

ANNUAL RESULTS 2024

Analyst presentation





AGENDA

- 1** Highlights
- 2** Operational overview
- 3** Strategic delivery
- 4** Financial review
- 5** Conclusion
- 6** Q&A



HIGHLIGHTS

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Strong double-digit growth in earnings, AHE excluding new growth increasing by 30% in 2H24 versus 2H23

150.6 cents

17% ▲

AHE per share¹

R6.69 bn

14% ▲

Adjusted headline earnings (AHE)

12.7%

160bps ▲

Return on net asset value

86 cents

6% ▲

Total dividend per share

2.5%

20bps ▲

Value of new business margin

Target: 2 to 3%

6.2%

590bps ▲

Net underwriting margin²

Target: 4 to 6%

R1.5 trn

10% ▲

Funds under management

9.6%

170bps ▼

Net lending margin

1. Adjusted headline earnings per share is calculated with reference to adjusted weighted average number of ordinary shares

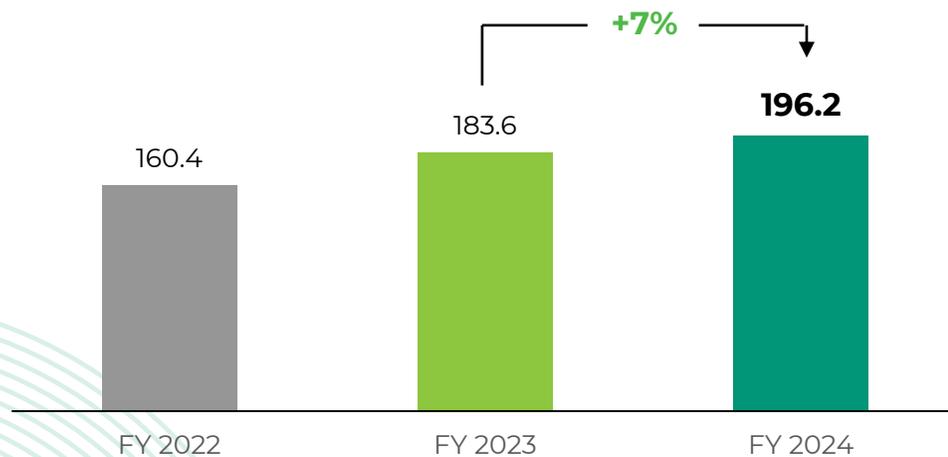
2. Net underwriting margin and the target disclosed relate to Old Mutual Insure. Group net underwriting margin is 4.8% with an increase of 470 bps compared to prior year

