



# Momentum Group

Strategy F2025 to F2027

*Jeanette Marais*



# Agenda

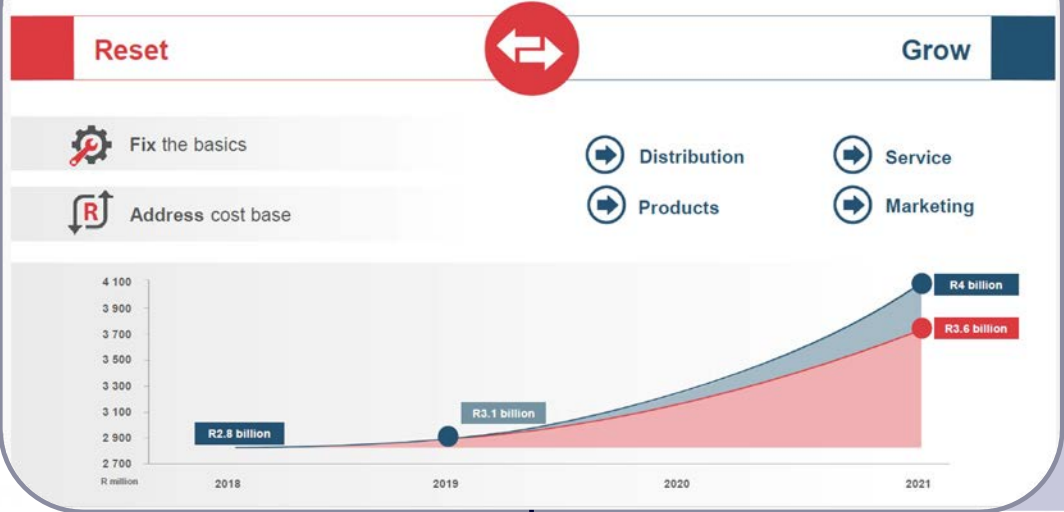
- 1 Momentum Group today
- 2 Market dynamics and key considerations
- 3 Our Group purpose
- 4 Our Group strategy



# Momentum Group today



### Reset and Grow update

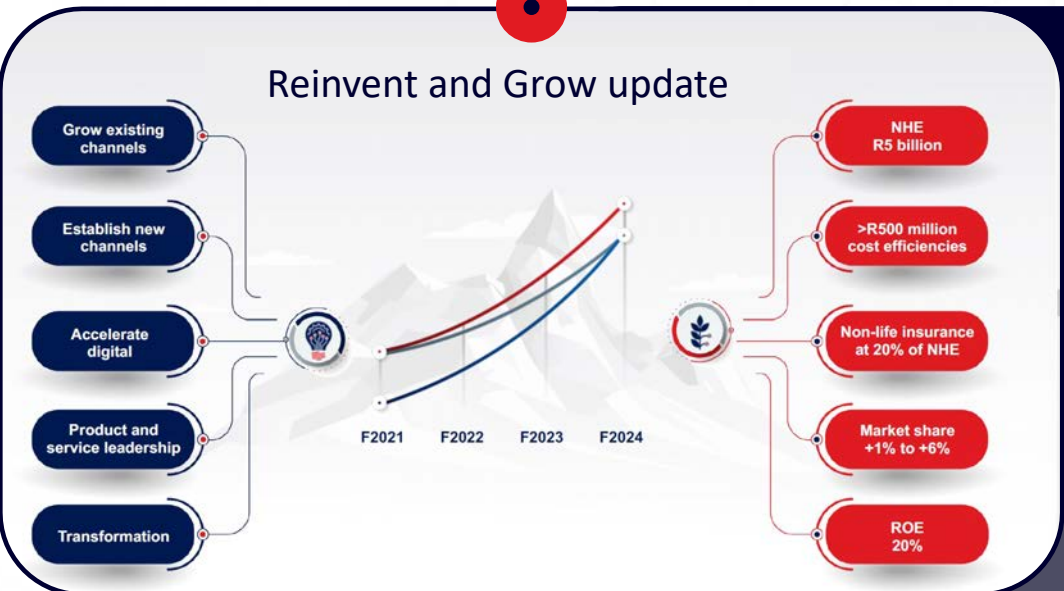


F2019 to F2021

### Reset and Grow

a **TURNAROUND** strategy

### Reinvent and Grow update



F2022 to F2024

### Reinvent and Grow

created a strong **FOUNDATION** for future growth

# Consistently delivering on our promises

- Simplified group name
- Re-energised brands

BRAND

OPERATING  
MODEL

ADDRESS UNDER-  
PERFORMANCE

DISTRIBUTION  
SUCCESSSES

GROWTH

- Exits - Africa and aYo
- African Bank lending partnership
- Momentum Money
- **Momentum Insure**
- **Metropolitan**
- **VNB**

- Step-change in earnings
- Momentum Investments
- Momentum Corporate
- Guardrisk

- Successfully adopted federated operating model
- Repositioned Multiply as part of Momentum Health

- Dominance in IFA distribution
- Alternative channels
- **Tied agency**

Accelerated digital

Returned significant value to shareholders

Strong balance sheet and cash generation

# Opportunity to simplify and strengthen Group brand



- We simplified our Group name to Momentum Group
- Research showed that the Momentum brand has the stronger brand equity in South Africa
- Our client-facing brands continue as is

# Consistently delivering on our promises

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# Federated operating model

8 Business units | 33 Planning units

## Momentum Retail

Myriad

Investo

MMerge

Momentum Trust

Momentum Advice

Momentum Distribution Services

## Momentum Investments

Wealth Management

Structured products and Annuities

Multi Management and Solutions

Asset Management

- Internal capabilities
- Curate
- IMG and Eris

## Momentum Corporate

FundsAtWork

Group Insurance

Structured Investments and Annuities

Momentum Retirement Administrators

Direct Client Engagement

Member Solutions

## Guardrisk

Guardrisk Non-Life Cell Captive

Guardrisk General Insurance

Guardrisk Life

Guardrisk Microinsurance

## Momentum International

Namibia

Lesotho

Botswana

Ghana

Mozambique

**India**

## Health

Open scheme

Restricted schemes

Public sector

Health4Me

Incentivised wellness

## Metropolitan

**Momentum Insure**



# Market dynamics and key considerations

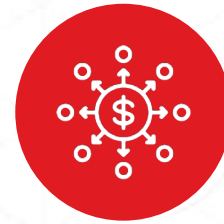


Traffic Growth	User Price	Revenue	Sales Volume	Rev. Increase	HETT201	Sales Rev.
8.01%	\$ 2,178	890	\$ 120,020.00	9%	1,23E+00	12
8%	\$ 1,000.00	654	\$ 44,545.00	34%	5.6E+01	343
8%	\$ 5,940.00	454	\$ 4,304.00	4%	4.5E+01	3,434
100%	\$ 34,344.00	454	\$ 65,464.00	3%	1.2E+01	343
24%	\$ 43,232.00	34	\$ 43,444.00	34%	3.43E+00	343
87%	\$ 657,465.00	878	\$ 4,545.00	50%	1.23E+00	12
6.91%	\$ 2,178	890	\$ 120,020.00	9%	1,23E+00	12
8%	\$ 1,000.00	654	\$ 44,545.00	34%	5.6E+01	343



**Low SA growth**

- **Explore** other geographies



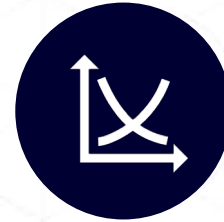
**Untapped markets in SA**

- Enter **new market** segments



**Changing client needs and behaviour**

- **Simplify** and **digitise** client experience



**Regulatory complexities**

- **Optimise** cost base



**Continued dominance of face-to-face distribution**

- **Increase** distribution footprint



**Market-leading businesses**

- **Strengthen and grow** our businesses



**Importance of advice**

- Focus on **advice**



**Under-performing businesses**

- **Turnaround strategies** for underperforming businesses



**Technology advancements (digital & data)**

- Imperative and key enabler, prioritise **digital** balanced with a **“fast follower”** approach to mitigate risks of early adoption



