from embedded guarantees is hedged, depending on the availability of hedging instruments. Mandates on shareholder funds backing capital requirements provide limited tolerances to foreign currency exposure.

The Group holds exposures denominated in foreign currencies for the benefit of shareholders. A sensitivity analysis has been prepared to illustrate the impact on profit or loss before tax of a 10% weakening or strengthening of the Rand against major foreign currencies, based on shareholder exposures at the reporting date. A change of this magnitude would result in a corresponding foreign exchange gain or loss for the Group. The analysis excludes foreign exchange translation differences arising on consolidation of foreign operations, which are recognised in other comprehensive income.

This table reflects the same sensitivities applied in the previous table but only for foreign assets held directly for the benefit of shareholders, including direct holdings in private equity and NAV of foreign subsidiaries:

	UK £ Rm	US \$ Rm	Total Rm
2026			
	10% movement	10% movement	
Total	81	11	92
2025			
	10% movement	10% movement	
Total	93	12	105

38.4 Property risk

Property risk is the risk that the value of investment properties, owner-occupied properties and properties under development, as well as participatory interest in property collective investment schemes, will fluctuate as a result of changes in rental income and interest rates.

Property investments are made on behalf of policyholders, shareholders and other investment clients and are reflected at market value. Diversification in property type, geographical location and tenant exposure are all used to reduce the risk exposure.

The Group's and Company's exposure to property holdings at 30 June is as follows:

	Group		Company	
	2026 Rm	Restated 2025 Rm	2026 Rm	2025 Rm
Investment properties	9 537	9 587	3 996	5 557
Owner-occupied properties	1 586	1 622	45	45
Collective investment schemes property exposure (refer to note 42) ¹	4 461	6 588	7 642	6 239
Other unit-linked investments property exposure (refer to note 42)	766	817	766	817
	16 350	18 614	12 449	12 658
Percentage of total assets ²	2.0%	2.7%	1.6%	1.9%

¹ The value of the units held in the CISs are directly linked to the NAV of these funds, which are in turn directly linked to the value of the underlying assets, e.g. a 1% movement in property values will likely translate to a 1% movement in the value of the CIS.

² As a result of the restatement of total assets, the Group's prior year percentage of total assets increased from 2.6% to 2.7%. Refer to the restatement note for further details.

Refer to note 4 for the concentration risk regarding types of properties relating to investment properties. Owner-occupied properties mainly comprise office buildings.

The Group is exposed to tenant default and unlet space within the investment property portfolio. There were long outstanding debtors relating to tenants at 30 June 2026 of R45 million for the Group (2025: R27 million) and R41 million for the Company (2025: R24 million). The carrying amount of unlet and vacant investment property as at 30 June 2026 was R805 million (2025: R967 million) for the Group and R636 million (2025: R781 million) for the Company.

38 Market risk continued

38.5 Insurance and market risk sensitivity analysis

38.5.1 Life insurance and investment contracts

The Group's profit or loss and equity are exposed to:

- insurance risk through insurance contracts issued and reinsurance contracts held; and
- market risk through investments held to back insurance contracts issued, reinsurance contracts held and investment contracts issued.

The insurance and market risk sensitivity analysis in the tables below indicates the net impact (when applicable) of changes in market risk variables on the measurement of insurance and investment contract assets and liabilities and the investments supporting the insurance and investment contracts.

Life insurance

Group and Company	Gross of reinsurance		Net of reinsurance	
	Impact on profit or loss Rm	Change in CSM Rm	Impact on profit or loss Rm	Change in CSM Rm
Insurance and market risk sensitivity analysis for insurance contracts - increases/(decreases)				
2026				
Insurance risks				
10% decrease in future expenses	542	926	528	944
10% decrease in lapse, paid-up and surrender rates	(456)	443	(319)	535
5% decrease in mortality and morbidity for assurance business	2 068	2 926	1 368	2 913
5% decrease in mortality and morbidity for annuity business	(382)	(575)	(370)	(575)
1% reduction in expense inflation rate	407	698	396	712
10% reduction in premium indexation take-up rate	(297)	(1 082)	(356)	(1 138)
Market risks				
1% reduction in gross investment return and inflation rate ¹	(762)	(12)	(227)	(13)
10% fall in market value of equities and properties	(192)	(296)	(193)	(296)
2025				
Insurance risks				
10% decrease in future expenses	416	870	364	940
10% decrease in lapse, paid-up and surrender rates	(105)	470	(10)	507
5% decrease in mortality and morbidity for assurance business	1 346	2 776	1 063	2 812
5% decrease in mortality and morbidity for annuity business	(159)	(560)	(150)	(560)
1% reduction in expense inflation rate	237	586	194	645
10% reduction in premium indexation take-up rate	(101)	(1 035)	(53)	(1 194)
Market risks				
1% reduction in gross investment return and inflation rate ¹	(445)	(10)	(123)	(54)
10% fall in market value of equities and properties	(155)	(290)	(156)	(290)

¹ The sensitivity tests a 1% reduction in the nominal risk-free yield curve across all durations (i.e. observable market yields and ultimate spot rate). For a 1% reduction in observable nominal yields and the ultimate spot rate remaining unchanged, the Group's earnings are expected to decrease by R212 million (2025: decrease by R101 million) gross of reinsurance and increase by R217 million (2025: increase by R154 million) net of reinsurance. This is a more accurate reflection of the Group's earnings exposure to parallel movements in nominal market yields.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

38 Market risk continued

38.5 Insurance and market risk sensitivity analysis continued

38.5.1 Life insurance and investment contracts continued

Investment contracts

Market risk sensitivity analysis for investment contracts – increases/(decreases)	Impact on profit or loss	
	2026 Rm	2025 Rm
1% reduction in gross investment return and inflation rate	(36)	(12)
10% fall in market value of equities and properties	(44)	(48)

Methods and assumptions used to determine the insurance and market risk sensitivity analyses

Methods and assumptions used in determining impact of changes in insurance and market risk variables:

Life insurance and market risk sensitivities

- The life insurance and market risk sensitivities are aligned with the embedded value sensitivities for the Group's covered business. The sensitivity analyses are performed as individual point-in-time stresses at the reporting date.
- The carrying values of investments backing insurance contracts and investment contracts are adjusted to include changes in the market risk variables. The changes in the carrying value of investments backing insurance and investment contracts affect the expected cash flows of some of these contracts.
- The carrying values of groups of insurance contracts issued are remeasured based on changes in fulfilment cash flows and the contractual service margin as a result of changes in insurance and market risk variables. The change in the contractual service margin includes remeasurement of the balance due to changes in fulfilment cash flows that affects future services and releases from the contractual service margin for insurance revenue recognised for the period.
- The carrying values of investment contract liabilities issued are remeasured based on changes in expected contractual cash flows as a result of changes in market risk variables.
- The impact on profit or loss includes changes in the carrying values of the investments, investment contract liabilities, changes in the amount of the contractual service margin recognised in profit or loss and changes in insurance finance income and expenses.
- The impact of the individual sensitivities on tax were considered for the relevant tax-paying entities.
- The Group does not account for changes in insurance contracts, reinsurance contracts or financial instruments in other comprehensive income. As such the impact on profit or loss represents the impact on Group equity.
- The impact of a parallel change in the nominal yield curve across all durations is considered in the 1% reduction in gross investment return and inflation rate.

Reinsurance contracts held

- The impact of the individual sensitivities on tax were considered for the relevant tax-paying entities.

38.5.2 Insurance contracts with direct participation features

For contracts with direct participation features, funds are invested in line with the relevant investment mandates governed by the Momentum Group Ltd Investment Committee as well as the Principles and Practices of Financial Management (PPFM) for contracts with discretionary participation features. The fair value of the underlying funds is shown below, together with sensitivities that illustrate the key underlying market risk exposures.

Group and Company		Carrying value	
		10% reduction in equity and property prices	1% reduction in interest rates
Insurance contracts with direct participation features			
2026	Base value Rm		
Fair value of underlying funds (Rm)	65 600	61 385	67 020
Percentage change in carrying value (%)		(6.42%)	2.17%
2025			
Fair value of underlying funds (Rm)	61 884	57 626	62 878
Percentage change in carrying value (%)		(6.88%)	1.61%

38 Market risk continued

38.5 Insurance and market risk sensitivity analysis continued

38.5.3 Shareholder financial instruments

The Group is exposed to financial risks through holding or issuing financial instruments. Shareholder financial instruments are financial instruments that do not back investment and insurance contract liabilities. The table illustrates the sensitivity of the Group's profit or loss to changes in market risks through shareholder financial instruments. The sensitivity analysis is performed on the carrying values of the shareholder financial instruments at the reporting date. The sensitivity analysis covers other price risk and interest rate risk. The impact on profit or loss is a pre-tax amount. The shareholder effective tax rate is 22.4% (2025: 25.6%) for the Group and 21.5% (2025: 25.1%) for the Company. The Group does not account for changes in carrying values of financial instruments in other comprehensive income. For further information on the shareholder effective tax rate, refer to note 27.

The sensitivity analysis was added for the period ended 30 June 2026 to comply with the requirements of IFRS 7 - Financial instruments: Disclosures. Comparative information was restated. The restatement had no impact on the Group's statement of financial position, statement of comprehensive income, statement of changes in equity or statement of cash flows.

Sensitivity-adjusted carrying values

For financial instruments measured at fair value through profit or loss, the impact on profit or loss represents the difference between the carrying value at the reporting date and a recalculated carrying value that takes into account adjusted financial risk variables. The impact of changes in other price risk is estimated by increasing and decreasing the carrying values of equity instruments and related instruments with 10%. The impact of changes in interest rates is calculated by discounting expected contractual cash flows at adjusted yield curves based on a 100 basis point parallel movement in the yield curve.

Cash flow interest rate risk

Changes in variable interest rates alter expected interest income and expense. The impact on profit and loss is the carrying value of financial instruments at the reporting date multiplied with a 100 basis point parallel movement in variable interest rates.

38.5.3.1 Other price risk

Group

Market risk sensitivity analysis for shareholder financial instruments - increases/(decreases)	2026		2025	
	Carrying value Rm	Impact on profit or loss Rm	Carrying value Rm	Impact on profit or loss Rm
Assumption: ±10% movement in market value				
Financial instruments measured at fair value through profit and loss				
10% increase in market value				
Shareholder financial assets: Net other price risk sensitivity	1 354	133	1 262	122
Shareholder financial liabilities: Net other price risk sensitivity	-	-	-	-
10% decrease in market value				
Shareholder financial assets: Net other price risk sensitivity	1 354	(137)	1 262	(124)
Shareholder financial liabilities: Net other price risk sensitivity	-	-	-	-

Company

Market risk sensitivity analysis for shareholder financial instruments - increases/(decreases)	2026		2025	
	Carrying value Rm	Impact on profit or loss Rm	Carrying value Rm	Impact on profit or loss Rm
Assumption: ±10% movement in market value				
Financial instruments measured at fair value through profit and loss				
10% increase in market value				
Shareholder financial assets: Net other price risk sensitivity	1 155	113	1 077	104
Shareholder financial liabilities: Net other price risk sensitivity	-	-	-	-
10% decrease in market value				
Shareholder financial assets: Net other price risk sensitivity	1 155	(117)	1 077	(106)
Shareholder financial liabilities: Net other price risk sensitivity	-	-	-	-

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for the year ended 30 June 2026

38 Market risk continued

38.5 Insurance and market risk sensitivity analysis continued

38.5.3 Shareholder financial instruments continued

38.5.3.2 Interest rate risk

Group

Fair value interest rate risk

Market risk sensitivity analysis for shareholder financial instruments - increases/(decreases)	2026		2025	
	Carrying value Rm	Impact on profit or loss Rm	Carrying value Rm	Impact on profit or loss Rm
Assumption: ±100 basis point parallel shift in market interest rates				
Financial instruments measured at fair value through profit and loss				
100 basis point increase in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	15 855	(198)	11 944	(65)
Shareholder financial liabilities: Net interest rate risk sensitivity	(6 154)	143	(4 823)	45
100 basis point decrease in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	15 855	218	11 944	69
Shareholder financial liabilities: Net interest rate risk sensitivity	(6 154)	(203)	(4 823)	(52)

Cash flow interest rate risk

Market risk sensitivity analysis for shareholder financial instruments - increases/(decreases)	2026		2025	
	Carrying value Rm	Impact on profit or loss Rm	Carrying value Rm	Impact on profit or loss Rm
Assumption: ±100 basis point parallel shift in market interest rates				
Financial instruments measured at fair value through profit and loss				
100 basis point increase in interest rates				
Shareholder financial assets: Net interest income and expense sensitivity	3 745	37	4 154	42
Shareholder financial liabilities: Net interest income and expense sensitivity	(3 075)	(31)	(2 505)	(25)
100 basis point decrease in interest rates				
Shareholder financial assets: Net interest income and expense sensitivity	3 745	(37)	4 154	(42)
Shareholder financial liabilities: Net interest income and expense sensitivity	(3 075)	31	(2 505)	25
Financial instruments not measured at fair value through profit and loss				
100 basis point increase in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	10 720	107	11 046	110
Shareholder financial liabilities: Net interest rate risk sensitivity	(1 025)	(10)	(1 118)	(11)
100 basis point decrease in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	10 720	(107)	11 046	(110)
Shareholder financial liabilities: Net interest rate risk sensitivity	(1 025)	10	(1 118)	11

38 Market risk continued**38.5 Insurance and market risk sensitivity analysis continued****38.5.3 Shareholder financial instruments continued****38.5.3.2 Interest rate risk continued****Company****Fair value interest rate risk**

	2026		2025	
	Carrying value Rm	Impact on profit or loss Rm	Carrying value Rm	Impact on profit or loss Rm
Market risk sensitivity analysis for shareholder financial instruments - increases/(decreases)				
Assumption: ±100 basis point parallel shift in market interest rates				
Financial instruments measured at fair value through profit and loss				
100 basis point increase in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	15 350	(207)	11 502	(67)
Shareholder financial liabilities: Net interest rate risk sensitivity	(5 659)	163	(4 397)	48
100 basis point decrease in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	15 350	227	11 502	68
Shareholder financial liabilities: Net interest rate risk sensitivity	(5 659)	(183)	(4 397)	(50)

Cash flow interest rate risk

	2026		2025	
	Carrying value Rm	Impact on profit or loss Rm	Carrying value Rm	Impact on profit or loss Rm
Market risk sensitivity analysis for shareholder financial instruments - increases/(decreases)				
Assumption: ±100 basis point parallel shift in market interest rates				
Financial instruments measured at fair value through profit and loss				
100 basis point increase in interest rates				
Shareholder financial assets: Net interest income and expense sensitivity	3 250	33	3 724	37
Shareholder financial liabilities: Net interest income and expense sensitivity	(2 580)	(26)	(2 079)	(21)
100 basis point decrease in interest rates				
Shareholder financial assets: Net interest income and expense sensitivity	3 250	(33)	3 724	(37)
Shareholder financial liabilities: Net interest income and expense sensitivity	(2 580)	26	(2 079)	21
Financial instruments not measured at fair value through profit and loss				
100 basis point increase in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	9 502	95	10 023	100
Shareholder financial liabilities: Net interest rate risk sensitivity	(11)	-	(48)	-
100 basis point decrease in interest rates				
Shareholder financial assets: Net interest rate risk sensitivity	9 502	(95)	10 023	(100)
Shareholder financial liabilities: Net interest rate risk sensitivity	(11)	-	(48)	-

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for the year ended 30 June 2026

39 Credit risk

The Group is exposed to credit risk through investments in debt securities, cash and cash equivalents, funds on deposit, policyholder loans, money market instruments, derivative financial instruments, reinsurance contracts held, insurance premium debtors and other loans and receivables. Policyholder loans and premium debtors are included in the carrying amounts of insurance contract assets or liabilities.

When debt instruments are held to back market-related or discretionary participation contract liabilities, the policyholder is exposed to the credit risk.

Credit risk governance

The governance of credit risk is comprehensively set out in the ECC terms of reference (TOR). The primary responsibility of the ECC is to oversee and ensure efficient management of risk exposures, which includes shareholders' exposure to credit risk. The product management committees are responsible for setting the credit risk sections of mandates for market-related or discretionary participation policyholder portfolios and for monitoring their performance. The ECC reports to the Group Executive Committee on the effectiveness of credit risk management and provides an overview of the Group's shareholder credit portfolio. The ECC and its subcommittees are responsible for the approval of relevant credit policies and the ongoing review of the Group credit exposure.

Regarding shareholder credit risk management, the committee ensures that:

- The Group credit management framework, methodology and capabilities are adequate.
- The Group credit risk appetite and limits in the shareholder portfolio are clearly understood, communicated and monitored.
- The disciplines and tools that are used to measure, monitor, and manage credit risk exposure and limits are adequate and robust.

Independent oversight is also provided by the Board Risk, Capital and Compliance Committee.

Management of credit risk – Shareholders

Management recognises and accepts that losses may occur through the inability of corporate debt issuers to service their debt obligations. To limit this risk, Balance Sheet Management (BSM) has formulated guidelines regarding investment in corporate debt instruments, including a framework of limits based on the Group's credit risk appetite.

The approval framework consists of two committees, namely an Executive Credit Committee and the BSM Credit Committee. The Executive Credit Committee approves credit risk exposures in excess of the mandate and limits of the BSM Credit Committee.

The following are considered in the approval process:

- The underlying nature of the instrument and credit strength of the counterparty.
- The credit rating of the issuer, either internally generated or externally provided by Moody's, S&P or Global Credit Ratings (GCR).
- Current exposure and portfolio diversification effects.

To achieve the above, an internal credit risk function performs ongoing risk management of the credit portfolio which includes:

- The use of stochastic portfolio credit risk modelling in order to gauge the level of portfolio credit risk, consider levels of capital and identify sources of concentration risk and the implications thereof.
- Preparing credit applications and performing annual reviews.

Regular risk management reporting to the Capital and Investment Committee (CIC) includes credit risk exposure reporting, which contains relevant data on the counterparty, credit limits and ratings (internal and external). Counterparty exposures in excess of set credit limits are monitored and corrective action is taken where required. Credit mitigation instruments are used where appropriate. These include collateral, netting agreements and guarantees or credit derivatives.

Concentration risk

Concentration risk for debt instruments is managed at the credit portfolio level. Concentration risk management in the credit portfolio is based on individual name limits and exposures (which are reported to and approved by the CIC) and the monitoring of industry concentrations.