Reflection on value creation

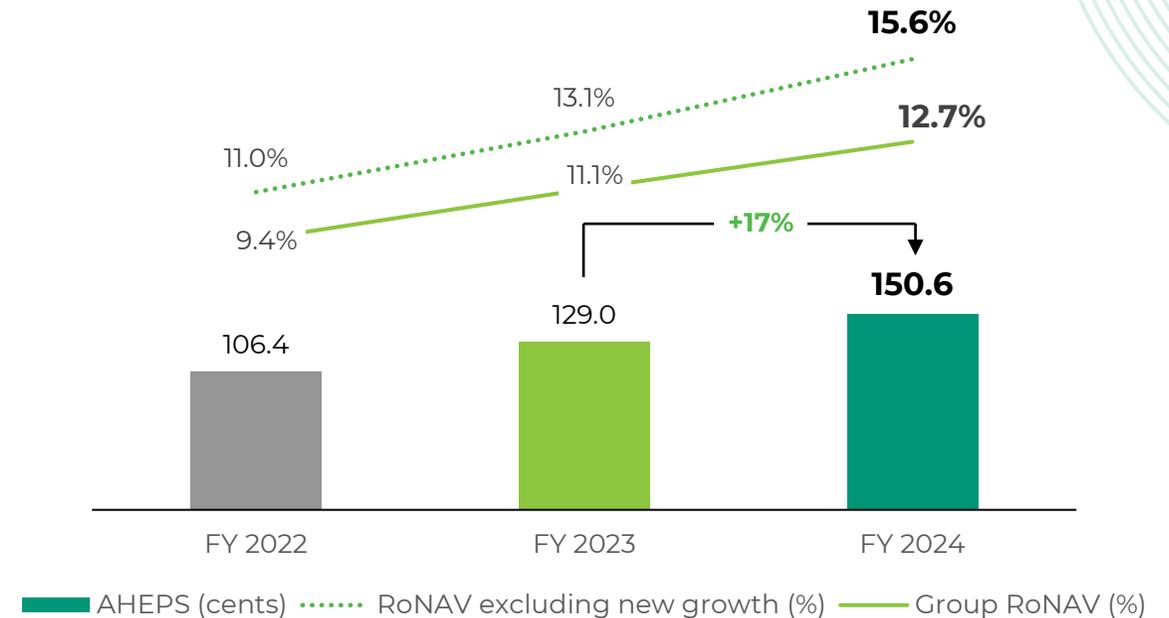


- **Diversified business** in a strong market position to deliver profit growth
- **R89 billion** returned to our shareholders since FY 2018
- **Capital allocation strategy** continues to prioritise enhancing returns

RFO per share
(cents)



AHEPS and RoNAV





OPERATIONAL OVERVIEW

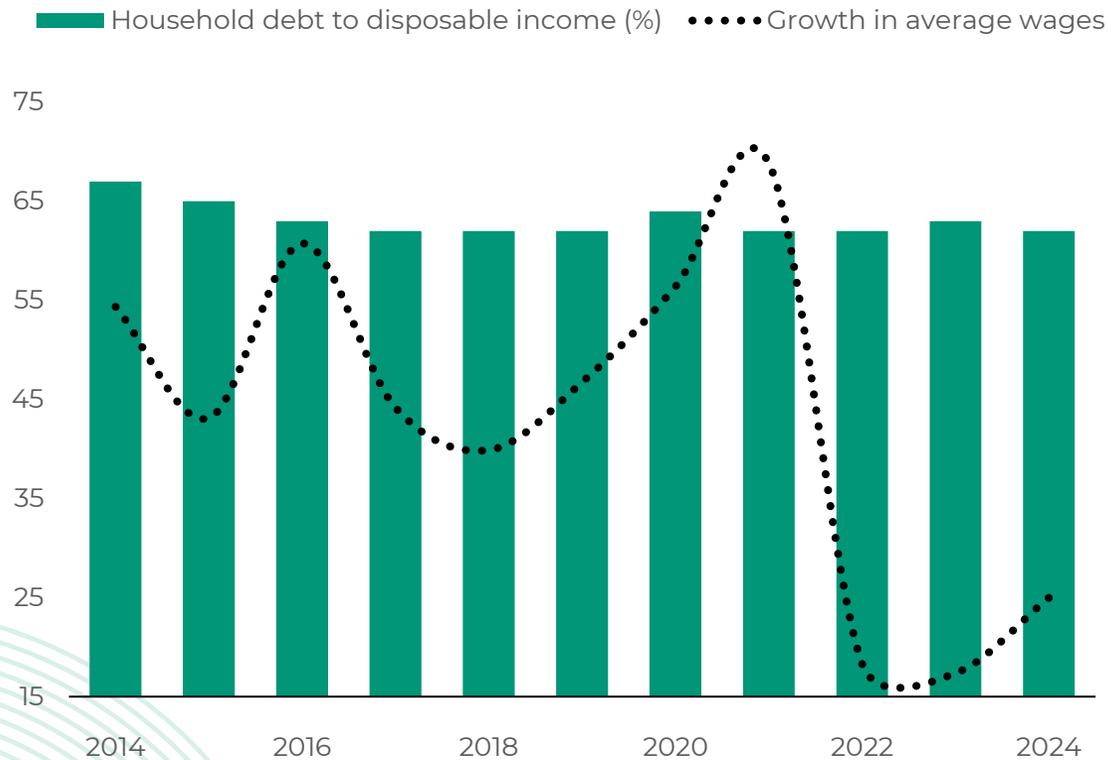
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Resilient profit and earnings growth in a demanding macro-economic and consumer environment

Wages (%)



Source: Statistics South Africa, SARB, EconData

CPI inflation (%) vs Repo (%)