**Scale challenges**

- **Optimise** cost base and operating model

# Our Group **PURPOSE**



**momentum**  
group

“WE  
**BUILD**  
AND *Protect*  
OUR CLIENTS’  
**FINANCIAL** *dreams.*”





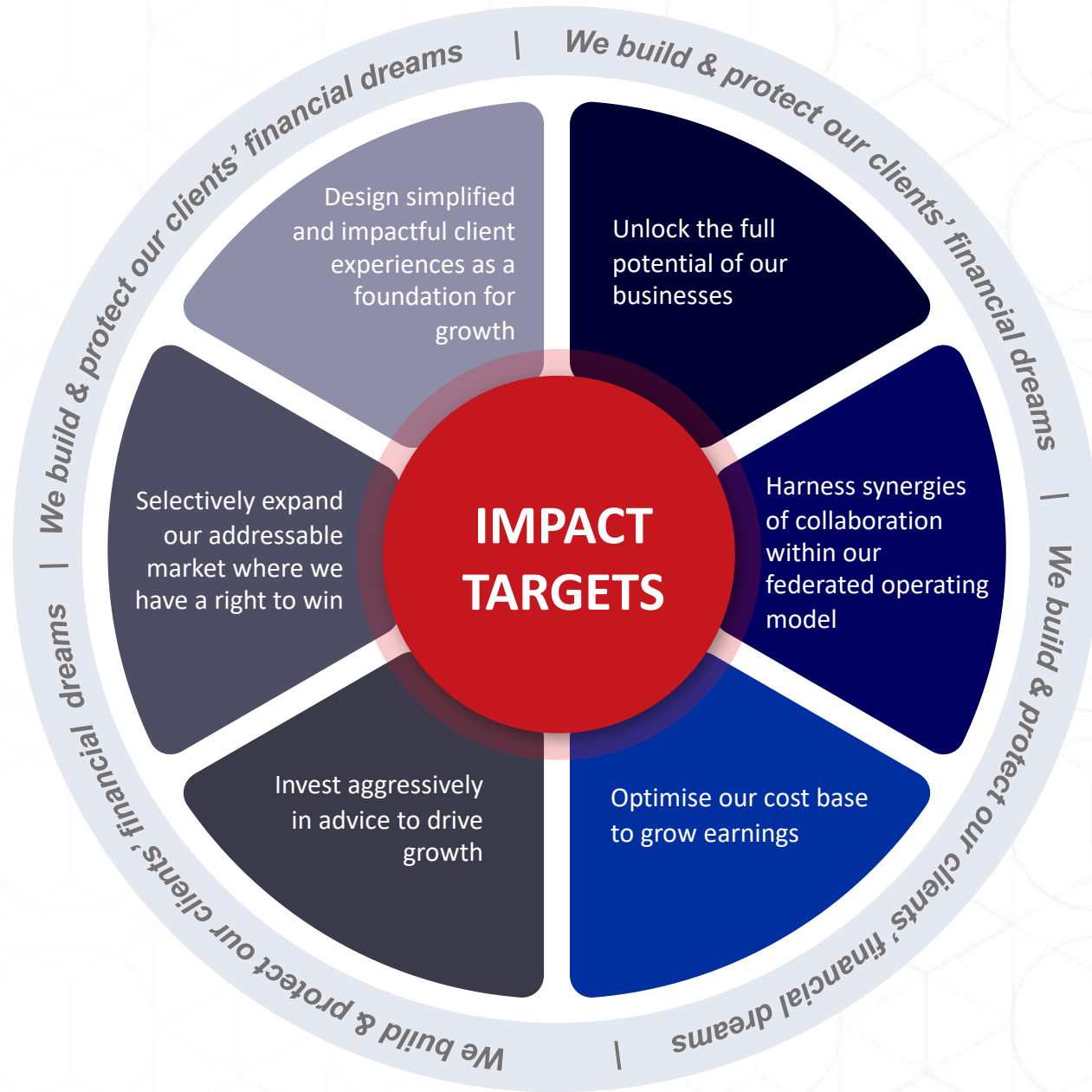
THE

# IMPACT

F2025 to F2027

STRATEGY





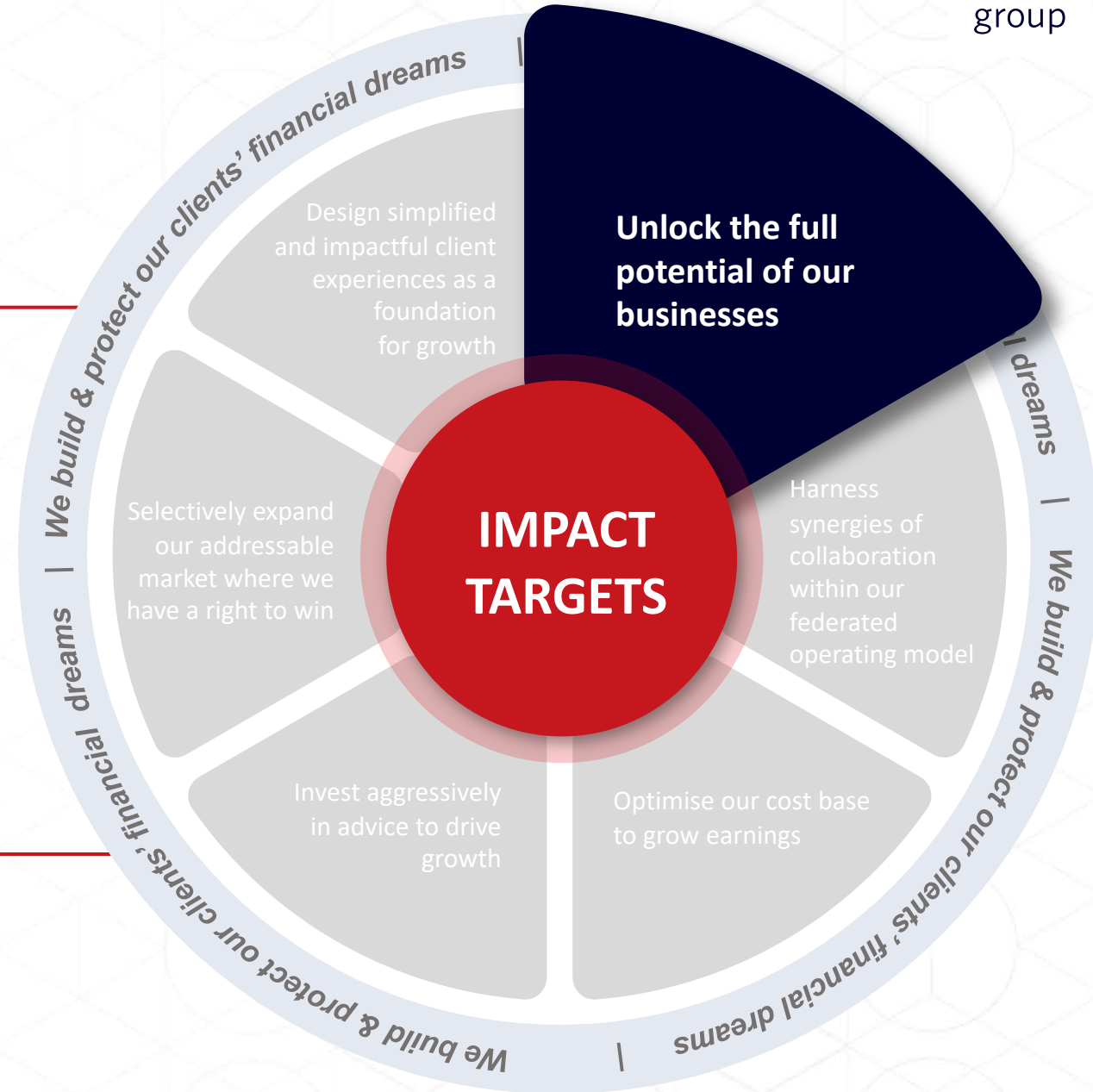
People | Transformation | Digital | Sustainability | Capital deployment