Unit-linked investments

The Group is exposed to credit risk generated by debt instruments in which collective investment schemes invest and other unit-linked investments in which the Group invests. The Group's exposure to these funds is classified at fund level (refer to note 42 for unit-linked categories) and not at the underlying asset level. This includes the investments in associated collective investment schemes. Although the funds are not rated, fund managers are required to invest in credit assets within the defined parameters stipulated in the fund's mandate. These rules limit the extent to which fund managers can invest in unlisted and/or unrated credit assets and generally restrict funds to the acquisition of investment-grade assets. Further credit risk reduction measures are obligatory for South African collective investment schemes as required by control clauses within the Collective Investment Scheme Control Act, 45 of 2002.

Derivative contracts

The Group enters into derivative contracts with A-rated local banks on terms set out by the industry standard International Swaps and Derivatives Agreements (ISDA). In terms of these ISDA agreements, derivative assets and liabilities can be set off with the same counterparty, resulting in only the net exposure being included in the overall Group counterparty exposure analysis. For OTC equity index options, the credit risk is managed through the creditworthiness of the counterparty in terms of the Group's credit risk exposure policy. For OTC interest rate swaps, the Group enters into margining arrangements with counterparties, which limit the exposure to each counterparty to a level commensurate with the counterparty's credit rating and the value-at-risk in the portfolio. For exchange-traded options, credit risk is largely mitigated through the formal trading mechanism of the derivative exchange.

39 Credit risk continued

Scrip lending

The Group is authorised to conduct lending activities as a lender in respect of local listed equity securities and listed government stock to appropriately accredited institutions. In general, the lender retains the full economic risks and rewards of securities lent. Scrip lending agreements are governed by the Global Master Securities Lending Agreement (GMSLA).

The main risk in scrip lending activities is the risk of default by the borrower of securities, i.e. the borrower fails to return the borrowed securities. Borrower default risk is mitigated by requiring borrowers to post adequate levels of high-quality collateral and/or provide indemnity guarantees.

Where collateral is received, the Group monitors collateral levels daily and the status of collateral coverage is reported to the executive BSM on a quarterly basis. This collateral serves as security for the scrip lending arrangements in the event of default by the borrowers. Where the borrower default risk is mitigated by means other than collateral, the Group monitors the counterparty credit exposure to be within approved limits and the Group ensures that credit risk capital is held against counterparty credit exposure.

Reinsurance

Under the terms of a reinsurance contract, the Group is compensated by the reinsurer for losses on an underlying set of insurance contracts issued by the Group. Consequently, the Group is exposed to the credit risk of the reinsurer through assets for remaining coverage and assets for incurred claims.

The Group only enters into reinsurance treaties with reinsurers registered with the Prudential Authority. The credit rating of the reinsurance company is assessed when placing the business and when there is a change in the status of the reinsurer.

Regular monthly reconciliations are performed regarding claims against reinsurers, and the payment of premiums to reinsurers.

The Group considers the credit quality of any reinsurer prior to renewing or entering into an agreement. Due diligence is performed on reinsurance partners and all partners are approved by a designated committee.

Financial assets credit risk exposure

For the Group's maximum exposure to credit risk refer to note 6.5.

Unsettled trades, accounts receivable, due from agents and brokers and loans

The Group is exposed to credit risk arising from unsettled trades, accounts receivable, due from agents and brokers and loans. The Group manages the credit risk by providing for expected credit losses based on the changes in credit risk. To determine a significant change in credit risk both historical data and forward-looking information is taken into account. This includes existing or expected adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations, a breach of contract, significant changes in the value of any collateral supporting the obligation and reductions in financial support from a parent entity.

Financial liabilities designated at fair value through profit and loss

The current fair value movements on financial liabilities that would have otherwise been classified as at amortised cost under IFRS 9, but which have been designated at FVPL, includes a Rnil gain (2025: R18 million gain) attributable to change in own credit risk.

Credit risk ratings

In May 2026, Moody's published their press release for MML. In that press release, Moody's affirmed the MML credit ratings while changing the outlook from "stable" to "positive". The change in the credit rating outlook was due to a similar change in the South African sovereign credit rating outlook. Refer to note 35.5 for further information.

Security and credit enhancements

The following collateral is held in order to mitigate the credit risk:

Linked notes

The Group has put options with Rand Merchant Bank (RMB) against the linked notes listed and issued by RMB for the guaranteed capital amounts invested for when the market value of the underlying instruments supporting the notes decreases below the guaranteed amounts. The carrying amount of these investments included in other debt securities at FVPL was R388 million at 30 June 2026 (2025: R373 million).

Transfer of financial assets

The Group is involved in the transfer of financial assets through scrip lending and sale and repurchase of assets agreements. Refer below for detail on scrip lending arrangements as well as related security and credit enhancements. Also refer to the accounting policies for more detail on the nature of the arrangements.

The Group's assets include assets such as scrip lending and sell and buyback transactions. Where the financial instruments are sold to a counterparty for cash, with a commitment to repurchase at a later date, the financial instrument is not derecognised and shown on the Statement of financial position.

The Group sells the contractual rights to cash flows; it does not have the right to use the transferred asset during the term. There is collateral of R1 915 million (2025: R1 333 million) on the scrip lent. The carrying amount of scrip on loan in the current year was R1 657 million (2025: R1 159 million) and consisted of local listed equity securities. Fair value of the asset transferred and the associated liability are tabled below:

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Carrying position liability	23 476	18 954	21 469	17 322
Underlying assets	30 256	23 690	28 550	22 070

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

39 Credit risk continued

Financial assets at amortised cost

The receivables arising from investment contracts are limited to and secured by the underlying value of the unpaid policy benefits in terms of the policy contract.

Policy loans

Policyholder loans are included in the carrying values of insurance contract assets or insurance contract liabilities. Policy loans are secured by policies issued by the Group. In terms of the regulations applicable to the Group, the value of policy loans may not exceed the value of the policy and as a result the policy loans are fully collateralised by assets which the Group owns.

Premium debtors

Premium debtors are included in the carrying amounts of insurance contract assets or insurance contract liabilities. Amounts receivable in terms of life insurance contracts are limited to and secured by the underlying value of the unpaid policy benefits in terms of the policy contract. Non-performance risk of premium debtors is classified as terminations risk as set out in note 36.

Credit risk exposure arising from insurance contracts issued and reinsurance contracts held

There is no exposure to credit risk relating to insurance contracts issued, since policyholder non-performance risk for insurance contracts is classified as terminations risk as set out in note 36. This includes receivables arising from insurance contracts.

The following table represents the Group's maximum exposure to credit risk arising from reinsurance contracts held:

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Reinsurance contract assets	7 347	5 854	7 347	5 854
Assets for remaining coverage	3 692	2 161	3 692	2 161
Amounts recoverable on incurred claims	3 655	3 693	3 655	3 693
Total credit risk exposure arising from reinsurance contracts	7 347	5 854	7 347	5 854

Credit quality of reinsurers

The table below discloses information about the credit quality of reinsurance contracts held that are assets per reinsurance counterparty, by using their respective international scale credit ratings issued by rating agencies, or national scale ratings generated by an internal model where rating agency ratings are not available:

Reinsurer	2026	2025
Swiss Re Africa Ltd	AA-	AA-
General Reinsurance Africa Ltd	AA+	AA+
Hannover Re South Africa	AA-	AA-
RGA Americas Reinsurance Company Limited, South Africa Branch	AA-	AA-
Munich Re Africa Branch	AA	AA
SCOR Re Africa Branch	A+	A+

40 Financial risk inherent in consolidated collective investment schemes and other investment products

The Group consolidates a number of collective investment schemes and other investment products. Refer to note 41 for information on the schemes consolidated.

As a result of exercising control over these schemes and other investment products, the Group's risk management framework is applicable to the risk management of these portfolios.

Because of the specific nature of this type of business, the risk management principles may be applied differently to managing the risks relevant to them. This section describes how the financial risk management of the schemes differs from the overall financial risk management.

The management company has a dedicated independent risk unit that continuously monitors the overall risk of the portfolios against stated mandate limits and the portfolio risk appetites over time. To avoid conflicts of interest, the unit is separate from the investment team and reports directly to the chief risk officer of the management company.

When considering any new investment for a portfolio, the risks and expected returns are critical elements in the investment decision. Before an instrument is included in a portfolio, risks are carefully considered at instrument and portfolio level. The portfolios' mandate is also assessed.

A portfolio's market risk appetite is measured as a function of current market conditions and its investment objective and mandate in conjunction with its relevant benchmark.

Credit and liquidity risk are mitigated through diversification of issuers in line with credit policy. All amounts disclosed include amounts attributable to the consolidated collective investment portfolios.

The collective investment schemes and other investment products not consolidated are included in note 42 as Collective investment schemes and Investments in associates. These are designated at fair value through profit and loss.

41 Significant subsidiary companies

Companies	Country of incorporation, where not South Africa	Interest held	
		2026 %	2025 %
Momentum Metropolitan Life Ltd			
<i>Subsidiary companies</i>			
Momentum Global Investment Management Ltd	United Kingdom	100	100
Momentum Wealth (Pty) Ltd		100	100
Momentum Wealth International Ltd	Guernsey	100	100
102 Rivonia Road (Pty) Ltd		80	80
Momentum Money (Pty) Ltd		100	100
129 Rivonia Road (Pty) Ltd		100	100
Momentum Umhlanga Pty Ltd (previously Momentum Metropolitan Umhlanga (Pty) Limited)		100	100
SMH Land Development Pty Ltd		100	100
Momentum Investments Management (Pty) Ltd		100	100
<i>Subsidiary companies</i>			
Momentum Asset Management (Pty) Ltd		100	100
Momentum Multi-Manager (Pty) Ltd		100	100

Please refer to note 5 for carrying amounts.

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for the year ended 30 June 2026

41 Significant subsidiary companies continued

At 30 June, the following collective investment schemes (CISs) were significant subsidiaries of the Group:

	Interest held		Carrying amount	
	2026 %	2025 %	2026 Rm	2025 Rm
Curate Global Sustainable Equity Fund	80%	83%	21 057	17 200
Momentum Money Market Fund	58%	57%	10 481	8 817
Momentum GF Global Equity Fund	80%	87%	9 691	17 915
Momentum Bond Fund	94%	94%	8 864	7 447
Momentum Global Systematic Equity Fund	97%	100%	8 281	2 970
Momentum Thematic Growth Equity Fund	100%	100%	8 015	8 307
Momentum Income Plus Fund	64%	64%	7 490	6 842
Curate Global Emerging Markets Equity Fund	89%	88%	7 110	4 088
Momentum Focus 6 Fund of Funds	89%	89%	6 195	5 647
Momentum Trending Equity Fund	95%	99%	5 453	5 389
Momentum Ultra Long-Term Value Fund	92%	91%	5 122	4 151
Momentum SA Flexible Fixed Interest Fund	75%	78%	4 535	3 430
Momentum Enhanced Yield Fund	57%	58%	4 122	4 090
Momentum Opportunistic Equity Fund	100%	100%	4 101	3 794
Momentum Value Equity Fund	99%	99%	4 081	3 939
Momentum RCIS QI Property Fund of Hedge Funds	99%	*	3 341	*
Momentum Focus 7 Fund of Funds	86%	85%	3 280	2 732
Momentum Global Growth Fund IC Ltd	91%	91%	2 622	2 922
Momentum Focus 5 Fund of Funds	79%	79%	2 369	1 991
Momentum High Growth Fund	100%	100%	2 297	2 914
Momentum Macro Value Fund	100%	100%	2 294	2 992
Momentum Property Equity Fund	95%	95%	2 176	1 284
Momentum Diversified Income Fund	60%	58%	2 082	1 725
Momentum RCIS QI Property Hedge Fund	100%	100%	2 080	1 619
Momentum Capped SWIX Index Fund	82%	84%	1 965	1 870
Momentum GF Global Sustainable Equity Feeder Fund	65%	67%	1 897	1 249
Momentum Emerging Manager Growth Fund	100%	100%	1 734	1 558
Momentum Global Managed Fund IC Ltd	87%	87%	1 675	1 803
Curate Momentum Balanced Fund	76%	**	1 671	**
Momentum GF Global Fixed Income Fund	100%	98%	1 669	2 783
Momentum RCIS Multi-Managed ZAR Capi Alpha QI Hedge Fund	100%	100%	1 362	1 162
Momentum RCIS QI Multi Sector Property Hedge Fund	100%	*	1 302	*
Momentum Equity Fund	31%	32%	1 293	1 284
Momentum Flexible Income Fund	59%	72%	1 277	918
Momentum RCIS Rubix QI Hedge Fund	100%	100%	1 233	1 030
Momentum SA Real Growth Property Fund	74%	83%	1 233	857
Momentum RCIS Multi-Managed ZAR Equity Hedge QI Hedge Fund	100%	100%	1 196	1 179
Momentum Macro Growth Fund	100%	100%	1 089	1 055
Curate Global Value Equity Fund	68%	63%	1 081	1 037
Momentum Managed Bond Fund	100%	100%	1 041	814
Momentum Real Growth Property Fund	79%	75%	993	823
Curate Momentum Flexible Property Fund	97%	**	929	**
Curate Global Growth Equity Fund	69%	77%	907	1 334
Momentum Active Bond Fund	52%	76%	734	622
Momentum Focus 3 Fund of Funds	73%	**	680	**
Curate Global Quality Equity Fund	59%	62%	574	955
Momentum Core Equity Fund	22%	31%	572	1 000
Momentum Real Return Fund	53%	**	556	**
Momentum RCIS ZAR Diversified QI Fund of Hedge Funds	74%	80%	515	685
			166 317	146 223

* These are new investments for the current year.

** The funds are only significant subsidiaries in the current year.

All the above collective investment schemes are incorporated in South Africa, except for the funds listed below:

Fund name	Domicile
Curate Global Sustainable Equity Fund	Luxembourg
Momentum GF Global Equity Fund	Luxembourg
Momentum Global Systematic Equity Fund	Luxembourg
Curate Global Emerging Markets Equity Fund	Luxembourg
Momentum Global Growth Fund IC Ltd	Guernsey
Momentum Global Managed Fund IC Ltd	Guernsey
Momentum GF Global Fixed Income Fund	Luxembourg
Curate Global Value Equity Fund	Luxembourg
Curate Global Growth Equity Fund	Luxembourg
Curate Global Quality Equity Fund	Luxembourg

41 Significant subsidiary companies continued

At 30 June the following collective investment schemes (CISs) were significant subsidiaries of the Company:

	Interest held		Carrying amount	
	2026 %	2025 %	2026 Rm	2025 Rm
Curate Global Sustainable Equity Fund	56%	58%	14 691	11 990
Momentum Money Market Fund	55%	54%	9 961	8 406
Momentum Bond Fund	92%	92%	8 691	7 299
Momentum Global Systematic Equity Fund	97%	100%	8 281	2 970
Momentum Income Plus Fund	64%	64%	7 490	6 842
Momentum GF Global Equity Fund	60%	67%	7 259	13 820
Momentum Thematic Growth Equity Fund	87%	88%	6 964	7 316
Momentum Focus 6 Fund of Funds	89%	89%	6 195	5 647
Curate Global Emerging Markets Equity Fund	67%	78%	5 420	3 603
Momentum Ultra Long-Term Value Fund	92%	91%	5 122	4 151
Momentum Trending Equity Fund	86%	90%	4 894	4 900
Momentum Value Equity Fund	99%	99%	4 081	3 939
Momentum Enhanced Yield Fund	51%	54%	3 711	3 824
Momentum RCIS QI Property Fund of Hedge Funds	99%	*	3 341	*
Momentum Focus 7 Fund of Funds	86%	85%	3 280	2 732
Momentum Opportunistic Equity Fund	67%	67%	2 740	2 525
Momentum Focus 5 Fund of Funds	79%	79%	2 369	1 991
Momentum High Growth Fund	100%	100%	2 297	2 914
Momentum Macro Value Fund	100%	100%	2 294	2 992
Momentum Property Equity Fund	95%	95%	2 176	1 284
Momentum Capped SWIX Index Fund	82%	84%	1 965	1 870
Momentum GF Global Sustainable Equity Feeder Fund	64%	67%	1 857	1 235
Momentum SA Flexible Fixed Interest Fund	29%	22%	1 747	967
Momentum Emerging Manager Growth Fund	100%	100%	1 734	1 558
Curate Momentum Balanced Fund	76%	**	1 671	**
Momentum Global Growth Fund IC Ltd	56%	57%	1 632	1 817
Momentum Diversified Income Fund	42%	46%	1 469	1 363
Momentum RCIS Multi-Managed ZAR Capi Alpha QI Hedge Fund	100%	100%	1 362	1 162
Momentum GF Global Fixed Income Fund	79%	73%	1 328	2 072
Momentum Equity Fund	31%	32%	1 293	1 284
Momentum Flexible Income Fund	59%	72%	1 277	917
Momentum RCIS Rubix QI Hedge Fund	100%	100%	1 233	1 030
Momentum SA Real Growth Property Fund	72%	81%	1 201	838
Momentum RCIS Multi-Managed ZAR Equity Hedge QI Hedge Fund	100%	100%	1 196	1 179
Curate Global Value Equity Fund	68%	63%	1 081	1 037
Momentum Global Managed Fund IC Ltd	56%	57%	1 074	1 181
Momentum Managed Bond Fund	100%	100%	1 041	814
Momentum Real Growth Property Fund	79%	75%	993	823
Curate Global Growth Equity Fund	69%	77%	907	1 334
Momentum Active Bond Fund	52%	76%	734	622
Curate Global Quality Equity Fund	73%	**	680	**
Curate Global Quality Equity Fund	59%	62%	574	955
Momentum Real Return Fund	53%	**	556	**
Momentum RCIS ZAR Diversified QI Fund of Hedge Funds	74%	80%	515	685
Momentum RCIS QI Property Hedge Fund	***	100%	***	1 619
Momentum Core Equity Fund	***	22%	***	707
Total investment in CIS subsidiaries			140 377	126 214

* This is a new investment for the current year.

** The funds are only a significant subsidiary in the current year.

*** The fund was only a significant subsidiary in the prior year.

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42 Unconsolidated structured entities

A structured entity is one that has been designed so that voting or similar rights are not the dominant factor in deciding who controls it. The Group considers certain collective investment schemes and other unit-linked investments to be structured entities. This note provides information on significant unconsolidated structured entities in which the Group holds an interest.