Source: Statistics South Africa, SARB, EconData



Integrated financial services



Growing and protecting the core
Unlocking new growth engines

Strategic framework



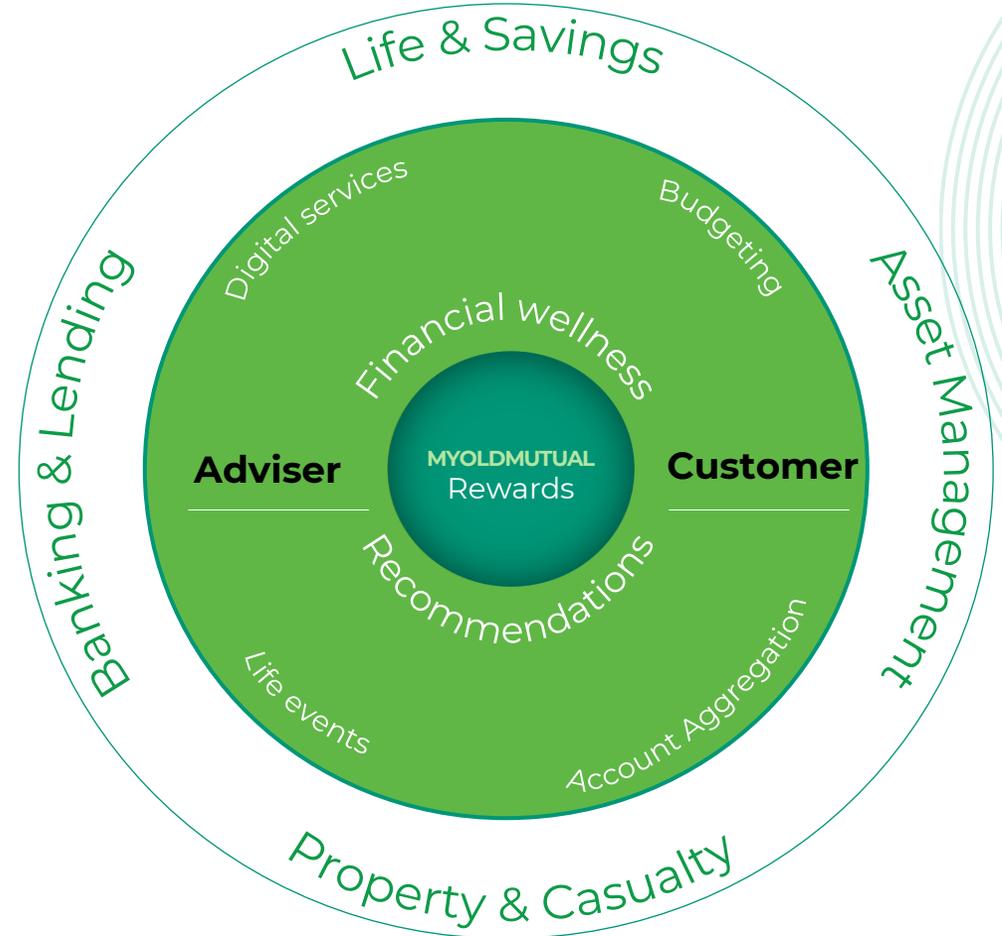
The hallmarks of an integrated financial services business

Growing and protecting the core

- Holistic coverage of customer needs
- Distribution and digital engagement
- Operational efficiencies