# Strategic objectives



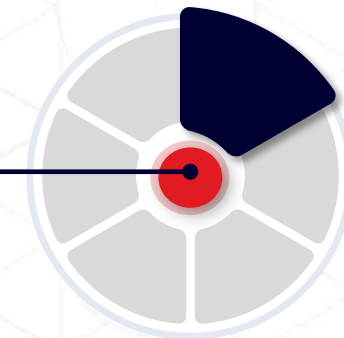
“ Empower our **TOP** businesses to **ACHIEVE MORE** ”

- Not all our businesses are equally successful
- **BOOSTING SUCCESSFUL** businesses with more capital
- **TURNAROUND STRATEGIES** for underperforming businesses
- Reflected in our **CAPITAL DEPLOYMENT** decisions





## Unlock the full potential of our businesses



### Momentum Retail

- **Momentum Advice a top industry player**
- Leader in the protection industry
- Leader in IFA distribution (specialisation)
- Increase direct sales
- Digital way of work

### Momentum Investments

- Future-fit Wealth platform
- Multi-Management the institutional platform provider of choice in SA
- **Launch and grow Curate**
- Strengthen and grow AM businesses

### Momentum Corporate

- Top 4 in umbrella fund market
- Significant umbrella fund in SME market
- Remain top 3 in Group Insurance
- Partnerships to accelerate organic growth

### Metropolitan

- Optimise existing markets
- Optimise and grow tied agency force
- Increase public sector and private sector penetration
- Sales workforce management

### Guardrisk

- **Diversify and grow revenue through targeted acquisitions**
- Increase contribution to Group earnings
- Organic growth and increase share of premium
- Capital efficiencies and structure

### Momentum Insure

- Scale direct-to-client sales
- **Focus Safety client value proposition on improving client attraction**
- Predictable and acceptable earnings and ROE, in line with Momentum Group's expectations

### Health

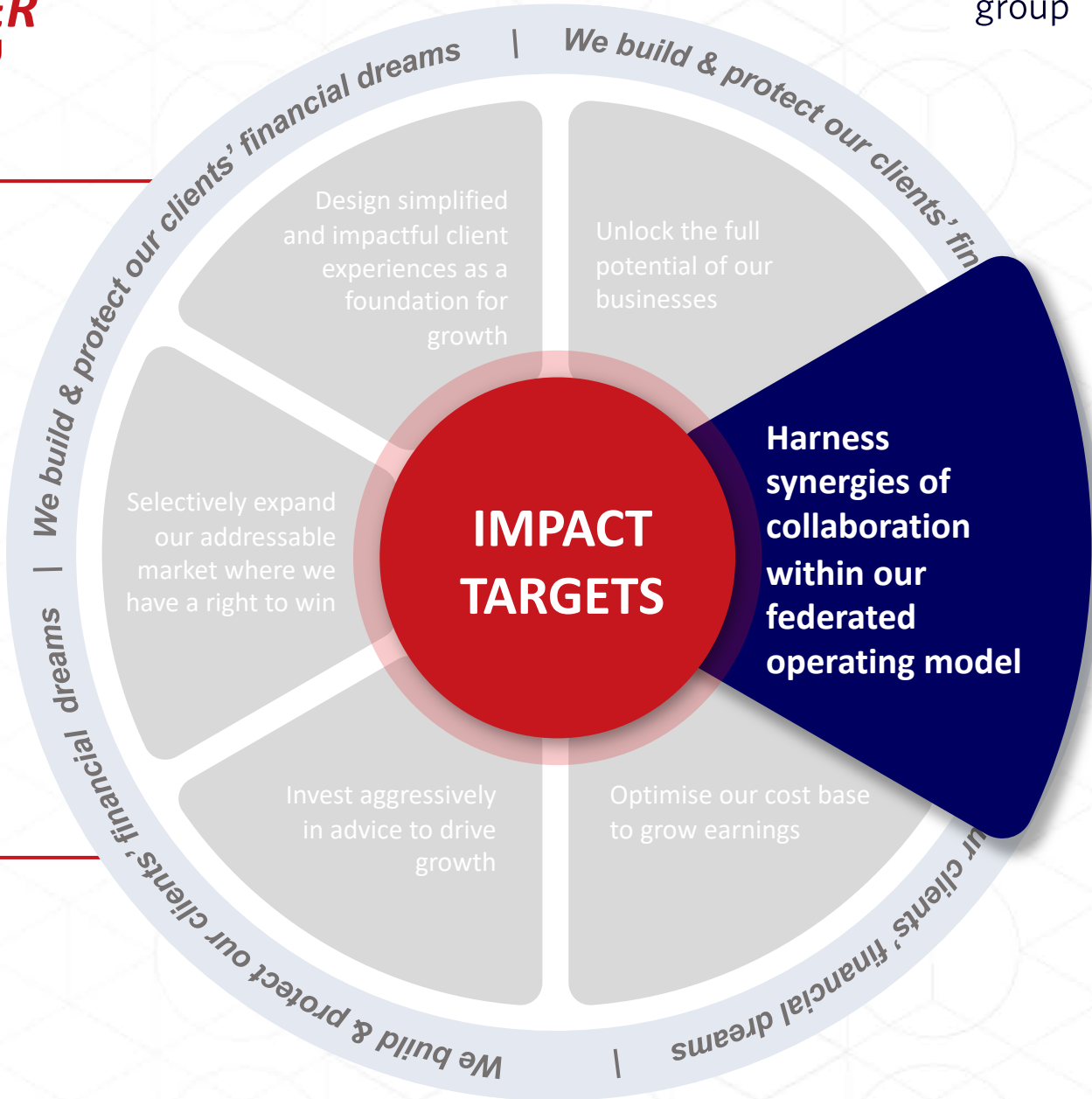
- **Single, labour-aligned business on one platform, single brand, and aligned client value proposition**
- Sustainable GEMS partnership model

### Momentum Africa

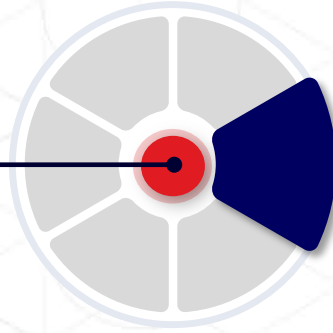
- Improve product competitiveness
- Enhance client experience
- **Improve distribution channels**
- Optimise operating model

“ Where the **WHOLE** is far **BIGGER** than the sum of its parts. ”

- **BLEND** of a strong and value-adding center, empowered and accountable businesses
- Our unique competitive **ADVANTAGE**
- To unlock **GROWTH**, we will:
  - strengthen and empower our businesses
  - eradicate duplication
  - drive collaboration
  - share capabilities and resources
  - show up as a Group and hunt together
  - leverage vertically integrated offerings and advice



## Harness synergies of collaboration within our federated operating model



### Momentum Retail

- **Momentum Advice vertical integration**
- Align product and channel teams
- **Distribution of in-house asset management capabilities by MDS**
- Sharing of product administration systems