In determining the requirements of IFRS 10 – Consolidated Financial Statements, the Group considers control over the fund manager to be a key aspect in determining whether a CIS is controlled by the Group or not. Where the funds are managed by Group-owned fund managers and the Group holds 20% or more in these funds, it is viewed to have control of the fund. Where the control criteria are not met, the criteria for joint control and significant influence are considered.

42.1 Collective investment schemes and other unit-linked investments

Unit-linked investments comprise local and foreign collective investment schemes as well as other unit-linked investments. Collective investment schemes are categorised into property, equity, money market, mixed assets and interest-bearing instruments based on the ASISA classification of the South Africa regulated CIS portfolios. The category of unit-linked investments with no ASISA classification has been assessed based on the mandate and objective of the fund, with reference to the ASISA classification guidelines. Where the Group is the contract holder of investment contracts at another institution, but does not have title to the underlying investment assets, it has been allocated to the class of underlying asset composition/exposure that exceeds 80%. If no single asset composition exceeds 80%, it has been allocated to the mixed asset class.

Unlisted and unquoted unit-linked instruments are mainly exposed to equity, comprising investments in hedge funds and private equity funds, or interest-bearing instruments, comprising mezzanine funding and structured guaranteed income products. It includes investments where the exposure is subject to the underlying investments, comprising investments in pooled funds as well as investments backing policies where the Group is the policyholder of an investment contract issued by other insurance companies.

	Group		Company	
	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Collective investment schemes ¹				
Local and foreign	284 508	250 394	269 747	235 220
Equity	101 688	84 165	94 501	75 573
Interest-bearing	25 403	19 335	16 868	15 668
Property	4 461	6 588	7 642	6 239
Mixed	148 610	136 434	147 325	134 884
Money market	4 157	3 548	3 324	2 785
Commodity	189	324	87	71
Other unit-linked investments ¹	26 310	22 746	26 384	22 682
Local and foreign				
Equity	5 046	4 625	5 195	4 726
Interest-bearing	3 665	2 366	3 643	2 347
Mixed	16 539	14 375	16 486	14 327
Commodity	281	352	281	254
Property	766	817	766	817
Money market	13	211	13	211
	310 818	273 140	296 131	257 902

¹ Included in the financial assets at FVPL line in the statement of financial position. Refer to note 6.1.

42.2 Detail on investments in associates at fair value through profit or loss

The Group holds a significant investment in the following associates at fair value through profit or loss:

	Carrying amount Rm	% interest held	Nature of relationship	Principal place of business
2026				
Momentum Africa Real Estate Fund	274	23.3%	Standard investment	London
2025				
Momentum Africa Real Estate Fund	310	25.1%	Standard investment	London

Summarised financial information relating to the associates above:

42 Unconsolidated structured entities continued**42.2 Detail on investments in associates at fair value through profit or loss continued**

	Momentum Africa Real Estate Fund Rm
2026	
Current assets	6
Non-current assets	1 071
Current liabilities	38
Non-current liabilities	1 039
Revenue	56
Profit	30
2025	
Current assets	13
Non-current assets	1 178
Current liabilities	17
Non-current liabilities	1 174
Revenue	57
Profit	12

42.3 Other unconsolidated structured entities

The table below provides information on significant other unconsolidated structured entities in which the Group holds an interest:

Name of entity	Investment type	Nature and purpose of business	How is the entity financed?	Note size ¹		Carrying amount ²		Income received ³	
				2026 Rm	2025 Rm	2026 Rm	2025 Rm	2026 Rm	2025 Rm
Grayston Drive Autos (RF) Ltd	Floating rate note/vanilla bonds	Special purpose vehicle set up by Investec Bank Limited to finance their automobiles book	Funding received from the South African capital market	3 000	3 000	473	469	37	23
The Thekwini Fund 17 (RF) Ltd	Floating rate note/vanilla bonds	Special purpose vehicle set up by South African Home Loans (Pty) Ltd to finance mortgage loans	Funding received from the South African capital market	*	3 935	*	428	*	46
The Thekwini Fund 18 (RF) Ltd	Floating rate note/vanilla bonds	Special purpose vehicle set up by South African Home Loans (Pty) Ltd to finance mortgage loans	Funding received from the South African capital market	3 393	3 757	494	642	41	64
The Thekwini Fund 19 (RF) Ltd	Floating rate note/vanilla bonds	Special purpose vehicle set up by South African Home Loans (Pty) Ltd to finance mortgage loans	Funding received from the South African capital market	4 832	4 785	662	622	51	57
The Thekwini Fund 20 (RF) Ltd	Floating rate note/vanilla bonds	Special purpose vehicle set up by South African Home Loans (Pty) Ltd to finance mortgage loans	Funding received from the South African capital market	4 916	**	500	**	21	**
The Thekwini Warehousing Conduit (RF) Ltd	Fixed rate notes	Asset Backed Commercial Paper set up by South African Home Loans (Pty) Ltd to fund pools of home loans pursuant to a securitisation scheme	The issuance of fixed and/or floating rate, asset-based commercial paper	2 860	2 818	1 005	568	11	5
Harcourt Street 1 (RF) Ltd	Floating rate notes	The issuer of the funds borrowed or raised from such debt instruments to acquire assets of any kind, but are typically associated with property investment and management	Funding received from the South African capital market	2 271	1 783	414	527	11	7
				21 272	20 078	3 548	3 256	172	202

* The carrying value of this listed securitisation is not considered to be significant in the current year.

** The carrying value of this listed securitisation was not considered to be significant in the prior year.

¹ The presentation of size is newly included in 2026. During the current year, management developed and sourced the information of the size of the unconsolidated structured entities for completeness and to align with the requirements of IFRS 12. 2025 has been restated to enhance comparability.

² Included in securities at FVPL in the statement of financial position. The carrying amount represents the Group's maximum exposure.

³ Consists of interest income and fair value gains/(losses).

The Group has not sponsored any significant unconsolidated structured entities in which it holds an interest.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

42 Unconsolidated structured entities continued

42.3 Other unconsolidated structured entities continued

At 30 June the following collective investment schemes (CISs) were associates of the Company:

	Interest held		Carrying amount	
	2026 %	2025 %	2026 Rm	2025 Rm
Momentum Africa Real Estate Fund	23%	25%	274	310
Momentum Core Equity Fund	10%	*	253	*
Curate Momentum Flexible Property Fund	15%	*	148	*
VPFP International Growth Fund IC Ltd	14%	19%	129	73
FGAM Global Growth Fund IC Ltd	19%	*	120	*
Momentum Macro Growth Fund	7%	9%	77	100
Momentum Financials Fund	9%	9%	47	39
Momentum Resources Fund	17%	*	35	*
VPFP International Cautious Fund IC Ltd	7%	4%	33	33
Momentum – Sterling Balanced Fund IC Limited	15%	12%	28	22
FGAM Global Cautious Fund IC Ltd	15%	*	24	*
Total investment in CIS associates			1 168	577

* These funds were not considered material associated in the prior year.

43 Valuation techniques

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 biannually, in line with the Group's biannual reporting dates.

The valuation of the Group's assets and liabilities has been classified using a fair value hierarchy that reflects the significance of the inputs used in the valuation. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (*level 1*).
- Input other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices) (*level 2*).
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (*level 3*).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

Instruments classified as level 1 have been valued using published price quotations in an active market and include the following classes of financial assets and liabilities:

- Local and foreign listed equity securities.
- Stock and loans to government and other public bodies, excluding stock and loans to other public bodies listed on the JSE interest rate market.
- Local and foreign listed and unlisted quoted CISs (this also refers to the related CIS liabilities).
- Derivative financial instruments, excluding OTC derivatives.
- Other unit-linked investments.

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 Accounting Standards. 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.

43 Valuation techniques continued

43.1 Fair value classification on level 2 instruments

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. Refer to note 6.6 for details of the instruments split into the different levels.

Instrument	Valuation basis	Main assumptions
Equities and similar securities - Local listed and unlisted		
- Listed and local	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, JIBAR rate, yield curve, issue spread, money market curve
- Listed, foreign	Published prices, DCF	Nominal bond curve, credit spread and currency rates
- Unlisted	DCF	Nominal bond curve, real bond curve, swap 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 debt instruments (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 fair value through profit and loss	Asset and liability matching method	Asset value
Payables arising from investment contracts	Fair value of the underlying assets	Fair value of the underlying assets

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

43 Valuation techniques continued

43.2 Fair value classification on level 3 instruments

Information about fair value measurements using significant unobservable inputs (level 3)

Financial assets	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Financial assets at fair value through profit and loss				
Equity securities				
Listed	Published prices	Adjustments for low liquidity or inactivity	Liquidity discount: 0% to 30% (2025: 0% to 30%)	The higher the liquidity discount rate, the lower the 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 value of the property and the fair value ¹
Debt securities				
<i>Stock and loans to government and other public bodies</i>				
Unlisted	DCF	Discount rate	9.50% to 11.5% (2025: 8.00% to 11.5%)	The higher the discount rate, the lower the fair value of the assets.
<i>Other debt instruments</i>				
Unlisted	DCF, Black-Scholes model	Discount rate, volatilities, yield curve	Multiple unobservable inputs ¹	Could vary significantly based on multiple inputs. The higher the discount rate, the lower the fair value of the assets. A normal yield curve will result in a lower fair value and a downward-sloping curve will result in higher fair values.
	DCF	Discount rate	7.98% (2025: 9.00% to 10.22%); 8.02% to 11.70% (2025: 8.5% to 15.06%)	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 (2025: 78c)	The higher the price per unit, the higher the fair value

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

43 Valuation techniques continued

43.2 Fair value classification on level 3 instruments continued

Information about fair value measurements using significant unobservable inputs (level 3) continued

Financial assets	Valuation technique(s)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Unit-linked investments				
<i>Collective investment schemes</i>				
Foreign unlisted unquoted	Market approach – earnings multiple method & DCF	Valuation multiple, enterprise value, surplus assets, excess liabilities, financial instrument ranking, discount rates	Could vary significantly due to range of holdings	The higher the valuation multiple, enterprise value, surplus excess and financial instrument ranking, the greater the fair value. The higher the excess liabilities the lower the fair value. The higher the discount rate, the lower the fair value of the assets.
<i>Other unit-linked investments</i>				
Local unlisted unquoted	Market approach – earnings multiple method & DCF	Valuation multiple, enterprise value, surplus assets, excess liabilities, financial instrument ranking, discount rates	Could vary significantly due to range of holdings	The higher the valuation multiple, enterprise value, surplus excess and financial instrument ranking, the greater the fair value. The higher the excess liabilities the lower the fair value. The higher the discount rate, the lower the fair value of the 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 holdings ¹	The fair value varies based on any changes to the underlying investment valuations and judgemental adjustments applied by management
Foreign unlisted unquoted	Market approach – earnings multiple method & DCF	Valuation multiple, enterprise value, surplus assets, excess liabilities, financial instrument ranking, discount rates	Could vary significantly due to range of holdings	The higher the valuation multiple, enterprise value, surplus excess and financial instrument ranking, the greater the fair value. The higher the excess liabilities the lower the fair value. The higher the discount rate, the lower the fair value of the 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 holdings ¹	The fair value varies based on any changes to the underlying investment valuations and judgemental adjustments applied by management
Investment in subsidiaries				
Investment in subsidiaries at fair value through other comprehensive income	DCF	Discount rate	13.00% to 14.75% (2025: 12.75% to 16.75%)	The higher the discount rate, the lower the fair value of the investment
Investment in subsidiaries at fair value through profit and loss	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
Derivative financial assets				
	Adjusted NAV or NAV	Underlying investment valuations impacted by funding rounds, market dynamics, economic conditions and internal business metrics	Could vary significantly due to range of holdings 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 fair value through profit and loss				
Preference shares	DCF	Discount rate	10.99% to 14.44% (2025: 11.55% to 14.43%)	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. Editorial changes have been made to the fair value classification on level 3 instruments.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

43 Valuation techniques continued

43.3 Fair value classification on financial instruments not measured at fair value disclosed as level 2 instruments

Instrument	Valuation basis	Main assumptions
Financial assets at amortised cost		
Unsettled trades	Transaction price of the underlying trade	No key assumptions applied over the transaction price of the underlying trade given the typical short period between trade date and settlement date
Accounts receivable	DCF ¹	Discount rate applied if the effect of the time value of money is considered material
Funds on deposit and other money market instruments	DCF ¹	Discount rate applied if the effect of the time value of money is considered material
Loans	DCF ¹	Discount rate applied if the effect of the time value of money is considered material
Cash and cash equivalents	DCF ¹	Discount rate applied if the effect of the time value of money is considered material
Financial liabilities at amortised cost		
Term loans	DCF	Discount rate applied if the effect of the time value of money is considered material
Other payables		
Other	DCF	Discount rate applied if the effect of the time value of money is considered material

¹ Valuation basis will typically reference the face value, with appropriate consideration of credit risk and discounted for the effect of the time value of money if considered material.

43.4 Equity-settled arrangements

Valuation assumptions relating to outstanding iSabelo units at 30 June

The valuation model

The value of the share scheme is calculated using an option-based model.

At the vesting date, the value of the units held, net of the debt attributable to those units, will be used to buy Momentum Group Ltd shares for the holders of the vested units. Consequently, an individual unit holder in the scheme can be seen as holding a call option on Momentum Group Ltd shares where the exercise price is the applicable value of the scheme debt per unit at the settlement date (i.e. the value of the preference shares).

All scheme debt will be settled at the end of year 10 of the scheme. Before this, the debt profile allows for the ranking of the different debt instruments by first servicing obligations to the most senior instruments in this case the A preference shares, and then to the subordinated B preference shares.

The IFRS 2 charge for any specific issuance is then determined as the grant date fair valuation of the option adjusted for the expected proportion of units that will reach vesting (i.e. attrition). The recognition profile of the expenses follows a graded vesting pattern in line with IFRS 2 guidance.

In order to incorporate the impact of employees leaving over the scheme duration, an employee attrition rate of 14% (2025: 14%) was used.

43 Valuation techniques continued**43.4 Equity-settled arrangements continued**

Valuation assumptions relating to outstanding iSabelo units at 30 June continued

Key inputs

For the valuation, the following key parameters were used:

Key model parameters

2026							
Market-based parameters	1st tranche	2nd tranche	3rd tranche	4th tranche	5th tranche	1st top-up	Comment
Share price at issue date	18.89	16.49	18.37	20.15	32.43	38.76	Share price as at issue date
Volatility	40.00%	40.00%	26.30%	23.61%	24.47%	24.47%	Based on market rates
Risk-free rate	10.87%	10.61%	11.40%	12.95%	10.93%	9.03%	10-year point on GOVI Zero NACS
Contractual parameters							
Dividend yield	4%	4%	4%	4%	4%	4%	Constant dividend yield assumed over the projection period
Funding charges	72% of prime 120% of prime	72% of prime 120% of prime	72% of prime 120% of prime	72% of prime 120% of prime	72% of prime 120% of prime	70% of prime 90% of prime	A preference share B preference share
Employee attrition	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	Based on historic experience
2025							
Market-based parameters	1st tranche	2nd tranche	3rd tranche	4th tranche	5th tranche		Comment
Share price at issue date	18.89	16.49	18.37	20.15	32.43		Share price as at issue date
Volatility	40.00%	40.00%	26.30%	23.61%	24.47%		Based on market rates
Risk-free rate	10.87%	10.61%	11.40%	12.95%	10.93%		10-year point on GOVI Zero NACS
Contractual parameters							
Dividend yield	4%	4%	4%	4%	4%		Constant dividend yield assumed over the projection period
Funding charges	72% of prime 120% of prime	72% of prime 120% of prime	72% of prime 120% of prime	72% of prime 120% of prime	72% of prime 120% of prime		A preference share B preference share
Employee attrition	14.00%	14.00%	14.00%	14.00%	14.00%		Based on historic experience

The volatility used in the valuation was based on the market implied volatility at the time of the valuation.

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for the year ended 30 June 2026

44 Directors' remuneration

The Group's executive directors are contracted as full-time, permanent employees, with the exception of the CEO who is currently on a fixed term contract. Notice periods range from one to three months' written notice. Bonus payments and the vesting of long-term incentives that are in place at the time of an individual's termination of service are subject to the rules of the relevant incentive scheme, subject to the discretion of the Remco based on recommendations by the CEO.

Non-executive directors, including the Chair, receive a fixed annual fee that is inclusive of all Board and committee attendance, as well as all other services performed on behalf of the Group. The Group pays for all travelling and accommodation expenses in respect of Board meetings.

	Salary		Performance bonus		Retention payments		Long-term incentive payments		Expense allowance	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Jeanette Marais (Cilliers)	8 338	7 872	7 200	4 900	-	-	29 072	21 988	84	-
Risto Ketola	6 004	5 685	5 125	3 850	-	-	25 186	18 070	-	-
Dumo Mbethe	4 797	4 500	4 400	3 750	-	-	18 090	11 741	40	-
Executive directors	19 139	18 057	16 725	12 500	-	-	72 348	51 799	124	-

	Medical aid		Pension fund		Contractual payment		Total remuneration		Value of shares granted	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Jeanette Marais (Cilliers)	86	78	342	388	-	-	45 122	35 226	30 837	25 118
Risto Ketola	86	78	293	278	-	-	36 694	27 961	20 393	16 951
Dumo Mbethe	52	47	376	353	-	-	27 755	20 391	16 178	13 984
Executive directors	224	203	1 011	1 019	-	-	109 571	83 578	67 408	56 053

	Fees		Ad hoc fees		Total fees	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000	2026 R'000	2025 R'000
PC Baloyi ¹	1 269	2 967	-	-	1 269	2 967
P Cooper ¹	895	1 832	-	-	895	1 832
L de Beer	2 295	2 078	-	-	2 295	2 078
NJ Dunkley	2 092	2 690	-	-	2 092	2 690
T Gobalsamy	1 288	1 258	-	-	1 288	1 258
SC Jurisich	2 382	2 298	-	-	2 382	2 298
AF Leautier	1 765	1 644	-	-	1 765	1 644
P Matlakala	2 166	2 113	-	-	2 166	2 113
HP Meyer ²	1 383	1 120	-	-	1 383	1 120
DJ Park	1 891	1 832	-	-	1 891	1 832
S Rapeti	1 221	1 120	-	-	1 221	1 120
JJ Sieberhagen	2 648	1 874	-	-	2 648	1 874
T Soondarjee	3 195	1 539	-	-	3 195	1 539
Non-executive directors	24 490	24 365	-	-	24 490	24 365

¹ Resigned 20 November 2025.