Unlocking new growth engines

- Strategic growth markets
- Strategic growth businesses



Advice-led

Integrated

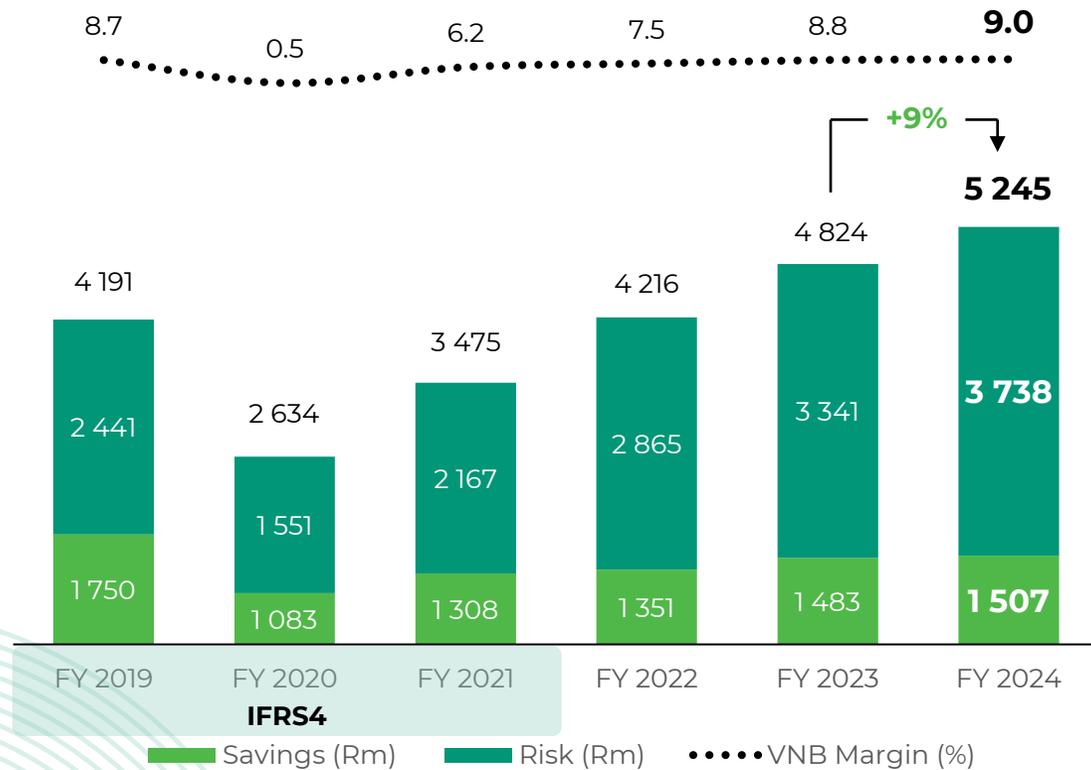
Tech forward

Trusted

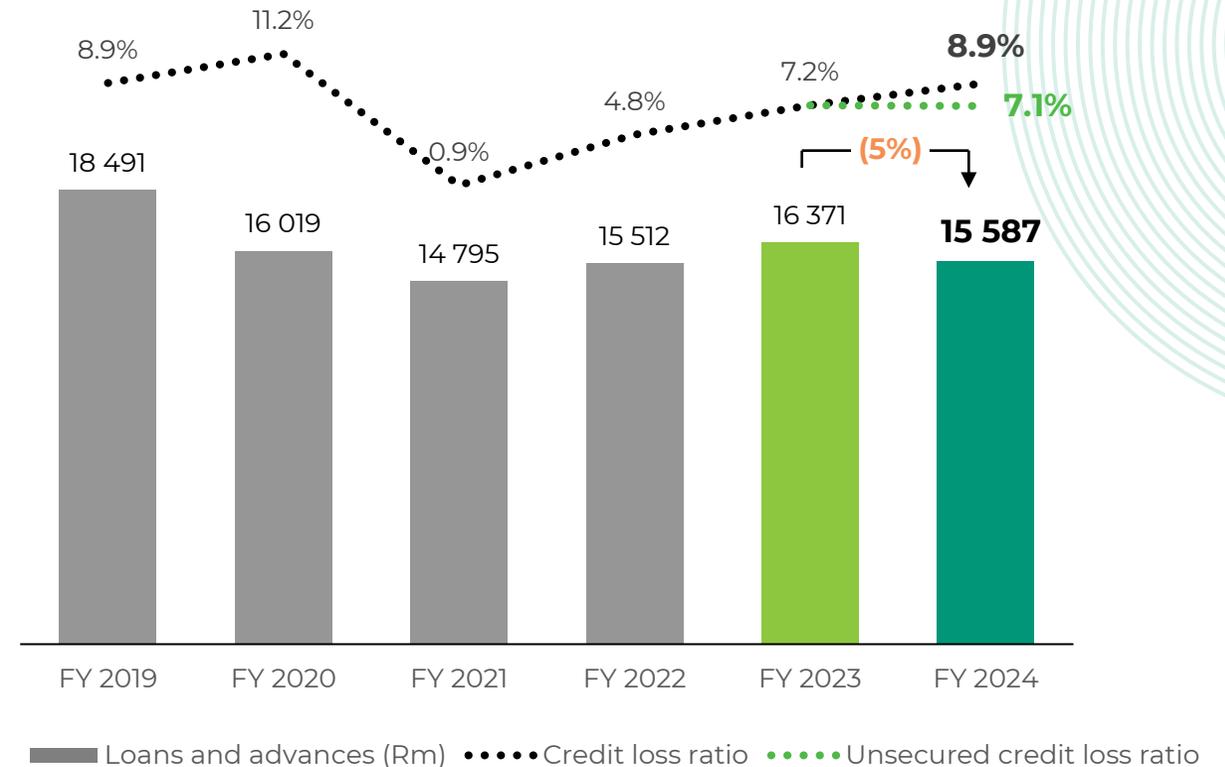


Deliberate shift in sales mix and focused multi-channel strategy sustained our profitable market share