### Momentum Investments

- Increase DFM share of platform assets
- Increase GLA inflows into internal Multi-management products
- Asset Management vertical integration to exploit synergies between business units

### Momentum Corporate

- **Integrated Health and Employee Benefits value proposition**

### Metropolitan

- Employee Benefits and Health collaboration for union opportunities

### Guardrisk

- Optimise value chain through investment opportunities

### Momentum Insure

- Drive growth and collaboration in Momentum Group channels

### Health

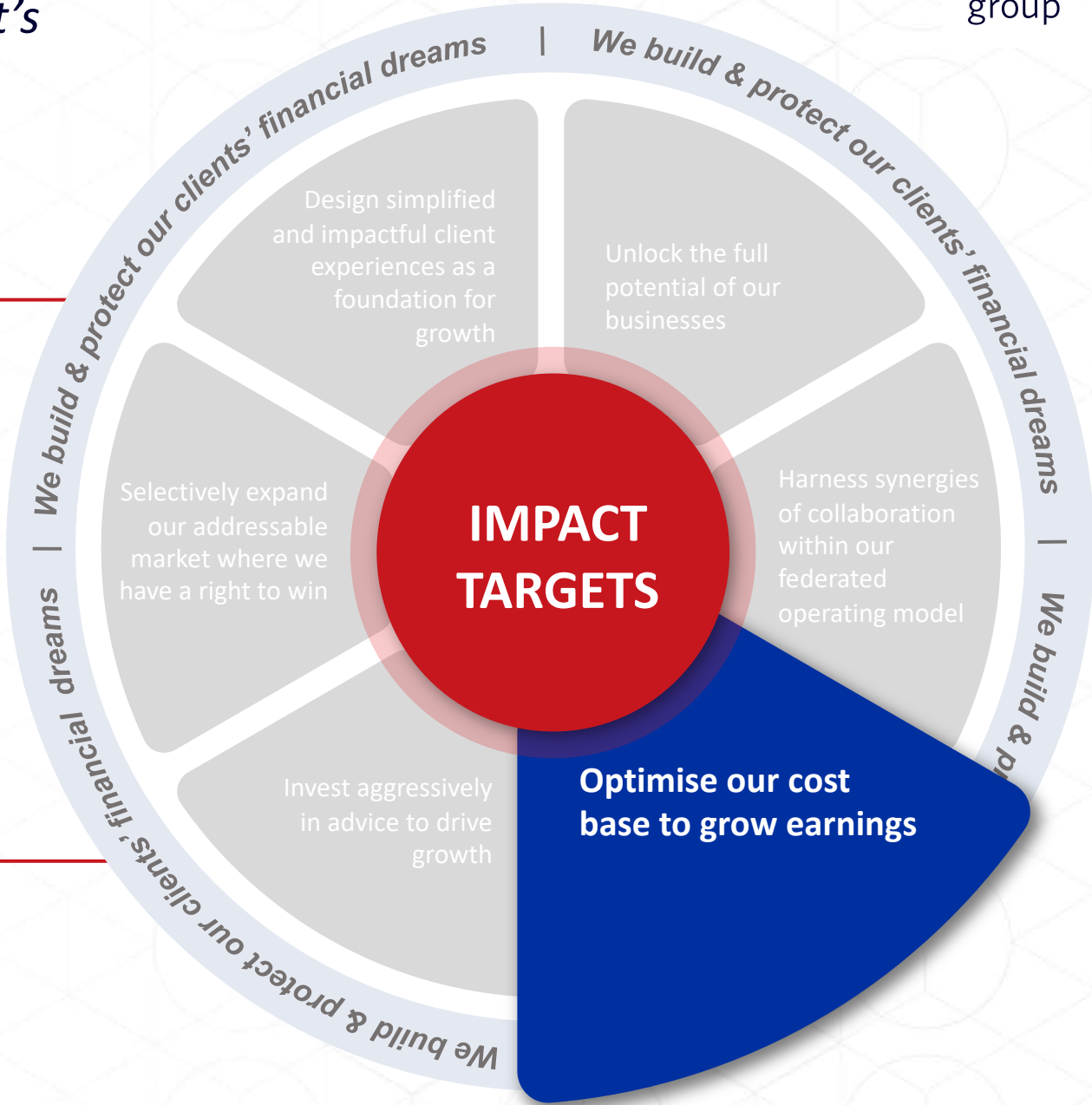
- **Integrated Health and Employee Benefits value proposition**

### Momentum Africa

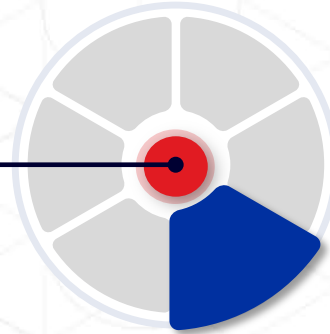
- Optimise operating model to benefit from Group synergies

“ It’s not just a financial imperative, it’s a **STRATEGIC CHOICE** that will strengthen us. ”

- Essential for sustainable growth and to solve our **VNB** challenge
- Reaching **FIGHTING WEIGHT**, not just cutting costs
- Goal: strengthen, enhance agility, improve competitiveness, boost efficiency without compromising quality
- Identified significant **COST REDUCTION** opportunities through benchmarking



## Optimise our cost base to grow earnings



### Momentum Retail

- Momentum Advice technology platform
- **Digitilisation of product processes**
- MMerge product rationalisation

### Momentum Investments

- **New Wealth operating model**
- Optimise Structured Products and Annuities processes and cost base
- Global MM operating model
- AM focus on targeted digital capabilities

### Momentum Corporate

- Use LEAN methodologies and digitalisation to drive operational excellence

### Metropolitan

- Optimise cost base
- Stable and scalable Product Administration systems with supporting environments