² Retired as an executive director September 2023. Post his retirement he was not awarded any remuneration for his services as an executive director. All payments due post his retirement relate to cash settlement of vested deferred bonus and LTIP units earned during his tenure as executive director but with vesting and cash settlement due post retirement per the original award vesting and settlement terms and conditions approved by the Group Remuneration Committee. For 2026 Hillie Meyer received LTIP and deferred bonus units payment amounting to R40.1 million (2025: R31.6 million).

45 Material Group accounting policies

45.1 New IFRS standards and amendments

45.1.1 Standards, amendments to and interpretations of published standards that are not yet effective and have not been early adopted by the Group

- Volume 11 – Annual improvements to IFRS Accounting Standards (effective from annual periods beginning on or after 1 January 2026).
- IFRS 9 and IFRS 7 (Amendments) – Contracts referencing nature-dependent electricity (effective from annual periods beginning on or after 1 January 2026).
- IFRS 9 and IFRS 7 (Amendments) – Classification and measurement of financial instruments (effective from annual periods beginning on or after 1 January 2026).
- IFRS 18 – Presentation and Disclosure in Financial Statements (effective from annual periods beginning on or after 1 January 2027). IFRS 18 establishes a framework for presenting financial statements to enhance transparency and comparability between reporting entities. The standard introduces sub-totals in the income statement and requires the allocation of income and expenses into the sections created by the sub-totals. IFRS 18 introduces the concept of management-defined performance measures (MPMs) and requires disclosure to be made for MPMs. The standard provides principles to be considered in determining the content and level of granularity of line items in the primary financial statements and the notes to the financial statements. The adoption of IFRS 18, for the annual period ending 30 June 2028, will result in changes to the Group's income statement, notes to the financial statements and restatement of the comparative period. The adoption of IFRS 18 should not result in changes to the Group's earnings. The Group is assessing main business activities and the consequential impacts on the Group's income statement and the extent that MPMs are used to communicate the Group's financial performance.
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures (effective from annual periods beginning on or after 1 January 2027).
- IFRS 20 – Regulatory Assets and Regulatory Liabilities (effective from annual periods beginning on or after 1 January 2029).

Management is currently assessing the impact of these new standards, amendments and interpretations on the Group's financial statements. While the assessment is ongoing, IFRS 18 and, potentially, the amendments to IFRS 9 and IAS 28 are expected to have the most significant impact. The remaining new standards, amendments and interpretations are not expected to materially affect the Group's financial position, financial performance or disclosures.

45.2 Consolidation

45.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. All material subsidiaries have financial years ending on 30 June and are consolidated to that date. Subsidiaries with financial year-ends other than 30 June are consolidated using audited or reviewed results (where necessary) for the relevant period ended 30 June. The accounting policies for subsidiaries are consistent, in all material respects, with the policies adopted by the Group. Separate disclosure is made of non-controlling interests.

Initial measurement

The acquisition method of accounting is used to account for the acquisition of subsidiaries/business combinations by the Group. The cost of a business combination is the fair value of the assets given at the date of acquisition, equity issued and liabilities assumed or incurred (including contingent liabilities). This includes assets or liabilities recognised from contingent consideration arrangements. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit and loss. Costs directly attributable to the business combination are expensed as incurred. Consideration transferred in excess of the fair value of the Group's share of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Conversely, to the extent that the Group's share of identifiable assets, liabilities and contingent liabilities exceeds the consideration transferred, the difference is recognised in the income statement as a bargain purchase. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interest shareholders even if this results in the non-controlling interest shareholders having a deficit balance.

Disposals

If the Group loses control of a subsidiary company, the gain or loss on disposal is calculated as the difference between the fair value of the consideration received, and the carrying amount of the subsidiary's net assets and any non-controlling interest. Any gains or losses in other comprehensive income that are allowed to be recycled to the income statement are reclassified and those amounts not reclassified to the income statement are directly transferred to retained earnings. Goodwill is included in the calculation of gains and losses on the disposal of an entity.

Transactions with non-controlling interest shareholders

Transactions with non-controlling interest shareholders are treated as transactions with equity participants of the Group and any resulting in gains and losses for the Group are recorded in equity.

Measurement – MML separate financial statements

Investments in subsidiaries

The Company accounts for its investments in subsidiaries either at fair value through profit or loss or at fair value through other comprehensive income, depending on the category of investment. The measurement basis is determined when the investment is initially recognised and is applied consistently to that category.

For subsidiaries measured at fair value through profit or loss, all changes in fair value are recognised in profit or loss within net realised and unrealised fair value gains and losses.

For subsidiaries measured at fair value through other comprehensive income, fair value changes are recognised in other comprehensive income and are not subsequently reclassified to profit or loss.

Investments in subsidiaries that will be disposed of in the near future

Investments in subsidiaries held exclusively with the view of disposal in the near future (12 months) are accounted for at the lower of fair value less the cost to sell and its carrying amount in terms of the requirements of IFRS 5.

Disposal of investments in subsidiaries

Gains or losses on disposal of investments in subsidiaries carried at fair value through profit and loss are included in the income statement as net realised fair value gains and losses. When investments in subsidiaries carried at fair value through other comprehensive income are sold, the cumulative amount that was accounted for against other comprehensive income is transferred directly to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.2 Consolidation continued

45.2.1 Subsidiaries continued

Measurement – MML separate and consolidated financial statements

Acquisition of subsidiaries or businesses under common control

Common control is defined as a business combination in which all the combining entities (subsidiaries or businesses) are ultimately controlled by the same party both before and after the business combination, and control is not transitory. The cost of an acquisition of a business under common control is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of the exchange. The Group and Company recognises assets and liabilities of the acquiree included in and measured at the carrying values in the consolidated financial statements of the Momentum Group, at the date of the business combination under common control. Any excess/deficit of the purchase price over the carrying amounts of the assets and liabilities is adjusted directly to equity, in a separate common control reserve. Adjustments to achieve harmonisation of accounting policies will be adjusted on consolidation at the holding company level. Under this approach comparatives are not restated.

45.2.2 Associates

Associates are all entities over which the Group has significant influence but not control. The accounting policies for associates are consistent, in all material respects, with the policies adopted by the Group.

Measurement

Investments in associate companies are initially recognised at cost, including goodwill, and the carrying amount is increased or decreased with the Group's proportionate share of post-acquisition profits or losses, using the equity method of accounting. The equity method is discontinued from the date that the Group ceases to have significant influence over the associate. When significant influence is lost, any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in the income statement.

Investments in CISs where the Group has significant influence are recognised at fair value through profit and loss and are not equity accounted where they back contract holder liabilities, based on the scope exemption in IAS 28 – Investments in associates and joint ventures for investment-linked insurance funds. Initial measurement is at fair value on trade date, with subsequent measurement at fair value based on quoted repurchase prices at the close of business on the last trading day on or before the reporting date. Fair value adjustments on CISs are recognised in the income statement. The related income from these schemes is recognised as interest or dividends received, as appropriate.

Impairment

Under the equity method, the carrying amount is tested for impairment at reporting dates.

Measurement – MML separate financial statements

Investments in collective investment schemes where the Company has significant influence are carried as investments at fair value through profit and loss and are not equity accounted where they back contract holder liabilities, based on the scope exemption in IAS 28 – Investments in associates for investment-linked insurance funds. Initial measurement is at fair value on trade date, with subsequent measurement at fair value based on quoted repurchase prices at the close of business on the last trading day on or before the reporting date. Fair value adjustments on collective investment schemes are recognised in the income statement. The related income from these schemes is recognised as interest or dividends received, as appropriate.

45.2.3 Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures. Joint ventures are accounted for using the equity method.

Measurement

Interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income.

Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

45.3 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in South African Rand (the presentation currency), which is the functional currency of the parent. The financial statements have been rounded to the nearest R million.

Transactions and balances

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary financial assets and liabilities, measured at fair value through profit and loss, are recognised as part of their fair value gain or loss.

Subsidiary undertakings

Foreign entities are entities of the Group that have a functional currency different from the presentation currency. Assets and liabilities of these entities are translated into the presentation currency at the rates of exchange ruling at the reporting date. Income and expenditure are translated into the presentation currency at the average rate of exchange for the year.

On consolidation, foreign exchange rate differences arising from the translation of the net investment in foreign entities are recognised in the foreign currency translation reserve in other comprehensive income. On disposal, such foreign exchange rate differences are recognised in the income statement as part of net realised and unrealised fair value gains.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

45 Material Group accounting policies continued

45.4 Intangible assets

45.4.1 Goodwill

Recognition and measurement

Goodwill is recognised at the acquisition date. Subsequent to initial measurement, goodwill is carried at cost less accumulated impairment losses.

Goodwill on acquisition of subsidiaries is included in intangible assets whereas goodwill on acquisition of associates is included in investment in associates.

Impairment

At the acquisition date, goodwill acquired in a business combination is allocated to CGUs that are expected to benefit from the synergy of the combination in which the goodwill arose. CGUs to which goodwill has been allocated are assessed annually for impairment, or more frequently if events or changes in circumstances indicate a potential impairment. Any impairment losses are allocated first to reduce the carrying amount of any goodwill allocated to a CGU and then to reduce the carrying amount of other assets on a pro rata basis. Impairment losses on goodwill are not reversed.

45.4.2 Deferred acquisition costs (DAC)

Incremental costs that are directly attributable to securing rights to receive fees for asset management services sold with investment contracts are recognised as an asset if the entity expects to recover them. The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The asset represents the contractual right to benefit from receiving fees for providing investment management services, and is amortised over the policy term, as a constant percentage of expected gross profit margins (including investment income) arising from the contract or on a straight-line basis. The pattern of expected profit margins is based on historical and expected future experience and is updated at the end of each accounting period.

Impairment

An impairment test is conducted annually at reporting date on the DAC balance to ensure that the amount will be recovered from future revenue generated by the applicable remaining investment management contracts.

45.4.3 Other intangible assets

Other intangible assets include customer relationships, brands and computer software.

Subsequent measurement

Other intangible assets are carried at cost less accumulated amortisation and impairment. The assets are amortised over their expected useful lives using the straight-line method. The customer relationships are amortised over 3 to 19 years, brands over 10 to 20 years and computer software over 10 years. If an intangible asset has an indefinite useful life, no amortisation is recorded on that intangible asset.

45.5 Owner-occupied properties

Owner-occupied properties are held for use in the supply of services or for administrative purposes. Where the Group occupies a significant portion of the property, it is classified as an owner-occupied property.

Measurement

Owner-occupied properties are stated at revalued amounts, being fair value reflective of market conditions at the reporting date.

Fair value is determined using either DCF techniques which present value the net rental income, discounted for the different types of properties at the market rates applicable at the reporting date, or the income capitalisation approach based on the aggregate contractual or market-related rent receivable less associated costs. Where considered necessary, significant properties are valued externally by an independent valuer, at least once in a three-year cycle, to confirm the fair value of the portfolio.

Increases in the carrying amount arising on revaluation of buildings are credited to a land and building revaluation reserve in other comprehensive income. Decreases that offset previous increases in respect of the same asset are charged against the revaluation reserve, and all other decreases are charged to the income statement.

Depreciation

Owner-occupied property buildings are depreciated on a straight-line basis, over 50 years, to allocate their revalued amounts less their residual values over their estimated useful lives. Property and equipment related to the buildings are depreciated over 5 to 20 years. Land is not depreciated. The residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

Accumulated depreciation relating to these properties is eliminated against the gross carrying amount of the properties and the net amount is restated to the revalued amount. Subsequent depreciation charges are adjusted based on the revalued amount for each property.

Disposals

When owner-occupied properties are sold or when the properties are no longer classified as owner-occupied, the amounts included in the land and buildings revaluation reserve are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.6 Investment properties

Investment properties are held to earn rentals or for capital appreciation or both and are not significantly occupied by the companies of the Group. Investment properties include property under development for future use as investment property.

Measurement

Investment properties comprise freehold land and buildings and are carried at fair value, reflective of market conditions at the reporting date, less the related cumulative accelerated rental income receivable. Fair value is determined as being the present value of net rental income, discounted for the different types of properties at the market rates applicable at the reporting date. All properties are internally valued on a biannual basis and where considered necessary, significant properties are valued externally by an independent valuer, at least once in a three-year cycle, to confirm the fair value of the portfolio. The accelerated rental income receivable represents the cumulative difference between rental income on a straight-line basis and the accrual basis.

Investment properties that are being redeveloped for continuing use as investment property, or for which the market has become less active, continue to be measured at fair value.

Undeveloped land is valued at fair value based on recent market activity in the area.

Transfers to and from investment properties

If an investment property becomes owner-occupied, it is reclassified under owner-occupied properties, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes, and vice versa.

45.7 Financial assets

Classification

The Group classifies its financial assets in the following main categories:

- Financial assets at fair value through profit and loss, including derivative financial assets
- Financial assets at amortised cost

The classification of financial instruments is based on contractual cash flows characteristics and models through which financial instruments are managed (business model).

The Group reclassifies debt investments when its business model for managing those assets changes.

• Debt instruments

Debt instruments are measured at amortised cost when the debt is held for collection of contractual cash flows, where those cash flows represent solely payments of the principal amount outstanding and interest on the principal amount. The Group designates debt securities and funds on deposit and other money market instruments at fair value through profit and loss upon initial recognition when it eliminates or significantly reduces a measurement or recognition inconsistency, referred to as an accounting mismatch, that would otherwise arise as a result of movements in related liabilities being recorded in profit or loss.

• Equity instruments

The Group subsequently measures all equity investments at fair value. The Group's management has elected to present fair value gains and losses on equity instruments in profit and loss.

• Equity instruments – MML separate financial statements

The Company subsequently measures all equity investments at fair value. The Company's management has elected to not present fair value gains and losses on equity instruments in other comprehensive income, except for investments in subsidiaries elected to be measured at fair value through other comprehensive income. All other fair value gains and losses on equity instruments are recognised in the income statement.

Recognition and measurement

A financial asset is recognised in the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

Purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the financial assets. These are recognised as unsettled trades until the settlement date occurs.

Financial assets at fair value through profit and loss is subsequently carried at fair value. Financial assets at amortised cost is recognised initially at fair value and subsequently carried at amortised cost, using the effective interest method less provision for impairment.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For financial assets at amortised cost, the Group determines at each reporting date whether there has been a significant increase in credit risk since initial recognition of the financial asset by assessing the likelihood or risk of default occurring since initial recognition based on all reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition. Where there is no significant increase in credit risk since initial recognition or for assets that have low credit risk at reporting date, a 12-month expected credit loss is recognised. Where a significant increase in credit risk since initial recognition occurred a lifetime expected credit loss is calculated.

The Group views financial assets at amortised cost to be low credit risk when there is a low risk of default and the borrower has the strong capacity to meet its contractual cash flow obligations in the near term. The low credit risk exemption has not been applied by the Group.

Management considers whether there is reasonable expectation that a balance can be recovered from a counterparty and if not, balances are written off.

45 Material Group accounting policies continued

45.7 Financial assets continued

Impairment – MML separate financial statements

Intercompany loan impairment is calculated at each reporting date using probability of default and the loss given default (LGD) rates. Probability of default rates considers historical defaults as well as forward-looking estimates based on macroeconomic factors obtained from rating agencies. Loans without repayment terms consider any senior external or internal loans which need to be repaid before the intercompany loan to determine a probability of default, since it reduces the liquid assets available to repay that intercompany loan. Management applies its own judgement, on an individual loan basis, to adjust the prescribed LGD to include forward-looking information. Balances are written off when there is no reasonable expectation of recovery.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. The Group also derecognises a financial asset when the Group retains the contractual rights of the assets but assumes a corresponding liability to transfer these contractual rights to another party and consequently transfers substantially all the risks and benefits associated with the asset. Any gain or loss arising on derecognition of assets at amortised cost is recognised directly in the income statement and presented in net realised and unrealised fair value gains together with foreign exchange gains and losses.

Interest and dividend income

Financial assets at fair value through profit and loss

Dividend income arising on financial assets is disclosed under investment income in the income statement. Interest income arising on financial assets at fair value through profit and loss is included in net realised and unrealised fair value gains and losses.

Offsetting

Financial assets and liabilities were set off and the net balance reported in the statement of financial position where there was a legally enforceable right to set off, where it is the intention to settle on a net basis or to realise the asset and settle the liability simultaneously, where the maturity date for the financial asset and liability was the same, and where the financial asset and liability were denominated in the same currency.

Scrip lending

The equities or bonds on loan by the Group, and not the collateral security, are reflected in the statement of financial position of the Group at year end. Scrip lending fees received are included under fee income. The Group continues to recognise the related income on the equities and bonds on loan. Collateral held is not recognised in the financial statements unless the risks and rewards relating to the asset have passed to the Group.

45.8 Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including DCF and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative, subject to the offsetting principles as described under the financial assets accounting policies above.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (that is, the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (that is, without modification or repackaging), or is based on a valuation technique whose variables include only observable market data.

When unobservable market data has an impact on the valuation of derivatives, the entire initial change in fair value indicated by the valuation model is not recognised immediately in the income statement but over the life of the transaction on an appropriate basis, or when the input becomes observable, or when the derivative matures or is closed out.

The subsequent fair value of exchange-traded derivatives is based on a closing market price while the value of over-the-counter derivatives is determined by using valuation techniques that incorporate all factors that market participants would consider in setting the price. Changes in the fair value of derivative instruments are recognised immediately in the income statement within net realised and unrealised fair value gains and losses.

Embedded derivative liabilities are separated and fair-valued through income when they are not closely related to their host contracts and meet the definition of a derivative, or where the host contract is not carried at fair value.

45.9 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost, which approximates fair value. Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less and are subject to an insignificant risk of change in value. Bank balances held to meet short-term cash commitments are included in funds on deposit and other money market instruments with a maturity of three months or less. Operating bank balances are included in bank and other cash balances.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.10 Insurance and investment contracts

The contracts issued by the Group transfer insurance risk, financial risk or both. Contracts are separated into investment and insurance contracts for valuation and accounting purposes. Insurance contracts transfer significant insurance risk to the Group. Insurance risk is significant if an insured event could cause the Group to pay additional amounts that are significant in any single scenario, excluding scenarios that have no commercial substance. Investment contracts transfer financial risk to the Group.

Where allowed in terms of the standard, the Group accounts for financial guarantee contracts as insurance contracts. In other instances, the Group accounts for financial guarantee contracts as financial instruments.