Life APE sales and VNB margin



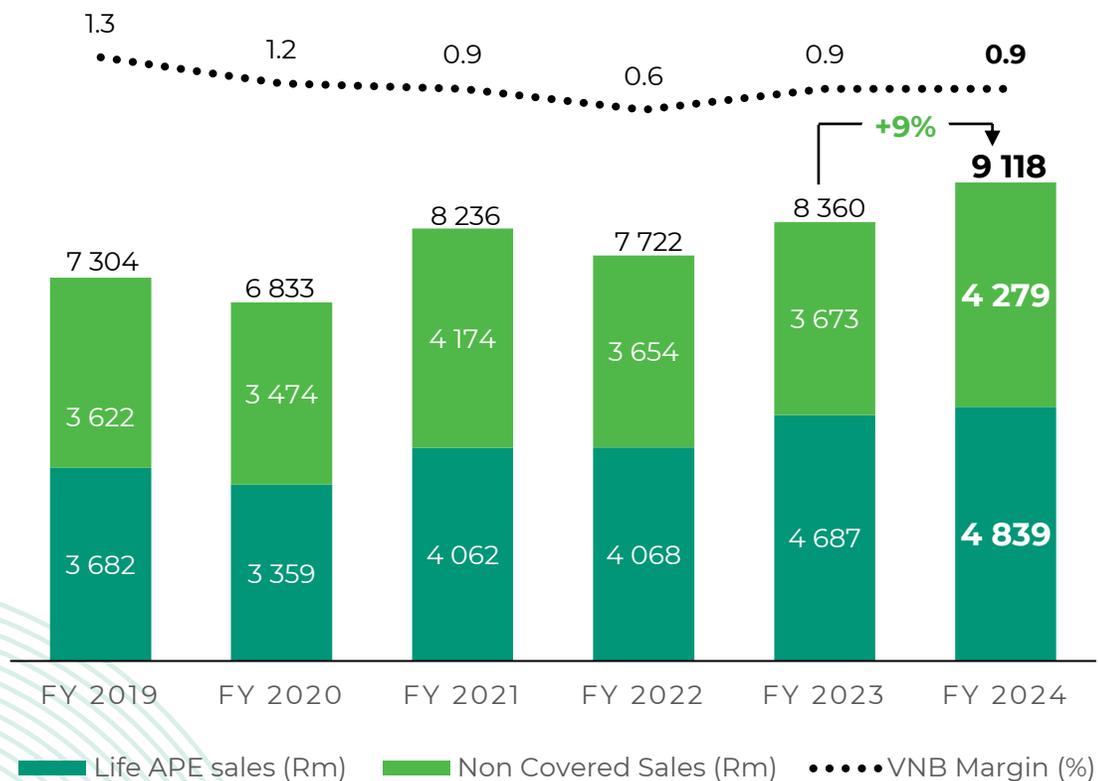
Loans and advances and credit loss ratio