### Guardrisk

- **Client and channel scalability through digitisation**

### Momentum Insure

- Accelerate digitalisation to drive efficiencies and reduce costs

### Health

- Optimisation of portfolio

### Momentum Africa

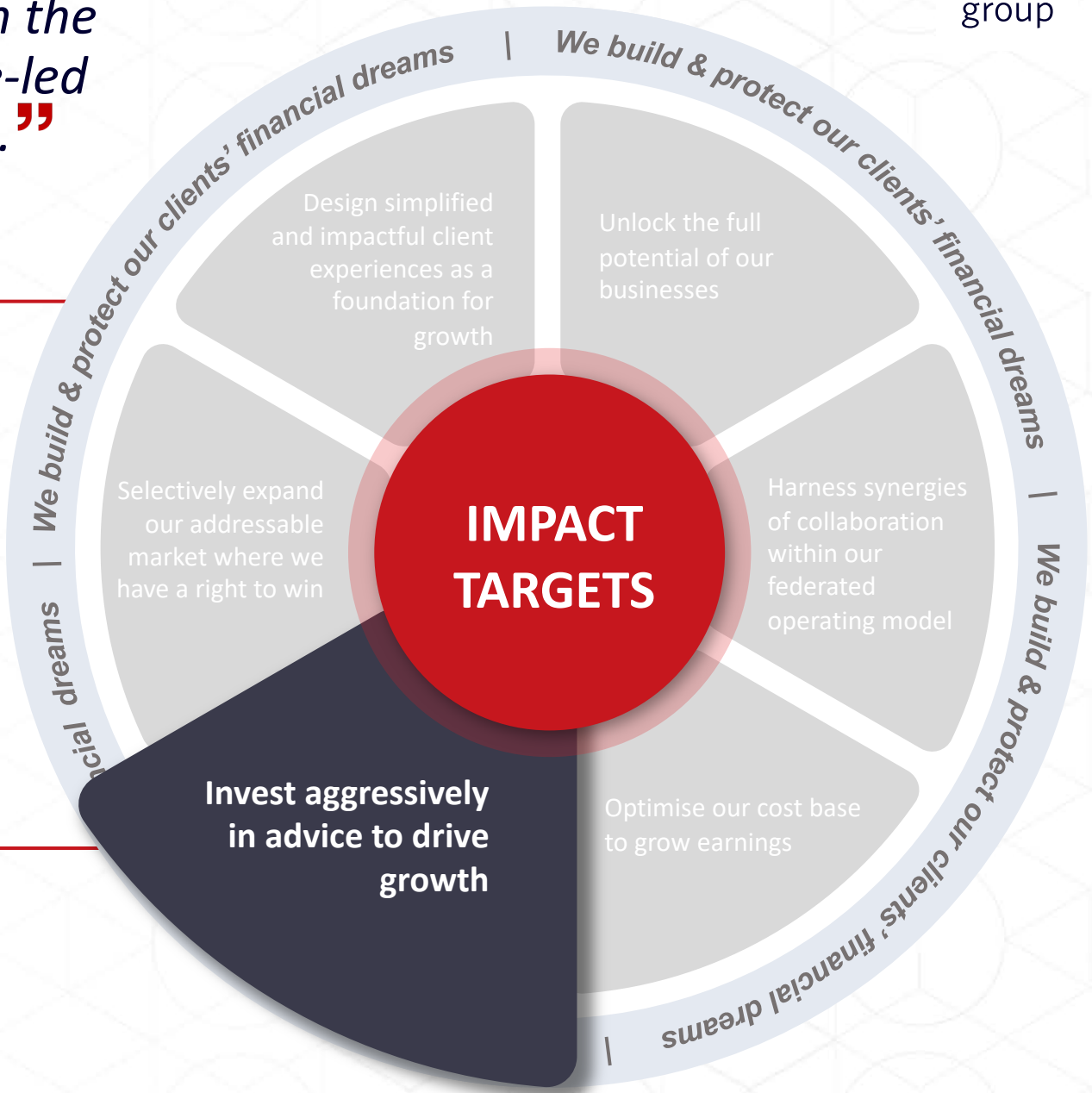
- Optimise operational efficiencies to reduce costs and support improved client experience

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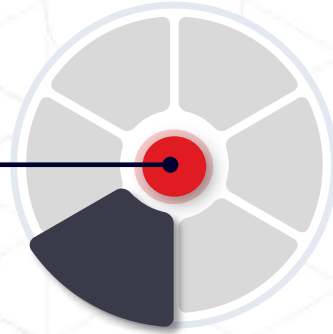
“ We continue to believe strongly in the importance of **ADVICE**; an advice-led approach will differentiate us. ”



- **FACE-TO-FACE** advice is here to stay and offers growth opportunities
- **OWN ADVICE** as a brand to outshine competitors (incl. banks)
- Leading **IFA** market share proves our expertise
- Expand our smaller **AGENCY FORCE** to gain market share
- Use technology to empower advisers and boost client experience



## Invest aggressively in advice to drive growth



### Momentum Retail

- **Footprint growth in MFP and Consult**
- Grow retail broker consultants
- Grow supporting IFA base
- Single need propositions via direct sales

### Momentum Investments

- **Wealth platform proposition for advisers**
- Multi-management investment in IFA networks in UK and expat markets
- Grow international Asset Management distribution footprint

### Momentum Corporate

- **Execute omni-channel distribution strategy**

### Metropolitan

- Optimise and grow tied agency with emphasis on workforce management
- Increase contribution from Broker Channel

### Guardrisk

- Strengthening broker partnerships to enhance client offerings

### Momentum Insure

- **Reposition the BDC (tied) channel**

### Health

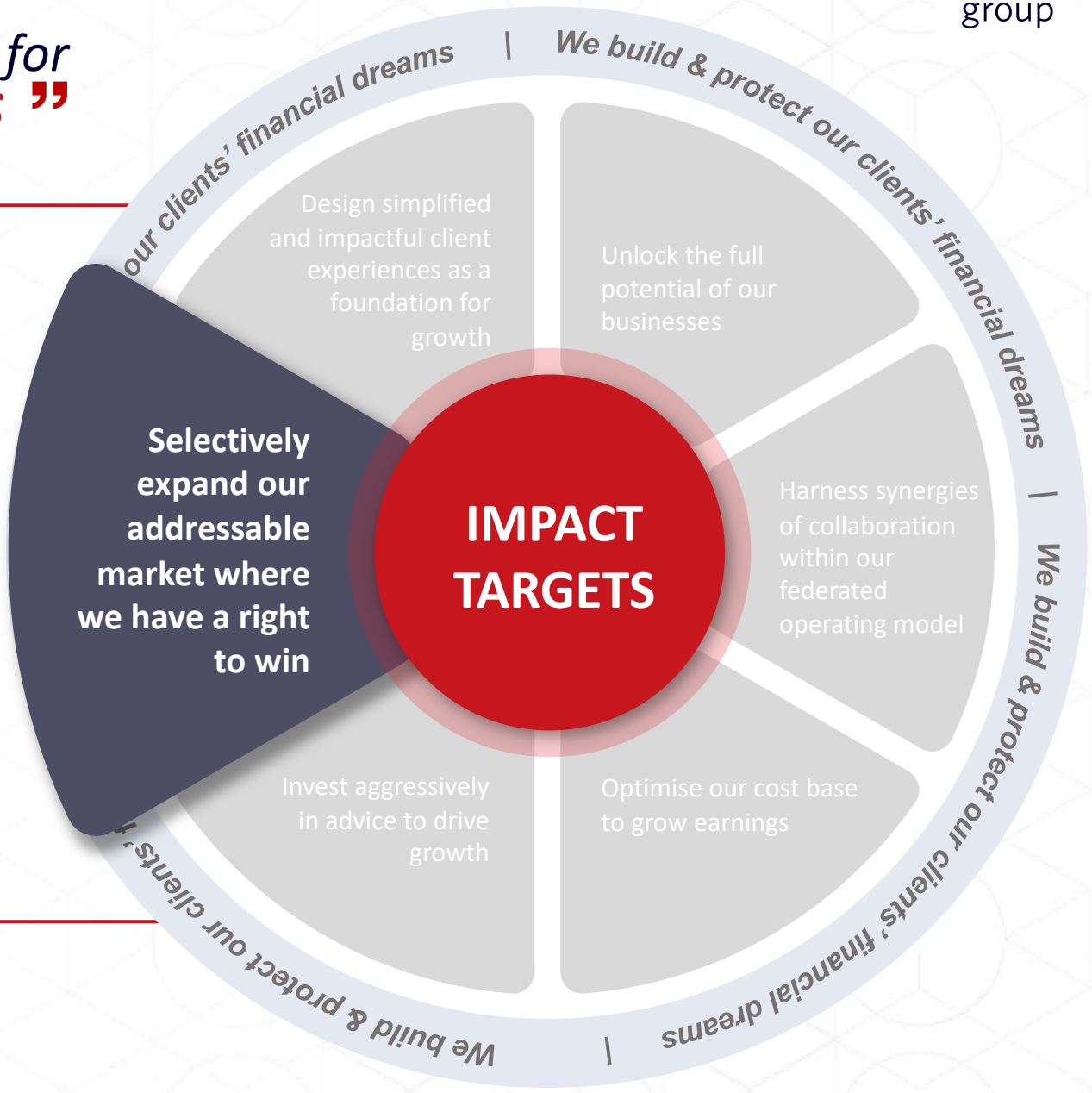
- Optimise existing and alternative channels with appropriate resources and technology to achieve growth

### Momentum Africa

- Optimise agency channel
- Strengthen broker value proposition
- Establish partnerships to grow distribution

