

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

MOMENTUM METROPOLITAN LIFE LIMITED
 Incorporated in the Republic of South Africa
 Registration number: 1904/002186/06
 Company code: MMIG
 (“Momentum Metropolitan Life”)

Trading statement for the six months ended 31 December 2021

Momentum Metropolitan is currently in the process of finalising its results for the six months ended 31 December 2021 (the “period”), which will be released on 9 March 2022. Pursuant to paragraph 3.4(b) of the JSE Limited (“JSE”) Listings Requirements, shareholders are advised that the Group's earnings per share, headline earnings per share and diluted normalised headline earnings per share are expected to be within the ranges set out below:

	1H2022 (cents)	1H2021 (cents)	% change
Earnings per share	41 to 54	63	-35% to -15%
Headline earnings per share	84 to 95	56	+50% to +70%
Normalised headline earnings per share	95 to 109	68	+40% to +60%

Headline earnings per share are expected to increase by between 50% and 70% and normalised headline earnings per share by between 40% and 60%. This pleasing growth was underpinned by strong new business revenue in Momentum Investments, Metropolitan Life, Momentum Corporate and Momentum Metropolitan Africa; strong financial performance in Momentum Corporate and Guardrisk; strong investment returns on the shareholder investment portfolio, and a less severe net mortality impact from Covid-19 compared to the six months ended 31 December 2020 (the “prior period”).

Earnings per share are expected to decline by between 15% and 35% relative to the prior period. This decline is largely attributable to a partial write-off of the goodwill of Momentum Insure. The performance of the direct face-to-face sales force acquired from Alexander Forbes in 2019 was negatively impacted by Covid-19. The weaker general economy over the past 18 months and the complexities with the integration of all the different sales channels on a single line of business system resulted in new business volumes across all channels not achieving the targets expected. It is not expected that future new business will fully recover the gap created, which has necessitated the downward adjustment to the goodwill held for this entity.

The Group remains well capitalised, with the regulatory solvency cover of all the Group's regulated entities, as well as the group solvency for Momentum Metropolitan Holdings remaining within the target range.

Normalised headline earnings adjust the standard JSE definition of headline earnings for the dilutive impact of finance costs related to preference shares that can be converted into ordinary shares of the Group, the impact of treasury shares (including those related to the iSabelo employee share scheme), the amortisation of

intangible assets arising from business combinations and B-BBEE costs. The adjustment for the impact of treasury shares removes mismatches that are unique to financial institutions that invest in their own securities on behalf of clients. The definition of normalised headline earnings remains unchanged.

The full financial and operating results for the period are expected to be released on Wednesday, 9 March 2022 at approximately 7:30 via SENS, followed by a live webcast at 11:00. Pre-registration for the webcast is required, which can be accessed at <https://www.corpcam.com/MM09032022>. In addition, the announcement will be broadcast live on Business Day TV, DSTV Channel 412.

The information in this trading statement has not been reviewed and reported on by Momentum Metropolitan's external auditors.

Centurion
21 February 2022

Equity sponsor
Merrill Lynch South Africa (Pty) Limited
t/a BofA Securities

Debt sponsor
Rand Merchant Bank
(A division of FirstRand Bank Limited)