Investment contracts with discretionary participation features are accounted for as insurance contracts. An investment contract exposes the Group to financial risk and not to significant insurance risk. The terms and conditions of an investment contract contains discretionary participation features if discretionary benefits are expected to be a significant portion of the total expected benefits to the policyholder.

Some investment contracts issued by the Group provides the policyholder with a choice regarding the investment fund(s) that the policyholder funds will be invested into. Investment fund rules and relevant PPFMs could result in an investment fund providing significant discretionary benefits to policyholders. Investment contracts with existing or potential exposure to such funds are assessed to determine whether the investment contracts contain discretionary participation features.

The accounting policies dealing with the accounting treatment of investment contracts with discretionary participation features are discussed under the section dealing with the variable fee approach.

An insurance contract can provide various types of insurance cover to a policyholder. The lowest level of accounting for an insurance contract, is the insurance contract itself. The Group applies judgement to assess whether accounting for various insurance components as a single insurance contract, reflects the economic substance of the insurance contract. The Group considers facts and circumstances in deciding whether the insurance components should be accounted for as one insurance contract or as several separate insurance contracts. Accounting for a single insurance contract as several, separate insurance contracts is not an accounting policy choice. As such the accounting treatment can be determined on a case-by-case basis.

Policyholders who are members of the LifeReturns loyalty scheme can earn incentive benefits depending on their LifeReturns Rewards status and other factors. LifeReturns discounts on premiums are accounted for as reductions in the fulfilment cash flows or estimated amount of insurance revenue of a group of insurance contracts.

45.10.1 Insurance contracts issued and reinsurance contracts held

45.10.1.1 Presentation

The closing balance of a portfolio of insurance contracts includes, among others, the carrying values of liabilities for incurred claims of groups of insurance contracts in the portfolio. Fulfilment cash flows (including risk adjustments) for incurred claims and payables or receivables incurred as part of the claims handling and settlement processes, are included in the measurement of the liability for incurred claims. After the recognition of the incurred amounts, the Group transfers fulfilment cash flows with third parties that are subject to negligible non-financial risk to financial liabilities at amortised cost or other payables. As a result, the closing balance of the liability for incurred claims consists of fulfilment cash flows for incurred claims and other payables or receivables that continue to expose the Group to non-financial risk.

Insurance finance income and expenses earned/incurred in the measurement of a group of insurance contracts or investment contracts with discretionary participation features are presented, in total, in insurance finance income and expenses on the income statement.

45.10.1.2 Initial recognition of insurance contracts issued and reinsurance contracts held

The Group recognises a group of insurance contracts from the earliest of the beginning of the coverage period of the group of contracts, the date when the first payment from a policyholder in the group becomes due or for a group of onerous contracts, when the group of contracts becomes onerous.

Insurance contracts that meet the recognition criteria on an individual basis are included in the group of insurance contracts recognised. The Group considers whether insurance contracts form an onerous group of insurance contracts prior to the commencement of the coverage period or the premium due date. The existence of such a group of insurance contracts will result in recognition of an onerous group of insurance contracts.

The Group recognises a group of reinsurance contracts held from the earlier of the beginning of the coverage period of the group of reinsurance contracts held and the recognition date of an onerous group of underlying insurance contracts, if the related reinsurance contract held was entered into at or before the recognition date of the onerous group of underlying insurance contracts.

The Group defers the recognition of a group of reinsurance contracts held that provide proportionate coverage until the recognition of the underlying insurance contracts, if this date is later than the beginning of the coverage period of the group of reinsurance contracts held.

45.10.1.3 Modification of insurance contracts issued and reinsurance contracts held

The terms of an insurance contract can be modified, for example by agreement between the parties to the contract or by a change in regulation. If the modification of the insurance contract meets specific criteria, the Group derecognises the original insurance contract and recognises a new contract in terms of the relevant IFRS Accounting Standards. If the specific criteria are not met, the modification is accounted for as changes in estimates of fulfilment cash flows. The exercise of an implicit or implied right included in the terms of a contract, by either the Group or the policyholder is not a modification.

The terms of a reinsurance contract can be modified, for example by agreement between the parties to the contract or by a change in regulation. If the modification of the reinsurance contract meets specific criteria, the Group derecognises the original reinsurance contract and recognises a new contract in terms of the relevant IFRS Accounting Standards. If the specific criteria are not met, the modification is accounted for as changes in estimates of fulfilment cash flows. The exercise of a right included in the terms of a contract is not a modification.

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.4 Derecognition of insurance contracts issued and reinsurance contracts held

The Group derecognises an insurance contract when, and only when it is extinguished, i.e. when the obligations specified in the insurance contract expires or are discharged or cancelled, or if a modification of the insurance contract results in a derecognition of an insurance contract.

On the derecognition of an insurance contract the Group adjusts the fulfilment cash flows of the group of insurance contracts to no longer include the present value of future cash flows and risk adjustment related to the insurance contract. Adjustments to the fulfilment cash flows results in opposite adjustments to the contractual service margin to the extent possible. In addition, the number of coverage units for expected remaining insurance contract services is adjusted to reflect the coverage units derecognised from the group.

When an insurance contract is transferred to a third party, any premium paid on the transfer of the insurance contract is accounted for in the contractual service margin, to the extent possible.

The contractual service margin or loss component of the group of insurance contracts that contains the new insurance contract incorporates the notional premium that the Group would have charged if a similar insurance contract was issued, and other fulfilment cash flows on the modification date. The fulfilment cash flows of the new insurance contract are measured as if the notional premium was received on the modification date.

When an insurance contract measured in terms of the premium allocation approach is derecognised, the expected insurance revenue for the period is reduced and any loss component or incurred claims for the group of insurance contracts is adjusted, to no longer include the insurance contract.

The Group derecognises a reinsurance contract when, and only when it is extinguished, i.e. when the rights and obligations specified in the reinsurance contract expires or are discharged or cancelled, or if a modification of the reinsurance contract results in a derecognition of a reinsurance contract.

On the derecognition of a reinsurance contract the Group adjusts the fulfilment cash flows of the group of reinsurance contracts to no longer include the present value of future cash flows and risk adjustment related to the reinsurance contract.

Adjustments to the fulfilment cash flows result in opposite adjustments to the contractual service margin. In addition, the number of coverage units for expected remaining reinsurance contract services is adjusted to reflect the coverage units derecognised from the group.

The contractual service margin of the group of reinsurance contracts that contains the new reinsurance contract incorporates the notional premium that the Group would have paid if a similar reinsurance contract was entered into, and other fulfilment cash flows on the modification date. The fulfilment cash flows of the new reinsurance contract are measured as if the notional premium was paid on the modification date.

When a reinsurance contract measured in terms of the premium allocation approach is derecognised, the allocation of reinsurance service premiums for the period is reduced and any loss-recovery component or incurred claims for the group of reinsurance contracts is adjusted, to no longer include the reinsurance contract.

45.10.1.5 Portfolios and groups of insurance contracts issued and reinsurance contracts held

A portfolio of insurance contracts comprises contracts subject to similar risks, that are managed together. The identification of portfolios of insurance contracts involves judgement. In identifying portfolios of insurance contracts, the Group considers the perils and insured events that are covered by the insurance contracts. In addition, the Group considers management information and decision-making processes to identify the insurance contracts that are managed together.

The Group has identified a group of insurance contracts issued and reinsurance contracts held as the contracts that are issued/held during the financial year of the Group. Contracts issued/held between and including the 1st of July and 30th of June the following year, are included in the same group of insurance contracts. In limited instances, a group of insurance contracts will consist of insurance contracts issued during a shorter period than an annual period, for example insurance contracts issued within a month.

At initial recognition the insurance contracts in a portfolio of insurance products are allocated into mandated groups of insurance contracts based on expected profitability. Insurance contracts that are onerous are allocated into a group that contains the onerous contracts. The remaining insurance contracts are allocated into a group that contains insurance contracts that are expected to be profitable, but might become onerous in the future. The allocation is performed on a set of insurance contracts or per individual insurance contract. The process makes use of fulfilment cash flows, qualitative factors and sensitivity analyses to allocate the insurance contracts into groups of insurance contracts. Once an insurance contract has been allocated to a particular group of insurance contracts, the contract remains in the particular group for the remainder of the coverage period of the contract.

A reinsurance treaty sets out the legal relationship between the insurer and the reinsurer. The Group accounts for reinsurance treaties by recognising a series of reinsurance contracts held. The Group measures reinsurance contracts with reference to the fulfilment cash flows of the underlying insurance contracts that receive reinsurance coverage and the relevant terms and conditions as specified in the reinsurance treaties. These reinsurance contracts held, are allocated into groups of reinsurance contracts originated in a net gain and groups of reinsurance contracts originated not in a net gain. The allocation is determined by whether the underlying group of insurance contracts is expected to be profitable (net gain) or onerous (not in a net gain) at initial recognition of the reinsurance contracts held.

The Group prepares interim and annual financial statements. At the interim reporting date, the contractual service margin or loss component of a group of insurance contracts is adjusted for the impact of changes in accounting estimates. Such estimates include changes in fulfilment cash flows that relate to future service and estimates of remaining future service. When preparing the next set of annual financial statements, changes in accounting estimates made to the contractual service margin or loss component at the previous interim reporting date, is reversed and the contractual service margin or loss component at the annual reporting date, is based on the annual financial period.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.6 Measurement of fulfilment cash flows

The measurement of a group of insurance contracts and reinsurance contracts considers the fulfilment cash flows within the boundary of the group of insurance contracts. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. Cash flows within the boundary of an insurance contract are those that relate directly to the fulfilment of the contract, including cash flows for which the entity has discretion over the amount or timing of the cash flows.

Fulfilment cash flows are the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contracts, including a risk adjustment for non-financial risk.

References to 'expenses' in the accounting policy include cash flow items and incurred expenses, such as depreciation, amortisation and some employee benefits.

- **Insurance acquisition expenses**

In selling, underwriting and issuing insurance contracts, the Group incurs expenses that are included in fulfilment cash flows. Examples of such expenses include commission expenses, marketing expenses, distribution channel expenses, policy issue costs, policyholder risk assessment costs and policyholder communication costs. The expenses include both successful and unsuccessful efforts to market and sell insurance contracts.

Commission expenses relate to the sale of insurance contracts to policyholders and are included in fulfilment cash flows as insurance acquisition cash flows. Commission expenses include commission earned by brokers on the initial sale of insurance contracts, qualifying adjustments to insurance contracts and renewal of insurance contracts.

Expenses incurred to market the Group's products are included in fulfilment cash flows, while expenses incurred to market the Group's brands or to stimulate demand for financial services products are not included in fulfilment cash flows. Examples of marketing expenses that are included in fulfilment cash flows, include the costs of placing advertisements in printed or online media, sponsorships and costs associated with direct marketing teams.

The Group makes use of distribution channels to distribute products to policyholders. The expenses incurred to maintain or expand these distribution channels and networks are included in fulfilment cash flows. Examples of such expenses are commission expenses, employee benefit expenses, provision of marketing material, broker training expenses and costs incurred to provide administrative support to brokers. The expenses linked to the creation of new distribution channels are not directly attributable to fulfilling the insurance contract. Expenses relating to the development of insurance products are not included in fulfilment cash flows.

In underwriting policyholder risk, the Group incurs expenses that are included in fulfilment cash flows. These expenses include employee benefits, software expenses, costs associated with financial, medical and lifestyle underwriting processes and the costs of communicating with policyholders and brokers.

- **Administration and maintenance expenses**

The Group incurs expenses to perform administration and maintenance activities on insurance contracts. These expenses relate directly to the fulfilment of the insurance contract and are included in fulfilment cash flows. Administration and maintenance activities include premium billing, processing insurance contract changes, policyholder communication and meeting compliance requirements. Expenses associated with the administration and maintenance of insurance contracts are employee benefits, software expenses, communication costs and line of business system expenses. Commission expenses that imburse brokers to assist with ongoing administration, maintenance and servicing of the insurance contract are included in fulfilment cash flows.

- **Claims**

The Group incurs expenses in recording, investigating, processing and resolving claims under insurance contracts. These expenses are directly attributable to the fulfilment of the insurance contract with the policyholder and are included in fulfilment cash flows. The expenses include legal fees, internal costs of investigating claims, costs incurred to process claim payments, employee benefits, communication expenses and software expenses.

- **Investment management expenses**

Investment management expenses are included in fulfilment cash flows to the extent that the investment management activities enhance or increase policyholder benefits, are part of unavoidable product or risk management activities or are part of the insurance contract services agreed with the policyholder. Other investment management expenses are not included in fulfilment cash flows. Investment management expenses include fees to service providers, employee benefits, research costs and software costs. Investment returns earned on investments backing liabilities are not included in fulfilment cash flows.

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.6 Measurement of fulfilment cash flows continued

- **Compulsory reporting and risk management**

The issue of insurance contracts obliges the Group to perform risk management activities and compulsory reporting to stakeholders and regulators, and to comply with legislation and regulations. The expenses associated with these activities are included in fulfilment cash flows. Examples of these expenses are employee benefit expenses, software expenses, subscription expenses and depreciation and amortisation expenses.

- **Executive remuneration**

The Group analyses executive remuneration expenses with the aim of identifying expenses that are attributable to the fulfilment of insurance contracts. Executive remuneration that relates to strategic leadership activities or operational management of the Group is not included in fulfilment cash flows.

- **Overhead expenses**

The Group incurs fixed and variable overhead costs and expenses. To the extent that these expenses support the activities and functions mentioned above, the expenses are included in fulfilment cash flows. Examples of these expenses include office and equipment rental, employee benefit expenses, software subscriptions, depreciation and amortisation expenses and utility expenses.

- **Amounts receivable from agents and brokers**

In general, the Group collects premiums directly from policyholders. Such premium cash flows are included in fulfilment cash flows and the measurement of insurance contract assets and liabilities, until the premiums are paid into the Group's bank accounts.

- **Management judgement**

Management applies judgement in identifying expenses that are directly attributable to the fulfilment of the insurance contract and are included in fulfilment cash flows. The Group makes use of established allocation principles and methodologies to allocate these expenses to portfolios and groups of insurance contracts.

- **Reinsurance contracts held**

Fulfilment cash flows for reinsurance contracts held include expected reinsurance premiums ceded, expected recoveries from reinsurers and a risk adjustment for non-financial risk.

- **Treatment of cash flows relating to tax in fulfilment cash flows**

The Group recovers some tax expenses from policyholders through a policyholder tax charge. Initially, the relevant tax cash outflows and policyholder tax charge are included in fulfilment cash flows on an expected cash flows basis. Recognition of investment returns results in tax obligations for the Group. Taxes which are directly recovered from policyholder benefits are included as fulfilment cash flows, but are presented as part of income tax expenses on the face of the income statement. At the same point in time, the Group recognises the policyholder tax charge (equal to the income tax expense) as insurance revenue through a reduction in the liability for remaining coverage.

- **Discount rates**

The Group applies the 'bottom-up' approach in determining the discount rate to be used in the measurement of fulfilment cash flows at initial and subsequent measurement of a group of insurance contracts and reinsurance contracts held.

This approach entails the calculation of a discount rate by identifying and then adjusting a risk-free interest rate to reflect the characteristics of the fulfilment cash flows and the insurance and reinsurance contracts. The Group makes use of a risk-free yield curve to identify risk-free interest rates to be used in determining the discount rates. The risk-free yield curve is based on traded government bonds depending on availability of reliable market information. In instances or jurisdictions where reliable market information is not available, the Group uses stable risk-free rates as appropriate.

In adjusting the risk-free interest rate, the Group targets consistency between the currency of the fulfilment cash flows and the currency of the risk-free interest rate and how inflation is incorporated in setting the fulfilment cash flows and the discount rate. The Group aims to ensure that financial risks are not double counted in determining the fulfilment cash flows and the discount rate. In some instances, the Group adds an illiquidity premium to the risk-free rate, to reflect differences in the liquidity of the risk-free interest rate and the group of insurance or reinsurance contracts.

For insurance and reinsurance contracts measured under the general measurement model, the discount rate determined at initial recognition is used for the remainder of the coverage period, to accrete interest to or adjust the contractual service margin for changes in estimates of cash flows relating to future services.

For insurance contracts measured under the variable fee approach, the current discount rate at the reporting date is used to adjust the contractual service margin for changes in estimates of cash flows relating to future services.

When a group of insurance contracts is recognised, the discount rate determined at initial recognition is used to measure the fulfilment cash flows of insurance contracts added to the group during the financial period.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.7 Contractual service margin

The contractual service margin is recognised at initial recognition of the group of insurance contracts at an amount that is opposite, but equal to the expected net fulfilment cash inflows. At initial recognition, the contractual service margin of a group of reinsurance contracts held can be either positive or negative. The contractual service margin is calculated as the amount that is opposite, but equal to the net fulfilment cash flows.

General measurement model

Interest is accreted over the reporting period to the contractual service margin carrying amount at the locked-in discount rate, determined at initial recognition of the group of insurance or reinsurance contracts. The interest income/expense is included in reinsurance/insurance finance income and expenses on the face of the income statement.

Changes in fulfilment cash flows that relate to future services are accounted for in the contractual service margin. Changes in fulfilment cash flows relating to financial risks or changes in financial risks are accounted for in insurance/reinsurance finance income and expenses. The present value of the adjustment to the contractual service margin is calculated with the locked-in discount rate determined at initial recognition of the group of insurance or reinsurance contracts. The present value of the fulfilment cash flows at the reporting date is calculated with the current discount rate. The difference between the adjustment to the contractual service margin and the adjustment to fulfilment cash flows is accounted for in insurance/reinsurance finance income and expenses.

Variable fee approach

Changes in the fulfilment cash flows caused by changes in the Group's share of the fair value of the underlying items are accounted for in the contractual service margin. Changes in fulfilment cash flows caused by changes in the time value of money or financial risk not related to the underlying items are accounted for in the contractual service margin. These adjustments to the contractual service margin are not discounted. Changes in other fulfilment cash flows that relate to future services are accounted for in the contractual service margin at amounts discounted at current discount rates. The Group makes use of the risk mitigation option to account for a portion of the impact of time value of money and financial risks on the Group's share of the fair value of underlying items in insurance finance income and expenses and not in the contractual service margin.