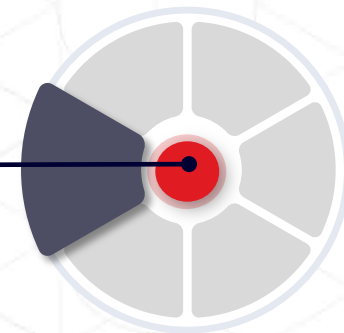
“ We will follow a **FOCUSED and SELECTIVE** approach to expansion for growth and **WINNING RESULTS** ”

- Selectively expanding through **FOUR VECTORS**: channel, segment, product and geography
- Leverage our **STRENGTHS** and strategic advantages
- Strategic **PARTNERSHIPS**: key to accelerate market expansion and enhance offerings
- Expand to enhance market presence, diversify market risk, capture new revenue streams and for sustainable growth
- Response to **BANKS**





## Selectively expand our addressable market where we have a right to win



### Momentum Retail

- New product innovations
- Advice segmentation

### Momentum Investments

- Wealth exploration of new markets
- Structured Products & Annuities - new markets
- Launch fiduciary business in UK
- Strengthen our position in the AM market
- DFM proposition for Expats

### Momentum Corporate

- Launch Structured Investments and Annuities solutions to new segments
- **Grow SME market through Momentum Grow**

### Metropolitan

- **Enhance and scale alternative channels (brokers, tele, Affinity and direct)**
- Increase alternative channels APE contribution

### Guardrisk

- **Diversify and grow revenue through embedded insurance**
- Explore opportunities in India

### Momentum Insure

- Diversify premium income
- Selectively grow commercial-lines (SMME) new business

### Health

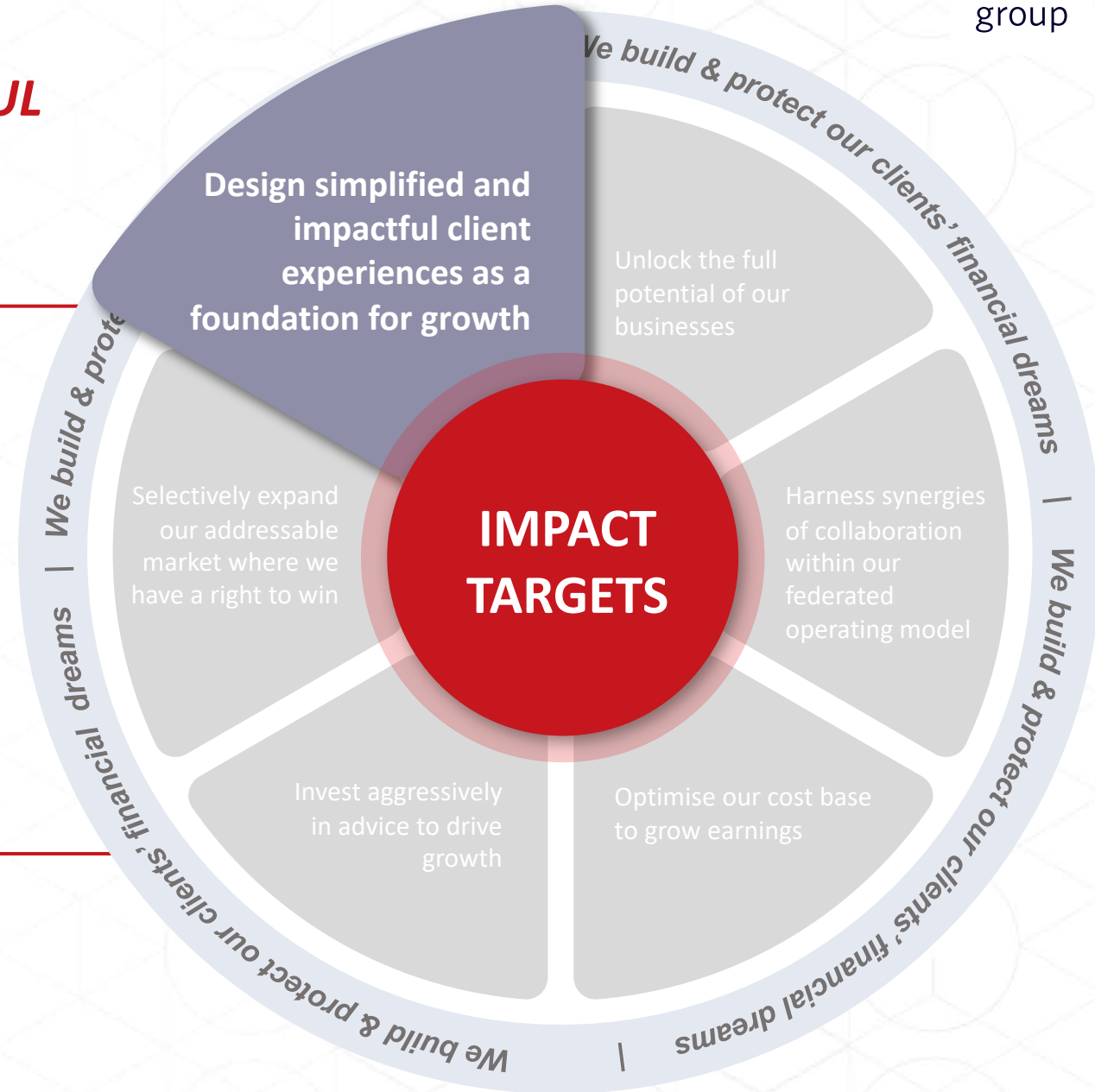
- Growth into other public sector markets
- **Growth through vertical integration into healthcare provision at scale**
- Direct participation in healthcare outside South Africa

### Momentum Africa

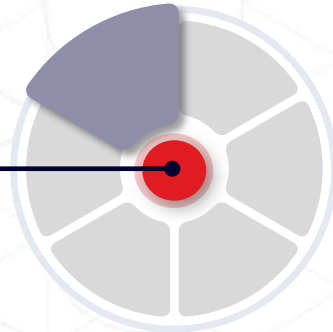
- **Diversify into new markets (youth, informal and SME) and channels to unlock growth**

“ We believe in the power of **SIMPLICITY** to have an **IMPACTFUL** client experience. ”

- Key to realising our **PURPOSE**
- Enhance **CLIENT EXPERIENCE** – build stronger long-lasting relationships founded on trust and transparency
- Drive **EFFICIENCIES** – optimised processes, reduced cost, quicker time to market, and scale
- Strive for simplicity and ease of doing business as our competitive edge



## Design simplified and impactful client experiences as a foundation for growth



### Momentum Retail

- Digital engagement of product processes
- Product-adviser engagement platforms
- Adviser-client engagement platforms

### Momentum Investments

- Strong Asset management and Multi-management client engagement propositions
- **Wealth digital client & adviser experience**
- Behavioural finance for personalised experiences

### Momentum Corporate

- **Achieve service excellence through digital transformation**

### Metropolitan

- **Optimise and simplify solutions to meet changing client needs**
- Successfully execute on the Metropolitan value proposition
- Increase client satisfaction and client value

### Guardrisk

- Enhance client and channel interaction and scalability through digitisation

### Momentum Insure

- Enhance client experience to build loyalty

### Health

- Single, labour-aligned business on one platform, single brand
- **Aligned client value proposition and incentivised wellness at scale**

### Momentum Africa

- Achieve elevated client experience through effective product solutions and streamlined operations