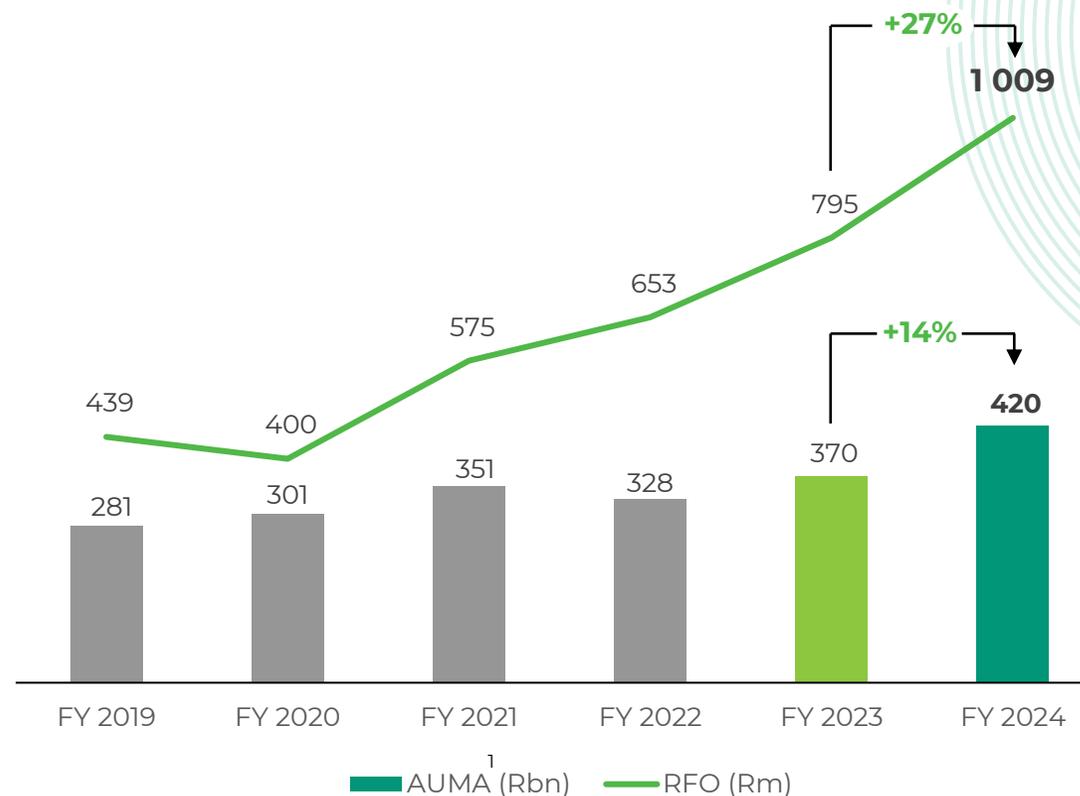


Strengthened high-net-worth value propositions delivered diversification benefits in affluent market

Retail sales and VNB margin



Wealth Management AUMA and RFO



1. Assets under management and administration

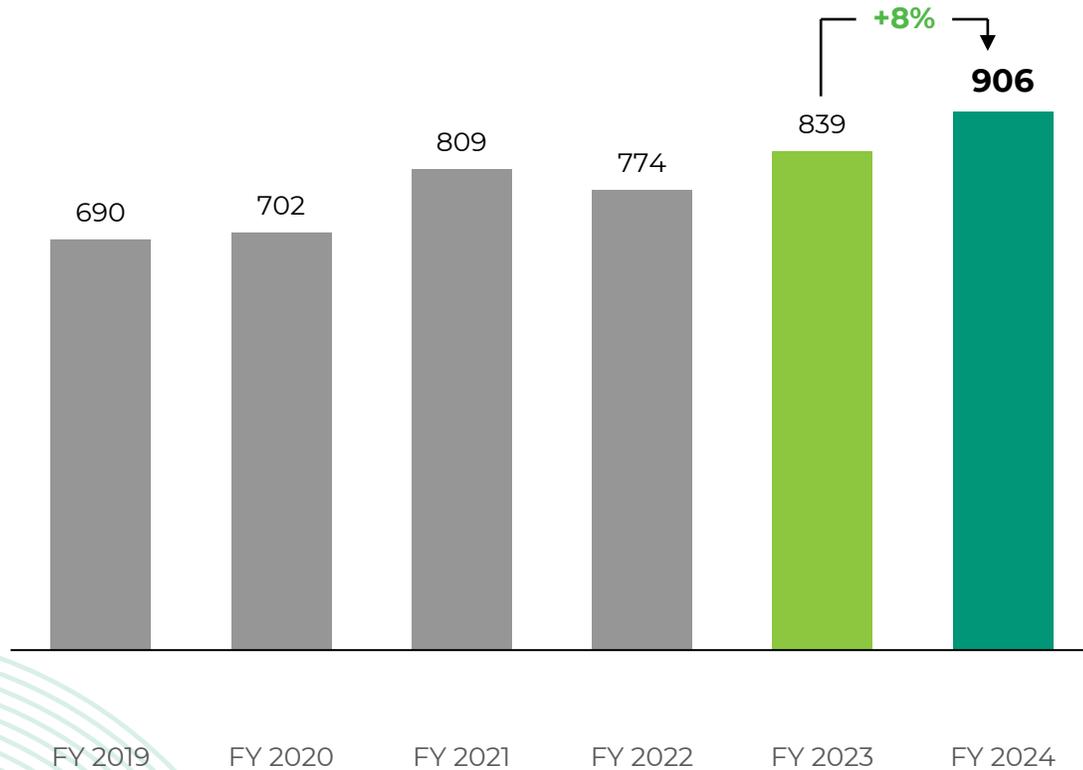
Old Mutual Investments



Our diverse capability set delivered strong topline growth with a record R28 billion in deal flow