Insurance revenue

Insurance revenue consists of expected consideration for expenses incurred to provide insurance contract services to policyholders, releases of the risk adjustment associated with services rendered, recovery of insurance acquisition cash flows, income tax expenses recovered from policyholders and release of profit from the contractual service margin. The release of profit from the contractual service margin is based on insurance contract services rendered during the financial period based on the release of coverage units.

Coverage units represent the Group's readiness to render insurance contract services. The measurement of coverage units considers the quantum of the insurance benefits as well as the expected coverage period of the insurance contract.

The expected coverage period reflects persistency and timing of benefits to reflect the insurer standing ready to provide coverage. Where investment services are provided, coverage units are defined to include any additional benefit from investment services provided. The Group makes use of various coverage units in recognising insurance revenue.

The Group discounts coverage units in determining the expected coverage units at the reporting date. The discount rate used is the locked-in interest rate determined at the initial recognition of the group of insurance contracts.

45.10.1.8 Loss component and loss-recovery component

The allocation of insurance contracts into an onerous group of insurance contracts results in the recognition of a loss in insurance service expenses and the identification of a loss component within the fulfilment cash flows of the group of insurance contracts. The loss component indicates the extent to which losses must be reversed or amortised before a contractual service margin can be recognised for the group of insurance contracts.

The Group identifies a loss-recovery component within the fulfilment cash flows if a group of insurance contracts covered by a reinsurance contract held is expected to be onerous at initial recognition or becomes onerous subsequent to initial recognition. The loss-recovery component represents the expected recovery of expected insurance claims from the reinsurer.

Insurance contracts issued

Changes in fulfilment cash flows that relates to past and current services include the incurring of expected insurance service expenses, the release of the risk adjustment for services provided and the incurring of insurance finance income and expenses. These changes should be allocated on a systematic basis (not on an arbitrary basis) between the loss component and the liability for remaining coverage (without the loss component).

The Group makes use of a systematic allocation ratio in allocating changes to fulfilment cash flows relating to past and current services (incurring of expected insurance service expenses, the release of the risk adjustment for services provided and the incurring of insurance finance income and expenses), between the loss component and the liability for remaining coverage (without the loss component).

Profitable changes in fulfilment cash flows that relate to future services, are allocated to the loss component of the liability for remaining coverage and insurance service expenses, until the loss component is reduced to a zero balance. The profitable changes in fulfilment cash flows relating to future services should reduce the insurance service expenses. An existing loss component can be increased due to further deterioration of expected fulfilment cash flows, or a loss component can be created if the deterioration of expected fulfilment exceeds existing contractual service margins.

Once the loss component balance has been reduced to zero, a contractual service margin can be created for the group of insurance contracts when further profitable changes in fulfilment cash flows regarding future services take place. The creation of the contractual service margin will take place in the liability for remaining coverage balance (on the statement of financial position) as a transfer between the present value of fulfilment cash flows and the newly created contractual service margin.

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.8 Loss component and loss-recovery component continued

Insurance contracts issued continued

The Group allocates changes in fulfilment cash flows relating to past and current insurance contract services to the loss component and the liability for remaining coverage without the loss component, before adjusting the loss component for changes in the fulfilment cash flows relating to future services.

To avoid accounting for insurance acquisition cash flows twice in the insurance revenue and insurance service expenses, the Group does not include expected insurance acquisition cash flows in the calculation of the systematic allocation ratio percentage and does not include incurred insurance acquisition cash flows in the changes in fulfilment cash flows relating to past and current services, to be allocated between the loss component and the liability for remaining coverage without the loss component.

Reinsurance contracts held

The loss-recovery component and changes to the loss-recovery component are accounted for by changes to the carrying value of the reinsurance contract contractual service margin and gains or losses recognised in recovery of claims from the reinsurer. The recognition of a gain indicates the expected recovery of insurance claims in the loss component of an underlying group of insurance contracts, from the reinsurer.

Incurred insurance claims reduce the loss component with a commensurate reduction in the loss-recovery component. Changes in fulfilment cash flows of the loss component regarding insurance claims, result in changes in fulfilment cash flows of the loss-recovery component and the reinsurance contractual service margin. Decreases in other fulfilment cash flows of the loss component (relative to the initial recognition) result in decreases in the fulfilment cash flows of the loss-recovery component and changes to the reinsurance contractual service margin. These subsequent changes to the loss-recovery component are accounted for in the same manner as the initial recognition of the loss-recovery component. Increases in fulfilment cash flows of the loss component that are not covered by the reinsurance contract do not impact the loss-recovery component fulfilment cash flows.

At the reporting date, the amount of the loss-recovery component cannot exceed the amount of the loss component of the onerous group of insurance contracts expected to be recovered from the reinsurer. Any excess results in a reversal of previously recognised gains in the recovery from reinsurers with a corresponding adjustment to the reinsurance contractual service margin.

45.10.1.9 Premium allocation approach

Application of the premium allocation approach

The premium allocation approach is a simplified version of the general measurement model. It is the accounting policy of the Group to apply the premium allocation approach for the measurement of groups of insurance contracts issued and groups of reinsurance contracts held, that qualify to be measured in terms of this measurement model.

The premium allocation approach can be applied if the coverage period of the insurance contracts or reinsurance contracts included in the group, is 12 months or less. In instances where the coverage period is in excess of 12 months, the Group applies a further eligibility assessment to determine whether the premium allocation approach may be applied.

Determining whether the assessment has been passed, involves management judgement. As a guideline, the carrying values under the premium allocation approach should materially approximate the carrying values under the general measurement model, for the best-estimate scenario as well as selected sensitivity scenarios for key assumptions, for the assessment to be passed. The best-estimate scenario must meet the requirements of fulfilment cash flows. Sensitivity scenarios should cover key assumptions, be considered 'plausible' and represent reasonable and supportable estimates of the future. If the sensitivity eligibility assessment for one of the key assumptions is failed, management considers the impact of the particular result on the overall assessment and the reasons why the assessment failed, before concluding whether the total eligibility assessment has been passed or not.

Measurement

Insurance contracts issued

The carrying value of the liability for remaining coverage includes premiums received in cash and the amortisation of capitalised insurance acquisition cash flows (where applicable). These amounts are reduced by insurance revenue recognised for the reporting period and capitalised insurance acquisition cash flows (where applicable). The carrying value of the liability for incurred claims is determined in the same manner as for insurance contracts measured in terms of the general measurement model and the variable fee approach.

The carrying value of the liability for remaining coverage should be adjusted for the impact of the time value of money and financial risks inherent to the expected future cash flows. The carrying value of the liability for remaining coverage is based on the present value of estimated future cash flows, increased with the unwind of the discount calculated at initial recognition. The unwind of the discount calculated at initial recognition, is included in insurance finance income or expenses.

If the Group expects at initial recognition of a group of insurance contracts, that the time duration between the due date of the respective premiums and the relevant periods of service is 12 months or less, the preference of the Group is to not adjust the carrying value of the liability for remaining coverage for the time value of money and financial risks. There are instances where the fulfilment cash flows are adjusted for the impact of time of money and financial risks.

The carrying value of the liability for incurred claims should be adjusted for the impact of the time value of money and financial risks inherent to the expected future cash flows. The carrying value of the liability for incurred claims is based on the present value of estimated future cash flows, increased with the unwind of the discount calculated at initial recognition. The unwind of the discount calculated at initial recognition, is included in insurance finance income or expenses.

In instances where the settlement period between the incurring of a claim and settlement, is 12 months or less, the preference of the Group is not to adjust the carrying value of the liability for incurred claims with the time value of money or the impact of financial risks. In such an instance, the calculation of the loss component does not consider the impact of the time value of money and the effect of financial risks. In MML there are instances where the fulfilment cash flows are adjusted for the time value of money and effect of financial risks.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.9 Premium allocation approach continued

- **Reinsurance contracts held**

The carrying value of the asset for remaining coverage includes premiums paid in cash and reinsurance acquisition cash flows capitalised. These amounts are reduced by the allocation of reinsurance premiums and amortisation of capitalised reinsurance acquisition cash flows. The carrying value of the asset for incurred claims is determined in the same manner as for reinsurance contracts measured in terms of the general measurement model.

The carrying value of the asset for remaining coverage should be adjusted for the impact of the time value of money and financial risks inherent to the expected, future cash flows. The carrying value of the asset for remaining coverage is based on the present value of estimated future cash flows, increased with the unwind of the discount calculated at initial recognition. The unwind of the discount calculated at initial recognition, is included in reinsurance finance income or expenses.

If the Group expects at initial recognition of a group of reinsurance contracts, that the time duration between the due date of the respective reinsurance premiums and the relevant periods of service is 12 months or less, the preference of the Group is to not adjust the carrying value of the asset for remaining coverage for the time value of money and financial risks.

The carrying value of the asset for incurred claims should be adjusted for the impact of the time value of money and financial risks inherent to the expected future cash flows. The carrying value of the asset for incurred claims is based on the present value of estimated future cash flows, increased with the unwind of the discount calculated at initial recognition. The unwind of the discount calculated at initial recognition, is included in reinsurance finance income or expenses.

In instances where the settlement period between the incurring of a claim and settlement, is 12 months or less, the Group does not adjust the carrying value of the asset for incurred claims with the time value of money or the impact of financial risks. In MML there are instances where the fulfilment cash flows are adjusted for the time value of money and effect of financial risks.

- **Insurance acquisition cash flows**

If the coverage period of the group of insurance contracts is 12 months or less, insurance acquisition cash flows are expensed in insurance service expenses when the cash flow takes place. If the coverage period of the group of insurance contracts is more than 12 months, the insurance acquisition cash flows are capitalised in the liability for remaining coverage on the statement of financial position when incurred, and amortised into insurance service expenses over the coverage period.

In general, the Group recognises insurance acquisition cash flows in insurance service expenses when incurred.

- **Loss component**

The Group assumes that a group of insurance contracts measured in terms of the premium allocation approach is not onerous on initial recognition, unless facts and circumstances indicate otherwise. When evidence exists that a group of insurance contracts is possibly onerous, the Group compares the carrying value of the group of contracts as calculated under the premium allocation approach with the carrying value of the same group of contracts under the general measurement model.

The excess of the carrying value under the general measurement model over the carrying value under the premium allocation approach is a loss component. The loss component is recognised as a ring-fenced increase to the carrying value of the liability for remaining coverage and an insurance service expense.

In the instances where the time value of money and the impact of financial risks are not included in the measurement of the liability for incurred claims, the calculation of the carrying value of the group of contracts under the general measurement model (for the purposes of the calculation of the loss component) does not include the impact of the time value of money and financial risks.

After initial recognition, the loss component is amortised into the insurance service expenses in the same pattern as the recognition of estimated premiums in insurance revenue. At every reporting date, the loss component is remeasured to reflect current assumptions and estimates. Any measurement adjustment is recognised in insurance service expenses.

- **Loss-recovery component**

The loss-recovery component is a separate asset within the asset for remaining coverage. The loss-recovery component and changes to the loss-recovery component are accounted for by changes to the carrying value of the asset for remaining coverage and gains or losses recognised in recovery of claims from the reinsurer.

Incurred insurance claims reduce the loss component with a commensurate reduction in the loss-recovery component. Changes in fulfilment cash flows of the loss component for insurance claims, result in changes in the loss-recovery component. Increases in fulfilment cash flows of the loss component that are not covered by the reinsurance contract do not impact the loss-recovery component.

At the reporting date, the amount of the loss-recovery component cannot exceed the amount of the loss component of the onerous group of insurance contracts expected to be recovered from the reinsurer. Any excess results in a reversal of previously recognised gains in the recovery from reinsurers with a corresponding adjustment to the loss-recovery component.

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.10 Insurance acquisition cash flows

General measurement model and variable fee approach

Insurance acquisition expenses are measured as the net amount of expenses incurred less the recovery or reversal of commission expenses. The Group identifies insurance acquisition expenses per portfolio of insurance contracts.

Insurance acquisition expenses are allocated to groups of insurance contracts that contain the initial insurance contracts as well as groups of insurance contracts that might contain renewal of the initial insurance contracts. At every reporting date the Group assesses the allocation of insurance acquisition expenses to groups of insurance contracts that might contain renewals of the initial insurance contracts. This ensures that the allocation between groups that contain the initial contracts and groups that might contain the renewal insurance contracts remain appropriate.

Insurance acquisition expenses incurred or paid before the recognition of the group of insurance contracts (including insurance acquisition expenses allocated to groups of insurance contracts that might contain renewals of initial insurance contracts) are recognised as insurance acquisition cost assets. Once the group(s) of insurance contracts have been recognised, the insurance acquisition cost assets are derecognised and included in the measurement of the group(s) of insurance contracts.

The Group incurs insurance acquisition expenses to obtain, underwrite and issue insurance contracts to policyholders. Insurance acquisition expenses, among other items, are recovered through premiums received from policyholders. The Group recognises insurance revenue and equal amounts of insurance service expenses to indicate the recovery of insurance acquisition cash flows. This is done by allocating the portion of the premiums that recover insurance acquisition expenses, to financial periods on a straight-line basis based on the passage of time.

45.10.1.11 Insurance revenue

Insurance revenue is the consideration that the Group expects to be entitled to for rendering insurance contracts services during the financial period.

For insurance contracts measured under the general measurement model and the variable fee approach, insurance revenue consists of consideration for expected expenses incurred in the period to provide insurance contract services to policyholders, releases of the risk adjustment for non-financial risks associated with services rendered, recovery of insurance acquisition cash flows, income tax expenses recovered from policyholders and release of profit from the contractual service margin.

For insurance contracts measured under the premium allocation approach, the Group recognises insurance revenue either over the coverage period of the group of insurance contracts or based on the expected pattern of insurance service expenses. The expected recognition pattern of insurance service expenses is used if the passage of the coverage period is not a true indication of services rendered to date.

45.10.1.12 Insurance service expenses

Incurred claims and other expenses are recognised as liabilities for incurred claims. Liabilities for incurred claims are measured at the present value of expected cash flows and a risk adjustment for non-financial risk.

Incurred claims and other expenses are expensed when incurred and presented under insurance service expenses on the income statement. Insurance service expenses include, among others, allocated insurance acquisition cash flows, policy administration and maintenance expenses, claims expenses (including adjustments for past service), investment management expenses and overhead expenses attributable to the provision of insurance services. The recognition of losses and adjustments to previously recognised losses from onerous groups of insurance contracts are included in insurance service expenses on the income statement. Taxes which are directly recovered from policyholder benefits are included as fulfilment cash flows, but are presented as part of income tax expenses on the face of the income statement. The remainder of incurred expenses are presented on the income statement.

45.10.1.13 Insurance and reinsurance finance income and expenses

Insurance finance income and expenses and reinsurance finance income and expenses are presented separately on the face of the income statement. The Group does not present a portion of insurance finance income and expenses in other comprehensive income.

For insurance contracts and reinsurance contracts, the Group makes use of forward interest rates obtained from risk-free yield curves, to determine the insurance finance income and expenses for the unwind of the time value of money discount. In instances or jurisdictions where reliable market information is not available, the Group makes use of a stable risk-free interest rate as appropriate.

General measurement model

The unwind of the time value of money adjustment on fulfilment cash flows and the impact of changes in the discount rate and financial risks are included in insurance finance income and expenses. The accretion of interest to the contractual service margin (at interest rates determined at initial recognition of the group of contracts) are included in insurance finance income and expenses.

Variable fee approach

Changes in the amount due to the policyholder and the Group's share in the fair value of the underlying items, due to changes in the fair value of the underlying items, are accounted for in insurance finance income and expenses.

Premium allocation approach

In instances where the Group discounts fulfilment cash flows for insurance contracts issued and reinsurance contracts held for the impact of time value of money and financial risks, the unwind of the discount effect is included in insurance finance income and expenses.

45.10.1.14 Allocation of reinsurance premiums ceded

For groups of reinsurance contracts held measured under the general measurement model, the reinsurance premiums are expensed in the allocation of reinsurance premiums on the face of the income statement based on reinsurance recoveries expected in the reporting period, releases of the risk adjustment for non-financial risk and amortisation of the contractual service margin.

For groups of reinsurance contracts held measured under the premium allocation approach, the reinsurance premiums are expensed over the coverage period of the group of reinsurance contracts. The expected pattern of reinsurance recoveries is used if the passage of coverage period is not a true indication of the services received to date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.15 Reinsurance commissions and recovery of claims incurred from reinsurers

Recoveries from reinsurers are recognised as assets for incurred claims, when the recovery of the claim has been incurred. Assets for incurred claims are measured at the present value of expected cash flows, taking into account the terms and conditions of the reinsurance treaty. The measurement of the asset for incurred claims includes a risk adjustment for non-financial risk ceded to the reinsurer. Recoveries from reinsurers are disclosed separately on the face of the income statement.

Reinsurance commission that is contingent on claims on the underlying contracts is accounted for as part of the claims that are expected to be reimbursed under the reinsurance contract held. Reinsurance commission that is not contingent on claims of the underlying contracts and is settled on a net basis with premiums ceded, is accounted for as a reduction in the premiums to be paid to the reinsurer.

The Group considers terms and conditions of reinsurance contracts regarding all forms of cash flows between the reinsurer and whether the Group renders a service to the reinsurer to identify an investment component. If in every scenario an amount is required to be repaid to the cedant an investment component is viewed to be present. Non-distinct investment components are measured at the amounts expected to be repaid by reinsurers.

45.10.1.16 Miscellaneous items

Cash-back benefits

Cash-back benefits are additional policyholder benefits included in insurance contracts. The cash-back payment is made to qualifying policyholders at the end of the cash-back benefit cycle. The Group accounts for the expected cash-back benefit payment by recognising a liability for incurred claims and a corresponding insurance service expense over the cash-back benefit cycle. The liability for incurred claims and insurance service expense is recognised when the underlying insurance contract is recognised or when the cash-back benefit feature is added to an existing insurance contract.

The liability for incurred claims for cash-back benefits includes the present value of expected fulfilment cash flows and a risk adjustment for non-financial risk included in the expected cash flows. The expected fulfilment cash flows are a probability-weighted average of possible cash flow scenarios.

At every reporting date and the settlement date, the Group adjusts the liability for incurred claims and insurance service expenses with the present value of changes in the expected cash-back benefit payment and the risk adjustment. The unwind of the discount to expected cash-back benefit cash flows is recognised in the insurance service finance income and expenses. The settlement of the actual cash-back benefit payment reduces the liability for incurred claims. The liability for incurred claims is derecognised when the cash-back benefit obligation is settled in full or if the policyholder forfeits the expected cash-back benefit payment.

