

Momentum Metropolitan Holdings Limited
Incorporated in the Republic of South Africa
Registration number: 2000/031756/06
JSE & AltX Share Codes: MTM
NSX Share Code: MMT
ISIN: ZAE000269890
("Momentum Metropolitan" or the "Group")

Momentum Metropolitan Life Limited
Incorporated in the Republic of South Africa
Registration number 1904/002186/06
Company code: MMIG
("MML" or the "Issuer")

AMENDMENT TO MOMENTUM METROPOLITAN LIFE LIMITED CREDIT RATINGS

Shareholders of the Group and noteholders of the Issuer are hereby advised that Moody's Investors Service ("Moody's") has, on 25 November 2020, amended the ratings of a number of South African Insurers including that of MML following the rating action on the South African Government on 20 November 2020.

The outcome of the amendment is that the Insurer Financial Strength rating of MML has been downgraded to Ba1 from Baa3, with corresponding downgrades of the other ratings assigned to the Issuer, its programme and notes. This action follows the downgrade of the South African Government's issuer rating to Ba2 from Ba1 on 20 November 2020.

As stated in the announcement by Moody's, the rationale for the rating is primarily driven by "the weakening credit profile of the South African government, as indicated by the downgrade of the Government of South Africa's issuer rating to Ba2 from Ba1, and the gradual weakening of the South African banking system, resulting in lower credit profiles of these insurers given their sizeable balance sheet exposure to government debt securities and cash and short-term instruments issued by local banks. In addition, Moody's expects the increasingly challenging operating environment to place pressure on insurers' profitability, asset quality and capitalisation."

Below is a summary of the affected ratings:

- Insurance Financial Strength rating to Ba1 from Baa3;
- Long-term Issuer rating to Ba2 from Ba1;
- Subordinated debt to Ba3(hyb) from Ba2(hyb);
- Backed Subordinated debt to Ba3(hyb) from Ba2(hyb);
- Subordinated MTN program to (P)Ba3 from (P)Ba2; and
- Backed Subordinated MTN programme to (P)Ba3 from (P)Ba2.

The National Scale Credit Ratings (“NSRs”) were not affected by the rating action. These ratings were affirmed by Moody’s as a result of a recalibration of South Africa’s NSR mappings, triggered by the downgrade of South Africa’s government bond rating.

The rating action does not reflect any change in the fundamental credit quality of MML following the review of the standalone credit rating by Moody’s in 2020.

The full credit rating report has been made available at the below link:
<https://www.momentummetropolitan.co.za/en/investor-relations/debt-investor>.

26 November 2020

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