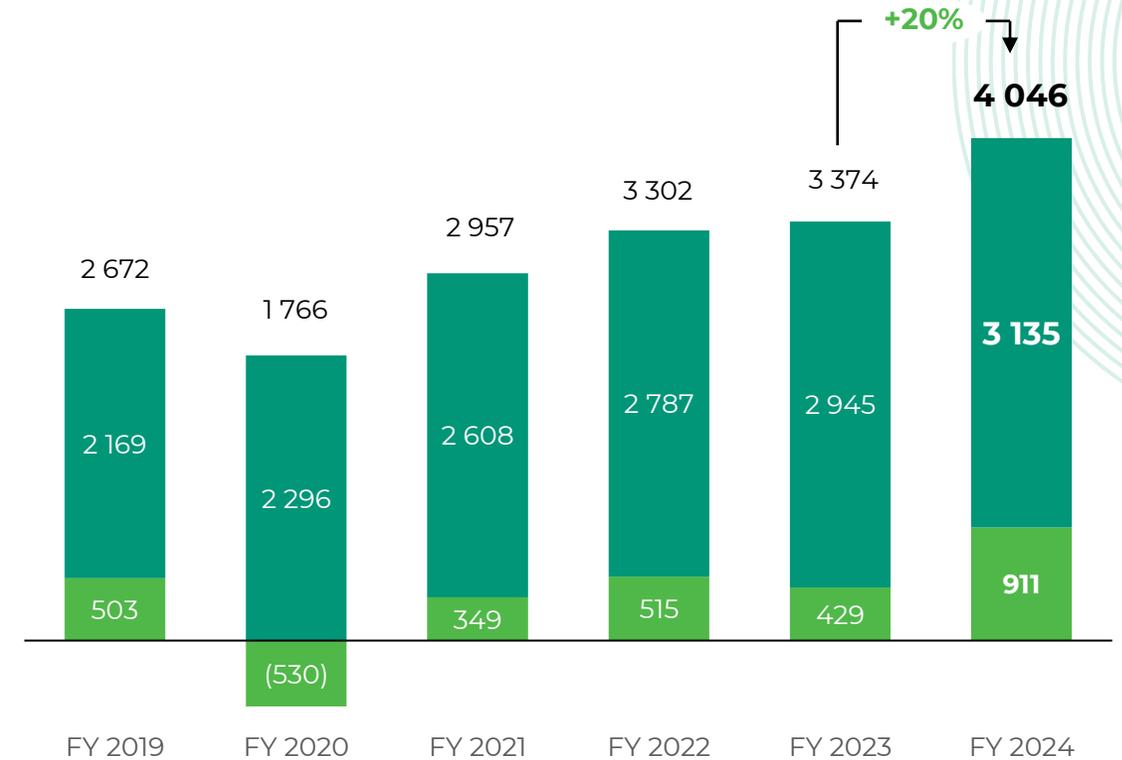
AUM

(Rm)



Revenue

(Rm)