The Group applied judgement in concluding that the inclusion of the cash-back benefit in an insurance contract does not affect the contract boundary of the insurance contract, as the coverage period of the insurance contract is not affected by the cash-back benefit feature. The Group applied judgement in concluding that the cash-back benefit is a policyholder benefit and not a return of premiums, as the cash-back benefit feature is an optional benefit that can be selected by the policyholder at an additional premium and payment of the cash-back benefit payment is partially dependent on whether the policyholder submitted a claim for an insured event.

The measurement of the liability for incurred claims and the insurance service expenses includes assumptions regarding policy lapse rates and frequency of claims.

Variances between estimated and actual premium cash flows

In the accounting policy reference to 'premium variance' includes variances on premiums and related cash flows, such as commission expenses. Per group of insurance contracts, the premium variances relate in total to either future services or past services.

Premium variances on insurance contracts with a coverage period of 12 months or less relate to current or past insurance contract services and are accounted for in insurance revenue when the variances take place.

Premium variances on insurance contracts with long coverage periods relate primarily to future insurance contract services and are included in the contractual service margin or allocated to the loss component of the group of insurance contracts.

The Group performs an assessment of whether pre-funding of insurance obligations exist for specific portfolios of insurance contracts to assist in determining whether premium variances are applicable to current service or future service. This assessment is performed on an annual basis.

For insurance contracts measured under the variable fee approach, where premiums received are invested in underlying assets backing the insurance contract, the premium variances relate to current or past insurance contract services provided and are accounted for in the obligation to pay the policyholder an amount equal to the fair value of the underlying items. Premium variances on premiums that collect fees and charges from policyholders are accounted for in the contractual service margin or the loss component of the group of insurance contracts. Changes in the group's variable fee caused by the premium variance, should be accounted for in the contractual service margin and released to insurance revenue over the coverage period.

Profitable premium variances regarding future insurance contract services increase the contractual service margin or reduce the loss component of the liability for remaining coverage, by reversing onerous losses previously recognised in insurance service expenses. Loss-making premium variances regarding future insurance contract services reduce the contractual service margin or increase the loss component of the liability for remaining coverage, by increasing onerous losses previously recognised in insurance service expenses.

For insurance contracts measured under the premium allocation approach, insurance revenue is based on the expected amount of premium receipts over the coverage period. At every reporting date the estimate is adjusted for premium variances to ensure that total insurance revenue equates to the premiums received.

Premium variances on insurance contracts managed on a bordereaux basis are accounted for as part of insurance service expenses.

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.1 Insurance contracts issued and reinsurance contracts held continued

45.10.1.16 Miscellaneous items continued

Accounting for insurance contracts, investment contracts with discretionary participation features or reinsurance contracts held acquired through a business combination or a transfer of a portfolio of contracts

The acquired contracts are allocated into portfolios and groups of insurance contracts as if the contracts were issued by the Group on the acquisition date. The allocation of contracts into groups of insurance contracts makes use of facts and circumstances on the acquisition date, regardless of when the contracts were issued or entered into originally. The premium allocation approach and variable fee approach eligibility assessments are performed considering the facts and circumstances on the acquisition date.

- **General measurement model and variable fee approach**

On the acquisition date, the Group determines the remaining fulfilment cash flows of the acquired group of contracts. The consideration received/receivable or paid/payable for the specific group of contracts are added to the remaining fulfilment cash flows to calculate the contractual service margin or loss component on the acquisition date. The inclusion of the consideration received or paid ensures that the contractual service margin or loss component reflects the total estimated economic impact of the acquisition of the group of contracts.

If the group of insurance contracts, investment contracts with discretionary participation features or reinsurance contracts held were acquired in a business combination, the fair value of the respective group of contracts is used as the consideration paid or received.

An onerous loss recognised on the acquisition of an onerous group of contracts is accounted for as an increase in goodwill or decrease in the gain on bargain purchase on a business combination. The loss component is a ring-fenced part of the existing liability for remaining coverage. A contractual service margin recognised on the acquisition of the group of contracts will be recognised in insurance revenue over the coverage period.

If the acquisition of a group of contracts is not a business combination, a loss component recognised at the acquisition date is accounted for in insurance service expenses. The loss component is a ring-fenced part of the liability for remaining coverage and is not recognised as an additional liability.

- **Premium allocation approach**

The consideration received or paid for the group of contracts is accounted for as the balance of the liability for remaining coverage on the acquisition date. The consideration received is recognised in insurance revenue in the same manner as expected premium inflows. The consideration paid is recognised as insurance acquisition cash flows and accounted for according to the accounting policy for insurance acquisition cash flows.

If the group of contracts is onerous at the acquisition date (as a result of the consideration paid or otherwise), the onerous loss is recognised in insurance service expenses and a loss component is recognised in the liability for remaining coverage. If the acquisition of the group of contracts was a business combination, the onerous loss is accounted for in goodwill or gain on a bargain purchase.

- **Reinsurance contracts held**

If a group of acquired insurance contracts or investment contracts with discretionary participation features are onerous at the acquisition date, the loss-recovery component in the acquired asset of remaining coverage is calculated as the amount of the loss component times the expected recovery percentage. If the group of contracts were acquired in a business combination the amount of the loss-recovery component is accounted for in goodwill or gain on bargain purchase. If the group of contracts were not acquired in a business combination, the amount of the loss-recovery component is accounted for in profit or loss.

- **Insurance acquisition cash flows**

In the instance where the acquiree incurred insurance acquisition cash flows prior to the acquisition date and the cash flows are directly attributable to the portfolio of insurance contracts acquired, the Group recognises an insurance acquisition cash flow asset at fair value for the right to obtain future insurance contracts that are renewals of contracts acquired at the acquisition date and for the right to obtain future, newly issued insurance contracts. Last mentioned right is restricted to the extent that the Group is not required to incur further insurance acquisition cash flows to obtain the mentioned future insurance contracts.

Intercompany fees

Various entities within the Group assist in the fulfilling of the obligations under insurance contracts or investment contracts with discretionary participation features. These companies provide a range of services including investment management services, administration services, collection services, rental or information technology support. The costs underlying these services are charged to the issuer of the mentioned contracts through an intercompany fee.

The measurement of fulfilment cash flows in the separate financial statements of the issuer of the contracts includes the intercompany fee charged by the service provider. The measurement of the fulfilment cash flows in the consolidated financial statements of the Group, that includes both the issuer of the contracts and the service provider also includes the intercompany fee charged by the service provider. The treatment involves management judgement in concluding that the intercompany fees materially approximate the fulfilment cash flows from the perspective of the service provider.

Value added tax

Insurance revenue and claims included in insurance service expenses do not include VAT. Other insurance service expenses include input VAT amounts not recoverable from revenue authorities.

Fair value approach - transition to IFRS 17

The Group measured groups of insurance contracts and reinsurance contracts in terms of the fair value approach on 1 July 2022. The fair value measurement incorporated information regarding the item being measured at the measurement date. The fair value approach resulted in the calculation of the contractual service margin or loss component as the difference between the fair value of the group of insurance contracts and the fulfilment cash flows for the group of contracts at 1 July 2022. Excess of the fair value over the fulfilment cash flows was accounted for as a contractual service margin, while excess of the fulfilment cash flows over the fair value was accounted for as a loss component. Differences between the fair value and fulfilment cash flows of a group of reinsurance contracts held on 1 July 2022, was accounted for as a contractual service margin. The loss-recovery component was calculated by multiplying the loss component of the underlying group of insurance contracts with the percentage of claims the Group expects to recover from the reinsurer.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.10 Insurance and investment contracts continued

45.10.2 Investment contracts

Investment contracts are those where only financial risk is transferred.

Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided that in the case of a non-financial variable, the variable is not specific to a party to the contract.

The classification of contracts is performed at the inception of each contract. The classification of the contract at inception remains the classification of the contract for the remainder of its lifetime. There is one exception to this principle:

- If the terms of an investment contract change significantly, the original contract is derecognised and a new contract is recognised with the new classification.

The Group designates investment contract liabilities at fair value through profit and loss upon initial recognition as their fair value is dependent on the fair value of underlying financial assets, derivatives and/or investment properties that are carried at fair value through profit and loss. The Group follows this approach because it eliminates or significantly reduces a measurement or recognition inconsistency, referred to as an accounting mismatch, that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Measurement

The Group issues investment contracts without fixed terms and contracts with fixed terms and guaranteed terms.

Investment contracts without fixed terms are financial liabilities whose fair value is dependent on the fair value of underlying financial asset portfolios that can include derivatives and are designated at inception as at fair value through profit and loss.

For investment contracts without fixed terms, fair value is determined using the current unit values that reflect the fair value of the financial assets contained within the Group's unitised investment funds linked to the related financial liability, multiplied by the number of units attributed to the contract holders at the valuation date.

A financial liability is recognised in the statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Financial liabilities are initially recognised at fair value.

The fair value of financial liabilities is never less than the amount payable on surrender, discounted for the required notice period, where applicable.

For investment contracts with fixed and guaranteed terms (guaranteed endowments and term certain annuities), valuation techniques are used to establish the fair value at inception and at each reporting date. The valuation model values the liabilities as the present value of the maturity values, using appropriate market-related yields to maturity. If liabilities calculated in this manner fall short of the single premium paid at inception of the policy, the liability is increased to the level of the single premium, to ensure that no profit is recognised at inception. This deferred profit liability is recognised in profit or loss over the life of the contract based on factors relevant to a market participant, including the passing of time.

For investment contracts where investment management services are rendered and the contracts provide for minimum investment return guarantees, provision is made for the fair value of the embedded option within the investment contract liability.

Deferred revenue liability (DRL)

A DRL is recognised in respect of fees paid at inception of the contract by the policyholder that are directly attributable to a contract. The DRL is then released to revenue as the investment management services are provided over the expected duration of the contract, as a constant percentage of expected gross profit margins (including investment income) arising from the contract. The pattern of expected profit margins is based on historical and expected future experience and is updated at the end of each accounting period. The resulting change to the carrying amount of the DRL is recognised in revenue and falls within the scope of IFRS 15.

Deferred acquisition costs

Refer to the intangible assets section of the accounting policies.

Amounts received and claims incurred

Premiums received under investment contracts are recorded as deposits to investment contract liabilities and claims incurred are recorded as deductions from investment contract liabilities.

45 Material Group accounting policies continued

45.11 Financial liabilities

Recognition and measurement

The Group classifies its financial liabilities into the following categories:

- Financial liabilities at fair value through profit and loss
- Financial liabilities at amortised cost

The classification depends on the purpose for which the financial liabilities were acquired. Management determines the classification of its financial liabilities at initial recognition.

Financial liabilities at fair value through profit and loss

This category has two subcategories: financial liabilities held for trading and those designated at fair value through profit and loss at inception.

A financial liability is classified as held for trading at inception if it is acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading. Derivatives held for trading are classified as mandatorily at fair value through profit and loss.

Financial liabilities are classified as at fair value through profit and loss at inception if they are:

- eliminating or significantly reducing an accounting mismatch that would otherwise arise from measuring assets and liabilities or recognising the gains and losses on them on different bases; or
- managed, with their performance being evaluated on a fair value basis; or
- a financial instrument that includes a significant embedded derivative that clearly requires bifurcation.

A financial liability is recognised in the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

The fair value of financial liabilities quoted in active markets is based on current market prices. Alternatively, where an active market does not exist, fair value is derived from cash flow models or other appropriate valuation models allowing for the Group's own credit risk. These include the use of arm's length transactions, DCF analysis, option pricing models and other valuation techniques commonly used by market participants, making maximum use of market input and relying as little as possible on entity-specific input.

Financial liabilities are derecognised when they are extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

Financial liabilities, such as callable notes which are listed on the JSE interest rate market and CIS liabilities (representing the units in CISs where the Group consolidates the CISs and is required to disclose the value of the units not held by the Group as liabilities) are managed, with their performance being evaluated on a fair value basis and designated at fair value through profit and loss. Carry positions (refer below) are designated at fair value through profit and loss as it reduces an accounting mismatch. These financial liabilities are recognised initially at fair value, with transaction costs being expensed in the income statement, and are subsequently carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of financing financial liabilities at fair value through profit and loss are not presented separately from the interest on these instruments and is included in finance costs. Realised and unrealised gains and losses arising from changes in the fair value of non-financing financial liabilities at fair value through profit and loss are included in net realised and unrealised fair value gains and losses. Changes in the fair value of the financial liability that relates to changes in own credit risk is recognised in other comprehensive income if it does not create an accounting mismatch.

Carry positions

Carry positions consist of sale and repurchase of assets agreements. These agreements contain the following instruments:

- Repurchase agreements: financial liabilities consisting of financial instruments sold with an agreement to repurchase these instruments at a fixed price at a later date. These financial liabilities are classified as financial liabilities at fair value through profit and loss.
- Reverse repurchase agreements: financial assets consisting of financial instruments purchased with an agreement to sell these instruments at a fixed price at a later date. These financial assets are classified as financial instruments at fair value through profit and loss.

Where financial instruments are sold subject to a commitment to repurchase them, the financial instrument is not derecognised and remains in the statement of financial position and is valued according to the Group's accounting policy relevant to that category of financial instrument. The proceeds received are recorded as a liability (carry positions) carried at designated at fair value as it reduces an accounting mismatch.

Conversely, where the Group purchases financial instruments subject to a commitment to resell these at a future date and the risk of ownership does not pass to the Group, the consideration paid is included under financial assets carried at fair value where they are managed on a fair value basis.

Fair value movements on carry positions are presented as finance costs.

Financial liabilities at amortised cost

Financial liabilities that are neither held for trading nor at fair value are measured at amortised cost. Financial liabilities at amortised cost are recognised initially at fair value plus transaction cost that are directly attributable to the acquisition of the financial liability. These financial liabilities are then subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the liability using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.11 Financial liabilities continued

Other payables

Other payables are initially recognised at fair value.

Subsequent measurement depends on the nature of the liability:

- Other payables that are not designated at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.
- Other payables designated at fair value through profit or loss, are subsequently measured at fair value, with changes in fair value recognised in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement. Changes in own credit risk allocated to other comprehensive income is not recognised in the income statement when derecognised, but rather transferred within equity.

45.12 Deferred income tax

Measurement

Deferred income tax is provided for in full, at current tax rates and in terms of laws substantively enacted at the reporting date in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, using the liability method. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax assets, including tax on capital gains, are recognised for tax losses and unused tax credits and are carried forward only to the extent that realisation of the related future tax benefit is probable. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax is provided for in respect of temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

In respect of temporary differences arising from the fair value adjustments on investment properties, deferred taxation is provided at the capital gains effective rate, as it is assumed that the carrying amount will be recovered through sale.

Offsetting

Deferred tax assets and liabilities are set off when the income tax relates to the same fiscal authority and where there is a legal right of offset at settlement in the same taxable entity.

45.13 Current taxation

Measurement

Current tax is provided for at the amount expected to be paid, using the tax rates and in respect of laws that have been substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Individual policyholder tax and corporate policyholder tax is included in tax on contract holder funds in the income statement.

Offsetting

Current tax assets and liabilities are set off when a legally enforceable right exists and it is the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Dividend withholding tax (DWT)

DWT is levied on the shareholders (or beneficial owners) receiving the dividend, unless they are exempt in terms of the amended tax law. DWT is levied at 20% of the dividend received. The DWT is categorised as a withholding tax, as the tax is withheld and paid to tax authorities by the company paying the dividend or by a regulated intermediary and not by the beneficial owner of the dividend. Where a non-exempt Group company is a beneficial owner of the dividend, the DWT is recorded as an expense in the income statement when the dividend income is earned.

45.14 Indirect taxation

Indirect taxes include various other taxes paid to central and local governments, including value added tax (amount that cannot be claimed) and regional service levies. Indirect taxes are disclosed as part of operating expenses in the income statement.

45 Material Group accounting policies continued

45.15 Leases: accounting by lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- **Right-of-use asset**

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The Group mainly has leases for office buildings. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment. Right-of-use assets that are classified as owner-occupied properties or property and equipment are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets that are classified as investment properties are measured at fair value (refer to Investment properties accounting policy). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets that are classified as owner-occupied properties are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Owner-occupied properties	50 years
Property and equipment	5 – 20 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

- **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities at amortised cost.

- **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

45.16 Provisions

Provisions are recognised when, as a result of past events, the Group has a present legal or constructive obligation of uncertain timing or amount, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are measured as the present value of management's best estimate of the expenditure required to settle the obligation at the reporting date. The pre-tax discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as finance costs.

45.17 Contingent liabilities

Contingent liabilities are reflected when the Group has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or it is possible but not probable that an outflow of resources will be required to settle a present obligation, or the amount of the obligation cannot be measured with sufficient reliability.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.18 Employee benefits

Pension fund obligations

The Group provides defined benefit pension schemes as well as defined contribution pension schemes. The schemes are funded through payments to trustee-administered funds, determined by periodic actuarial calculations.

Post-retirement medical aid obligations

The Group provides a subsidy in respect of medical aid contributions on behalf of qualifying employees and retired personnel. An employee benefit obligation is recognised for these expected future medical aid contributions. This obligation is calculated using the projected unit credit method, actuarial methodologies for the discounted value of contributions and a best estimate of the expected long-term rate of investment return, as well as taking into account estimated contribution increases. The entitlement to these benefits is based on the employees remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment. The actuarial gains and losses are recognised as they arise. The increase or decrease in the employee benefit obligation for these costs is charged to other comprehensive income.

Short-term benefits

Short-term benefits consist of salaries, accumulated leave payments, bonuses and other benefits such as medical aid contributions. These obligations are measured on an undiscounted basis and are expensed as the service is provided. A liability is recognised for the amount to be paid under bonus plans or accumulated leave if the Group has a present or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based compensation

The Group operates equity-settled and cash-settled share-based compensation plans.

Equity-settled compensation plans

The fair value of the employee services received in exchange for the grant of the holding company shares is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares granted at grant date, excluding the impact of any non-market-related vesting conditions. Market and non-vesting conditions are reflected in the fair value at grant date. Non-market-related vesting conditions, such as the resignation of employees and retrenchment of staff, are included in assumptions regarding the number of shares expected to vest, which are revised at every reporting date. The impact of the revision of original estimates, if any, is recognised in the income statement, and a corresponding adjustment is made to equity. The vesting of units are accelerated by the entity in the event that the employee dies, is retrenched or retires. Any remaining element of the fair value of the award is expensed immediately through profit or loss. Where an employee resigns, any unvested units are forfeited by the employee.