# Strategic enablers



# Strategic enablers



**People**

Our people are our competitive advantage



**Transformation**

Authentically, inclusively and for impact



**Digital**

Moving from capability to impact



**Sustainability**

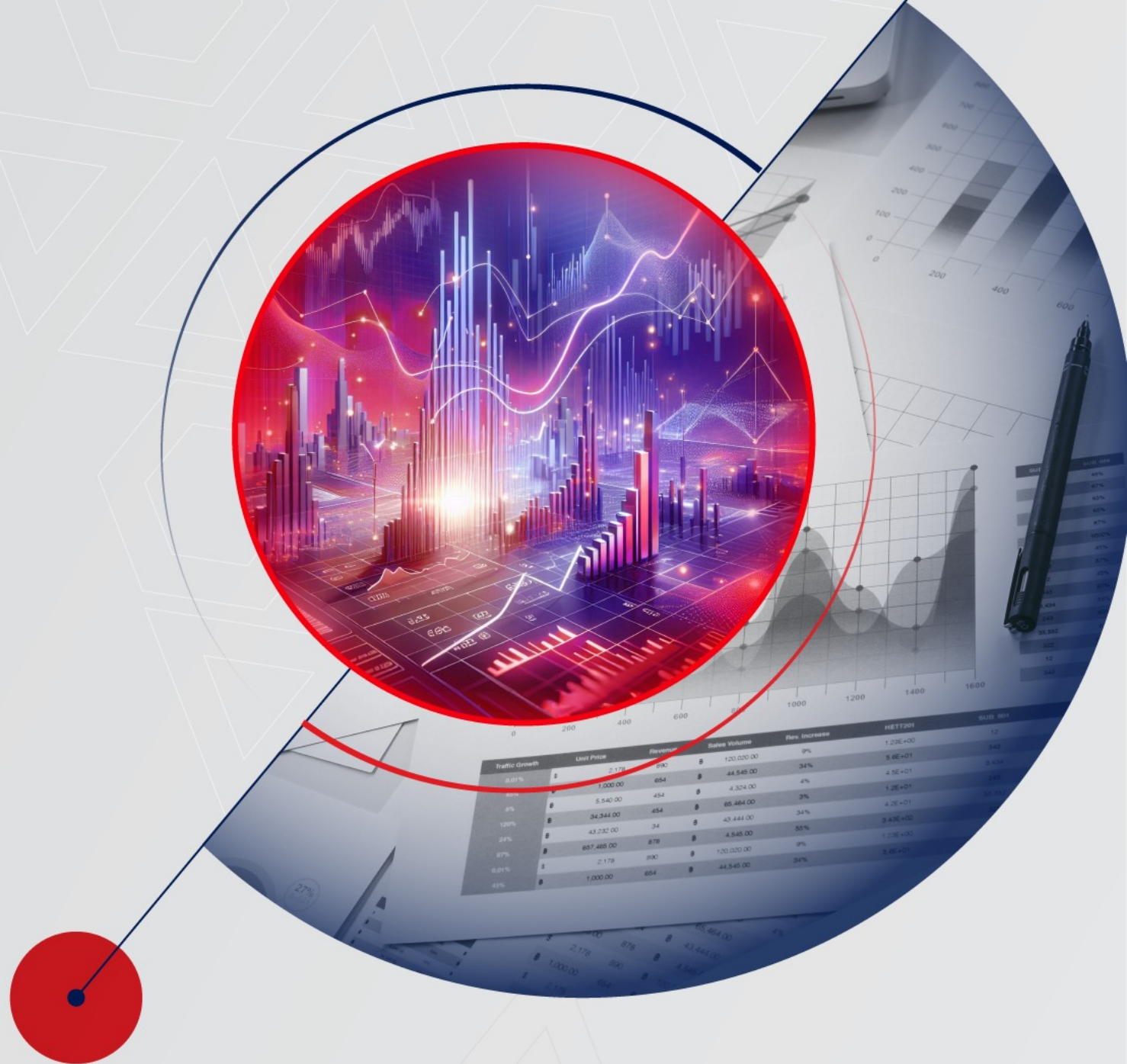
From basic compliance to sustainability leadership

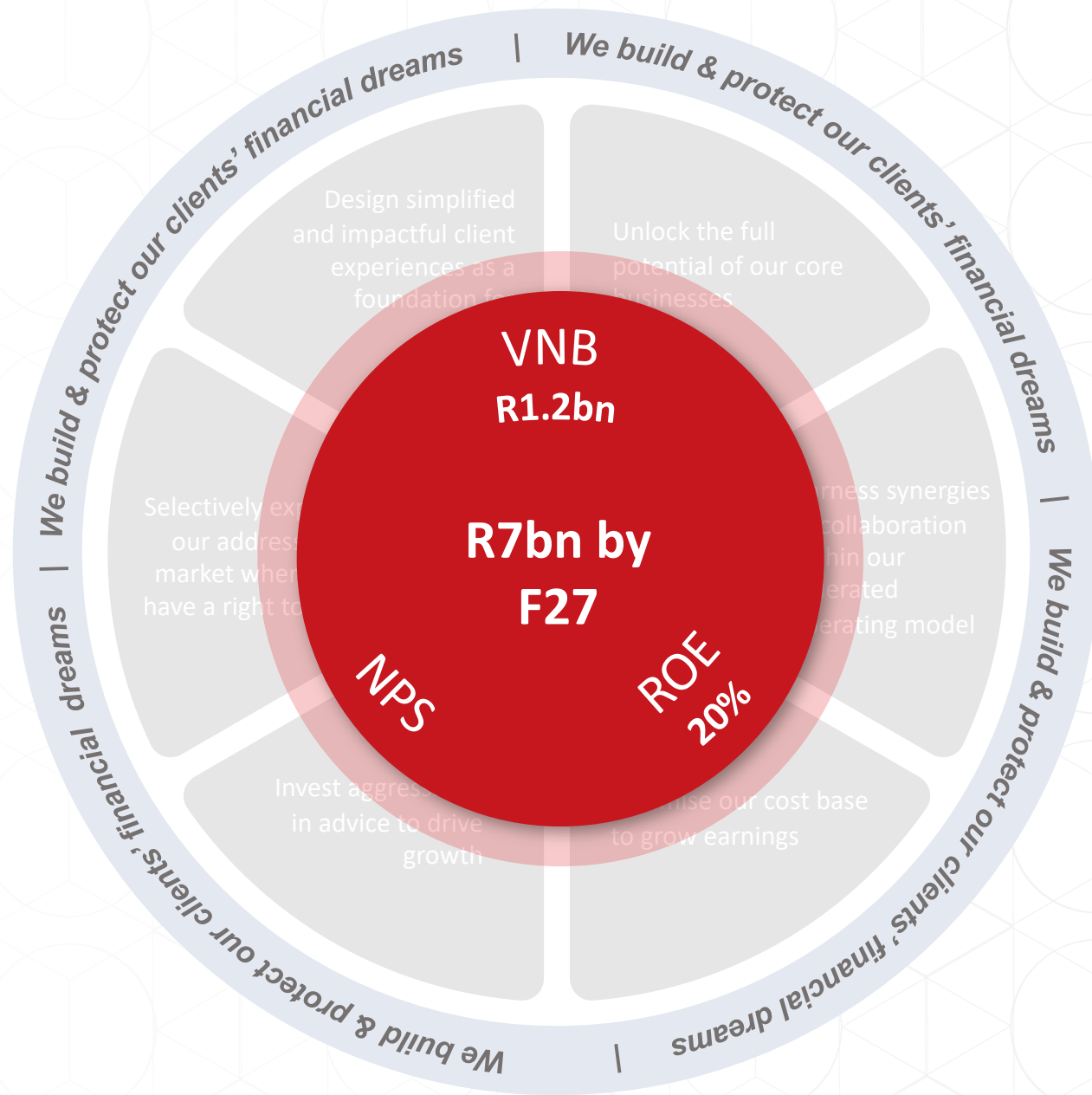


**Capital deployment**

Our pathway to growth

# Impact targets





**People | Transformation | Digital | Sustainability | Capital deployment**



THE

# IMPACT

F2025 to F2027

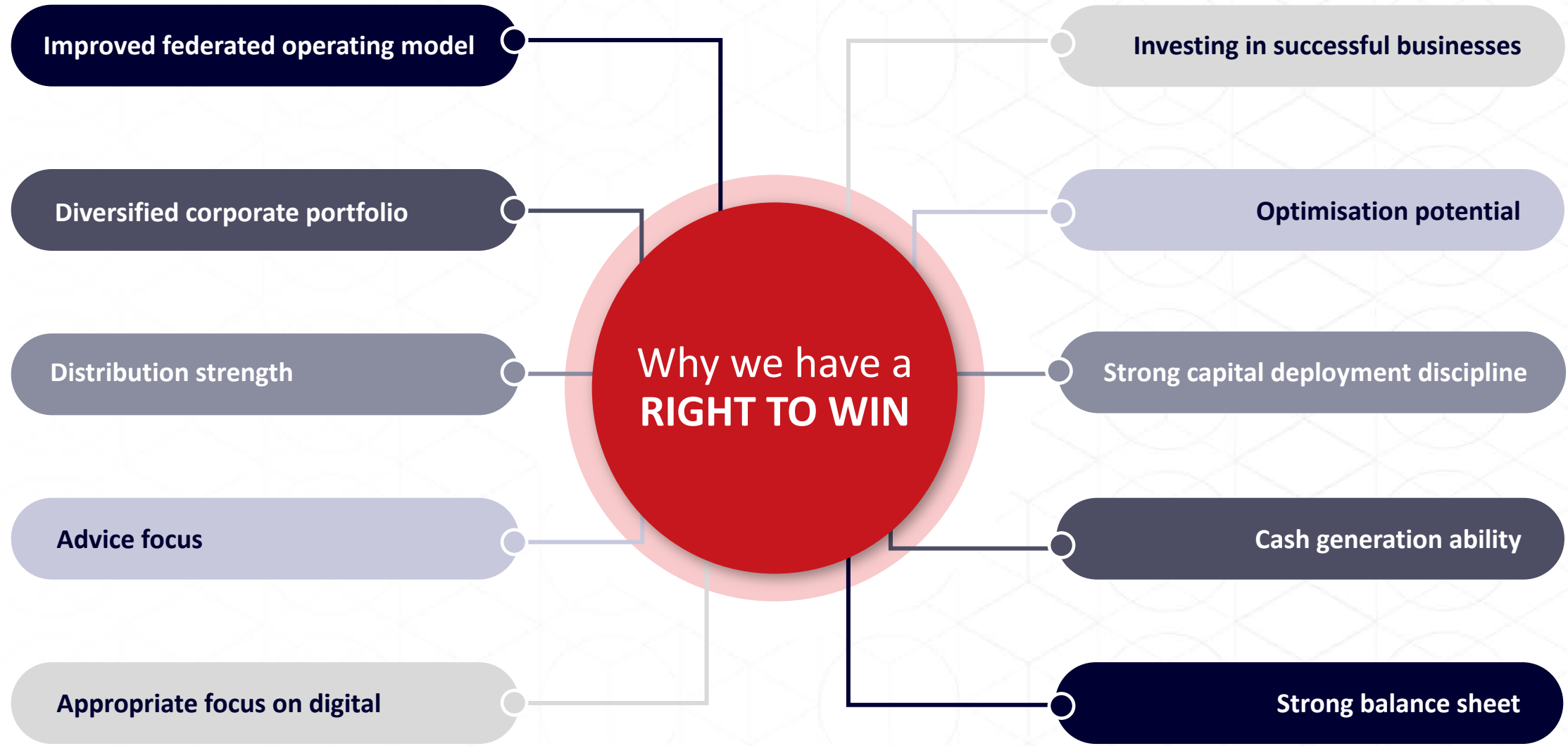
**STRATEGY**

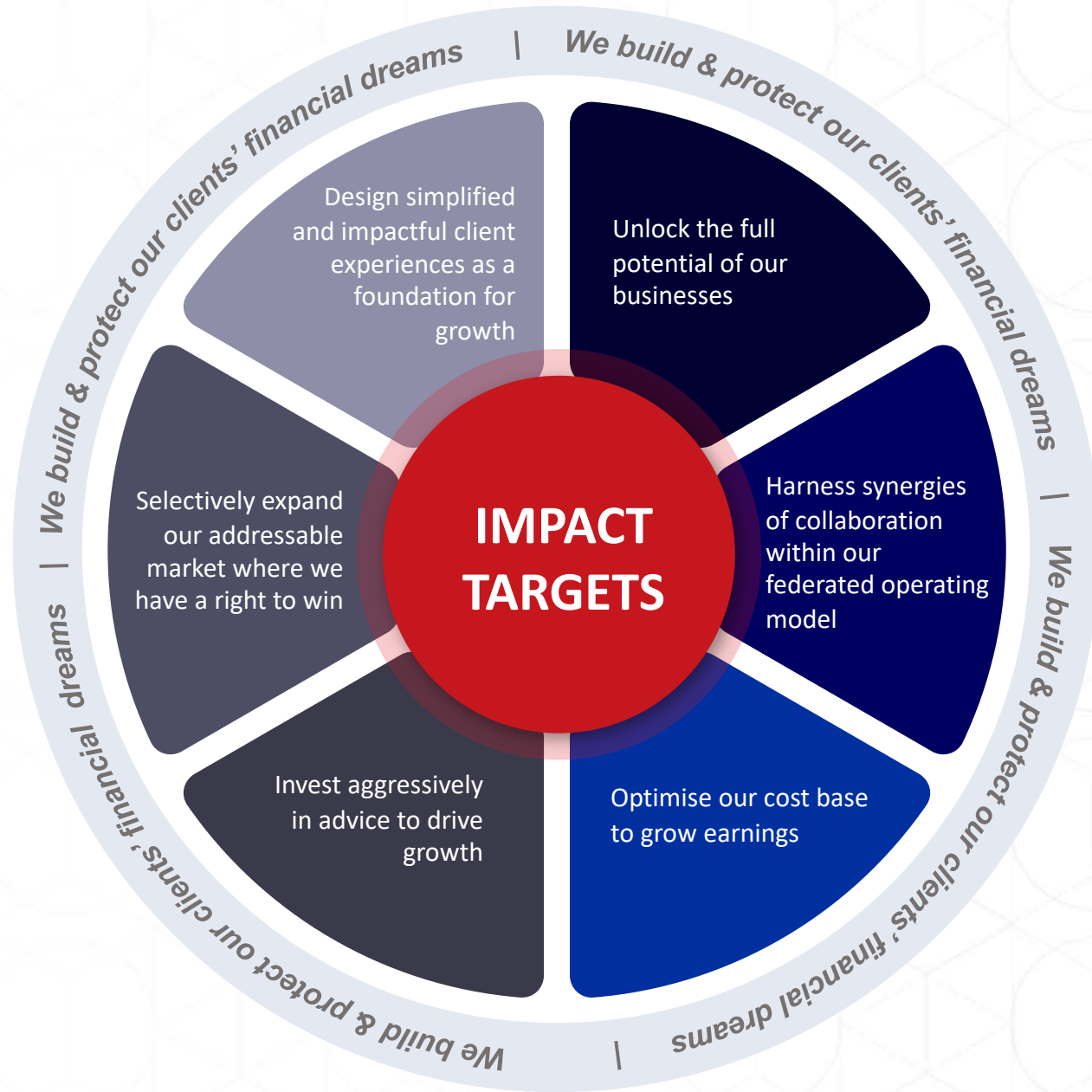




# Key takeaways







People | Transformation | Digital | Sustainability | Capital deployment

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