The fair value of equity instruments granted is determined by using standard option pricing models. The valuation technique is consistent with generally accepted valuation methodologies for pricing financial instruments, and incorporates all factors and assumptions that knowledgeable, willing market participants would consider in setting the price of the equity instrument.

Cash-settled compensation plans

The Group recognises the value of the services received (expense), and the liability to pay for those services, as the employees render those services. The liability is measured initially, and at each reporting date until settled, at the fair value appropriate to the scheme, taking into account the terms and conditions on which the rights were granted, and the extent to which the employees have rendered services to date, excluding the impact of any non-market-related vesting conditions. Non-market-related vesting conditions are included in the assumptions regarding the number of units expected to vest. These assumptions are revised at every reporting date. The impact of the revision of original estimates, if any, is recognised in the income statement, and a corresponding adjustment is made to the liability.

45 Material Group accounting policies continued

45.19 Assets and liabilities relating to disposal groups held for sale

Assets, liabilities or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use. This classification is only met if the sale is highly probable and the assets, liabilities or disposal groups are available for immediate sale.

In light of the Group's primary business being the provision of insurance and investment products, non-current assets held as investments for the benefit of policyholders are not classified as held for sale as the ongoing investment management implies regular purchases and sales in the ordinary course of business.

Immediately before classification as held for sale, the measurement (carrying amount) of assets and liabilities in relation to a disposal group is recognised based upon the appropriate IFRS Accounting Standards. On initial recognition as held for sale, the assets and liabilities are recognised at the lower of the carrying amount and fair value less costs to sell.

Any impairment losses on initial classification to held for sale are recognised in the income statement.

The assets, liabilities or disposal groups held for sale will be reclassified immediately when there is a change in intention to sell. Subsequent measurement of the asset, liability or disposal group at that date will be the lower of:

- its carrying amount before the asset, liability or disposal group was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset, liability or disposal group not been classified as held for sale; and
- its recoverable amount at the date of the subsequent decision not to sell.

45.20 Share capital

Share capital is classified as equity where the Group has no obligation to deliver cash or other assets to shareholders. Ordinary shares with discretionary dividends are classified as equity. Preference shares issued by the Group are classified as equity when there is no obligation to transfer cash or other assets to the preference shareholders. The dividends on these preference shares are recognised in the statement of changes in equity. For compound instruments, e.g. convertible redeemable preference shares, the component representing the value of the conversion option at the time of issue is included in equity.

Issue costs

Incremental external costs directly attributable to the issue of new shares are recognised in equity as a deduction, net of tax, from the proceeds. All other share issue costs are expensed.

Treasury shares

Treasury shares are equity share capital of the holding company held by subsidiaries, consolidated CISs and share trusts, irrespective of whether they are held in shareholder or contract holder portfolios. The consideration paid, including any directly attributable costs, is eliminated from shareholder equity on consolidation until the shares are cancelled or reissued. If reissued, the difference between the carrying amount and the consideration received for the shares, net of attributable incremental transaction costs and the related income tax effects, is included in share premium.

45.21 Dividends paid

Dividends declared to shareholders of the Company are recognised on declaration date.

45.22 Puttable non-controlling interests

Puttable non-controlling interests represent put options granted to non-controlling interests of subsidiaries, entitling the non-controlling interests to dispose of their interest in the subsidiaries to the Group at contracted dates.

Recognition and measurement

A financial liability at fair value through profit and loss is recognised, being the present value of the estimated purchase price value discounted from the expected option exercise date to the reporting date. In raising this liability, the non-controlling interest is derecognised and the excess of the liability is debited to retained earnings.

The estimated purchase price is reconsidered at each reporting date and any change in the value of the liability is recorded in net realised and unrealised fair value gains in the income statement. Interest in respect of this liability is calculated using the effective interest method and recorded within finance costs.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

for the year ended 30 June 2026

45 Material Group accounting policies continued

45.23 Income recognition

Income comprises the fair value of services, net of value added tax, after eliminating income from within the Group. Income is recognised as follows:

45.23.1 Fee income

Contract administration

Fees charged for investment management services provided in conjunction with an investment contract are recognised as income as the services are provided over the expected duration of the contract, as a constant percentage of expected gross profit margins; or as a constant percentage of assets under management; or as a fixed fee. Initial fees that exceed the level of recurring fees and relate to the future provision of services are deferred and released on a straight-line basis over the lives of the contracts.

Trust and fiduciary fees received

Fees received from asset management, retirement fund administration and other related administration services offered by the Group are recognised in the accounting period in which the services are rendered. Services are rendered over the expected duration of the contract, except for performance fees which are recognised at a point in time when the performance obligations are met. Where initial fees are received, these are deferred and recognised over the average period of the contract. This period is re-assessed annually.

Other fee income

Administration fees received are recognised as the service is rendered. Services are rendered over the expected duration of the contract.

Other fees received include scrip lendings fees (which are based on rates determined per contract) and policy administration fees that are also recognised as the service is rendered. Scrip lending fees are recognised over the duration of the contract. Policy administration services are rendered either at a point in time or over the duration of the contract depending on when the performance obligations are met.

45.23.2 Investment income

Interest income

Interest income is recognised in the income statement, using the effective interest method for financial assets at amortised cost and taking into account the expected timing and amount of cash flows. Interest income includes the amortisation of any discounts or premiums or other difference between the initial carrying amount of an interest-bearing instrument and its amount at maturity, calculated on the effective interest method for financial assets at amortised cost.

Dividend income

Dividends received are recognised when the right to receive payment is established. Where it is declared out of retained earnings, dividend income includes scrip dividends received, irrespective of whether shares or cash is elected. Dividend income is not recognised when shares of the investee are received and the shareholders receive a pro rata number of shares, there is no change in economic interest of any investor and there is no economic benefit associated with the transaction.

Rental income

Rental income from operating leases is recognised on the straight-line method over the term of the rental agreement.

45.24 Expense recognition

45.24.1 Finance costs

Finance costs incurred on qualifying property assets are capitalised until such time as the assets are substantially ready for their intended use. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use. Capitalisation is ceased when substantially all activities necessary to prepare the asset for intended use or sale are complete. All other finance costs are recognised in the income statement.

Finance costs relating to financial liabilities at amortised cost are recognised using the effective interest method, and taking into account the expected timing and amount of cash flows. Finance costs also include the amortisation of any discounts or premiums or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity, calculated on the effective interest method for financial liabilities measured at amortised cost. Finance costs relating to financial liabilities at fair value through profit and loss include both interest and the net realised and unrealised fair value gains and losses on these financial liabilities.

45.25 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Group Executive Committee that makes strategic decisions. Refer to the segmental report for more details.

ANNEXURE A

Abbreviations and definitions

Abbreviations

AFS	Annual Financial Statements
AIACF	Assets for insurance acquisition cash flows
AIC	Assets for incurred claims
ANW	Adjusted net worth
APE	Annual premium equivalent
APN	Advisory practice note
ARC	Assets for remaining coverage
ASISA	Association for Savings and Investment South Africa
ASSA	Actuarial Society of South Africa
B-BBEE	Broad-based black economic empowerment
BSA	Bonus stabilisation account
BSM	Balance Sheet Management
CAE	Chief Audit Executive
CFA	Chartered Financial Analyst
CFD	Contract for Differences
CGU	Cash-generating unit
CIC	Capital and Investment Committee
CIS	Collective investment scheme
CPI	Consumer Price Index
CSM	Contractual service margin
DAC	Deferred acquisition costs
DCF	Discounted cash flow
DPF	Discretionary participation features
DV	Directors' valuation
DWT	Dividend withholding tax
ECC	Executive Capital Committee
ELC	Excluding loss component
ELoRC	Excluding loss-recovery component
ERM	Enterprise Risk Management
EV	Embedded value
FASSA	Fellow of the Actuarial Society of South Africa
FCTR	Foreign Currency Translation Reserve
FIA	Fellow of the Institute of Actuaries
FSCA	Financial Sector Conduct Authority
FTSE	Financial Times Stock Exchange
FVA	Fair value approach
FVOCI	Fair value through other comprehensive income
FVPL	Fair value through profit and loss
GCR	Global Credit Ratings
GMM	General measurement model
HAFs	Heads of the Actuarial Function
IAS	International Accounting Standards
IBNR	Incurred but not yet reported
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standards
IFS	Insurer Financial Strength
IMA	Investment management agreement

IPEV	International Private Equity and Venture Capital
ISDA	International Swaps and Derivatives Agreements
ISRE	International Standard on Review Engagements
JIBAR	Johannesburg Interbank Average Rate
JSE	Johannesburg Stock Exchange
King V	King Report on Corporate Governance™ for South Africa, 2025
LC	Loss component
LIC	Liability for incurred claims
LoRC	Loss-recovery component
LRC	Liability for remaining coverage
LTIP	Long-term Incentive Plan
MGL	Momentum Group Ltd
MML/the Company	Momentum Metropolitan Life Ltd
Momentum Metropolitan Life Group/the Group	MML and its subsidiaries
MRKT	MRKT Energy Holdings (Pty) Ltd
MSPS	Momentum Sales Phantom Shares
OTC	Over-the-counter
PA	Prudential Authority
PAA	Premium allocation approach
PHI	Permanent health insurance
PPFM	Principles and practices of financial management
PVFCF	Present value of future cash flows
PVP	Present value of future premiums
RA	Risk adjustment for non-financial risk
RDR	Risk discount rate
ROEV	Return on embedded value
S&P	Standard & Poor's
SAICA	South African Institute of Chartered Accountants
SAM	Solvency Assessment and Management
SAP	Standard of Actuarial Practice
SARB	South African Reserve Bank
SAR	Share Appreciation Right
SASAI	South African Student Accommodation Impact Investments (Pty) Ltd
SAVCA	South African Venture Capital and Private Equity Association
SCR	Solvency capital requirement
SENS	Stock Exchange News Service
TOR	Terms of reference
TSR	Total shareholder returns
VFA	Variable fee approach
VIF	Present value of in-force covered business
VNB	Value of new business
VWAP	Volume weighted average price
ZARONIA	South African Rand Overnight Index Average

ANNEXURE A CONTINUED

Abbreviations and definitions

Definitions

Adjusted net worth (ANW)

The ANW is the excess of assets over liabilities on the IFRS Accounting Standards basis. Certain deductions for disregarded assets and impairments have been added back.

Advisory practice notes (APNs)

ASSA issues APNs applicable to various areas of financial reporting and practice that require actuarial input. The APNs are available on the ASSA website (www.actuarialsociety.org.za).

Annual premium equivalent (APE)

The APE is a common life industry measure of new business sales. It is calculated as annualised new recurring premiums plus 10% of single premiums.

Bonus stabilisation accounts (BSAs)

BSAs are the difference between the fund accounts of smoothed bonus business, or the discounted value of projected future benefit payments for with-profit annuity business, and the market values of the underlying assets. BSA is an actuarial term that constitutes either an asset or liability in accounting terms. The BSAs are included in insurance contract liabilities.

Carry positions

Carry positions consist of sale and repurchase of assets agreements containing the following instruments:

- Repurchase agreements: financial liabilities consisting of financial instruments sold with an agreement to repurchase these instruments at a fixed price at a later date.
- Reverse repurchase agreements: financial assets consisting of financial instruments purchased with an agreement to sell these instruments at a fixed price at a later date.

Cash-generating units (CGUs)

A CGU is the smallest identifiable group of assets that generates cash inflows largely independent of the cash flows from other assets or groups of assets.

Cost of required capital

The cost of required capital represents frictional costs expected to be incurred on the assets supporting required capital and the value of in-force over the lifetime of the in-force business (and new business at point of sale for the purpose of value of new business reporting).

Covered business

Covered business is defined as life insurance business written by the life insurance subsidiaries; including individual smoothed bonus, linked and market-related business, reversionary bonus business, group smoothed bonus business, annuity business and other non-participating businesses.

Current

Current refers to expected recovery and settlement within 12 months.

Default

Default occurs when a borrower fails to meet the legal obligations of a debt instrument, such as missing scheduled payments of principal or interest.

Discretionary participation feature (DPF)

A DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:

- that are likely to be a significant portion of the total contractual benefits;
- whose amount or timing is contractually at the discretion of the issuer; and
- that are contractually based on:
 - the returns on a specified pool of contracts or a specified type of contract;
 - the realised and/or unrealised investment returns on a specified pool of assets held by the issuer; or
 - the profit or loss of the entity or fund that issues the contract.

Effective exposure

The exposure of a derivative financial contract or instrument to the underlying asset by also taking delta (the ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative) into account where applicable.

Effective interest rate

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of a financial instrument, or when appropriate a shorter period, to the net carrying amount of the financial instrument.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest expense over the relevant period.

Definitions continued

Embedded value (EV)

An EV represents the discounted value of expected after-tax future profits from the current business. The EV is defined as:

- the ANW of covered and non-covered business;
- plus the VIF less the cost of required capital; and
- plus the write-up to directors' value of non-covered business.

EV earnings

EV earnings is defined as the change in EV (after non-controlling interests) for the year, after adjustment for any capital movements such as dividends paid, capital injections and cost of treasury shares acquired or disposed of for the year.

Fund account

The fund account is the retrospective accumulation of premiums, net of charges and benefit payments at the declared bonus rates or at the allocated rate of investment return.

Goodwill

An asset that represents the excess of the cost of a business combination over the interest acquired in the net fair value of the identifiable assets, liabilities and contingent liabilities at the acquisition date.

Investment variances

Investment variances reflect the impact on after-tax profits of the variance between actual investment returns earned over the reporting period and the returns assumed as per the discount rates applied to expected future cash flows, or the returns expected for products where future cash flows are not discounted.

New business profit margin

New business profit margin is defined as the VNB expressed as a percentage of the PVP. New business profit margin is also expressed as a percentage of APE.

Non-current

Non-current refers to expected recovery and settlement after 12 months.

Objective evidence of impairment

Objective evidence of impairment is related to the specific circumstances of each individual asset and can be the combined effect of several events. Objective evidence includes, but is not limited to:

- Significant financial difficulty of the issuer or debtor.
- A breach of contract, such as a default or delinquency in payment.
- It becomes probable that the issuer or debtor will enter bankruptcy or other financial reorganisation.
- The disappearance of an active market for that financial asset because of financial difficulties.
- Observable data that there is a measurable decrease in the estimated future cash flows from the asset since the initial recognition of the asset.

Open-ended instruments

The open-ended category includes financial instruments with no fixed maturity date as management is unable to provide a reliable estimate given the volatility of equity markets and policyholder behaviour.

Prescribed officers

Prescribed officers as referred to in the Companies Act, 71 of 2008, are defined as follows – despite not being a director of a particular company, a person is a prescribed officer of the company if that person:

- exercises general executive control over and management of the whole, or a significant portion, of the business and activities of the company; or
- regularly participates to a material degree in the exercise of general executive control over and management of the whole, or a significant portion, of the business and activities of the company.

The Group does not consider any employee that is not a director to be a prescribed officer as the functions of general executive control over significant portions of the business are performed by the executive directors.

ANNEXURE A CONTINUED

Abbreviations and definitions

Definitions continued

Present value of future premiums (PVP)

The PVP is the present value of future premiums in respect of new business discounted using the relevant discount rate. The future premiums are net of reinsurance and are based on best-estimate assumptions such as future premium growth, mortality and withdrawal experience.

Present value of in-force covered business (VIF)

The gross VIF comprises the best-estimate shareholder cash flows expected to emerge in future from assets backing policyholder liabilities (which include the IFRS 17 risk adjustment and contractual service margin as well as cash flows relating to insurance contracts that are not within the scope of IFRS 17) less an explicit allowance for non-hedgeable risks (represented by the IFRS 17 risk adjustment or a commensurate adjustment where it is not defined). The net VIF is the gross VIF less the cost of required capital. No account is taken of dividend withholding tax.

Related party transactions – key management personnel

Key management personnel are those persons, including close members of their families, having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Reporting basis

Reporting basis is the basis on which the financial statements are prepared.

Required capital

Required capital includes any assets attributed to covered business over and above the amount required to back covered business liabilities whose distribution to shareholders is restricted.

Return on EV

Return on EV is the EV earnings over the period expressed as a percentage of the EV at the beginning of the period, adjusted for capital movements during the year.

Risk discount rate (RDR)

The RDR is the rate at which future expected profits are discounted when calculating the value of in-force business or the VNB for annually renewable insurance contracts and covered investment contracts. The RDR is determined as the risk-free return plus a risk premium. The risk premium allows for the expected non-financial risk in future shareholder cash flows. For long-term insurance contracts measured under IFRS 17, non-financial risk is allowed for explicitly through the IFRS 17 risk adjustment as opposed to using a risk discount rate.

Significant influence

Significant influence is the power to participate in the financial and operating policy decisions of the investee, but without control over those decisions.

Unit-linked investments

Unit-linked investments consist of investments in collective investment schemes, private equity fund investments and other investments where the value is determined based on the value of the underlying investments.

Unrated

The Group invests in unrated assets where investment mandates allow for this. These investments are, however, subject to internal credit assessments.

Useful life

Useful life is the period over which an asset is expected to be available for use by the Group.

Value of new business (VNB)

The VNB for long-term insurance business measured under IFRS 17 is measured as the aggregate of new business earnings as reflected in the IFRS Accounting Standards Income Statement (net of tax), the IFRS 17 contractual service margin (net of tax) and the present value of future cash flows not measured and reported under IFRS 17, but that are attributable to the underlying insurance contracts (net of tax), less the new business cost of capital.

Credit risk definitions

AAA

National scale ratings denote the highest rating that can be assigned. This rating is assigned to the best credit risk relative to all other issuers.

AA

National ratings denote a very strong credit risk relative to all other issuers.

A

National ratings denote a strong credit risk relative to all other issuers.

BBB

National ratings denote an adequate credit risk relative to all other issuers.

BB

National ratings denote a fairly weak credit risk relative to all other issuers.

B

National ratings denote a significantly weak credit risk relative to all other issuers.

CCC

National ratings denote an extremely weak credit risk relative to other issuers.

C

National ratings denote an extremely weak credit risk relative to other issuers with a strong probability of default.

SHAREHOLDER DIARY AND ADMINISTRATION

Shareholder diary

Financial year end	30 June	
Reporting	Annual Financial Statements published	17 September 2026
	Annual General Meeting	26 November 2026

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momentum

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