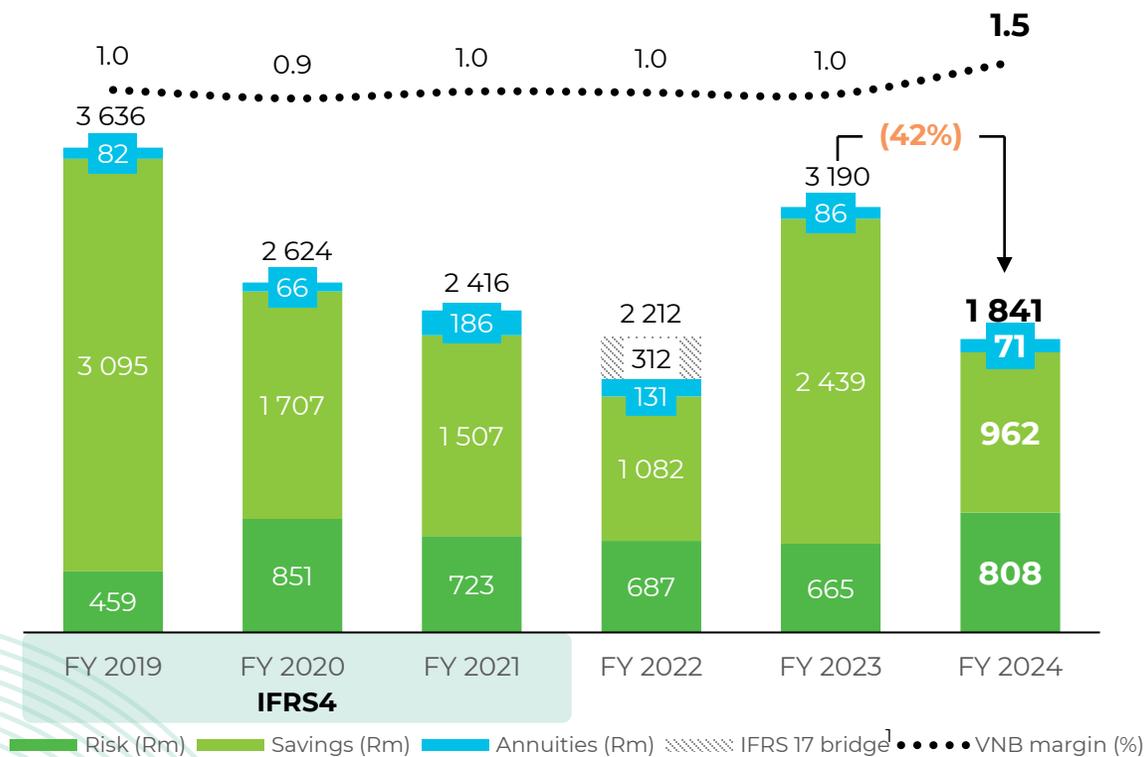


■ Non-Annuity ■ Annuity

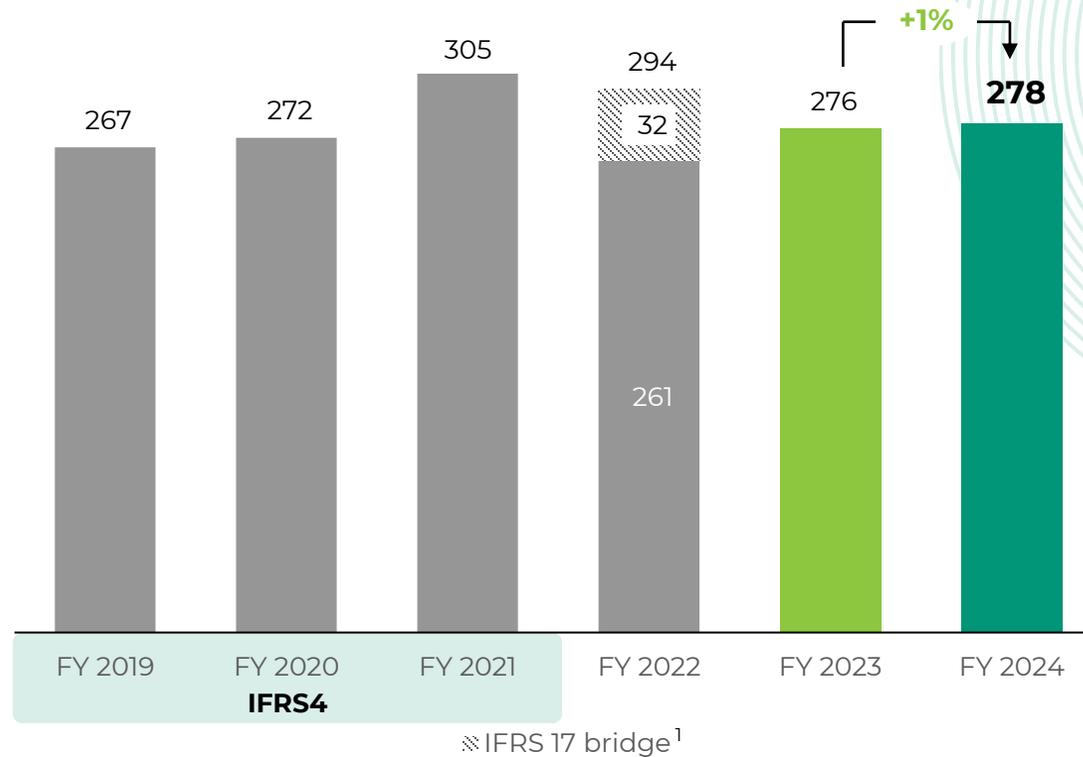


We continue to write new profitable business, our VNB margin grew by 50 basis points to 1.5%

Life APE sales and VNB margin



Funds under management (Rm)

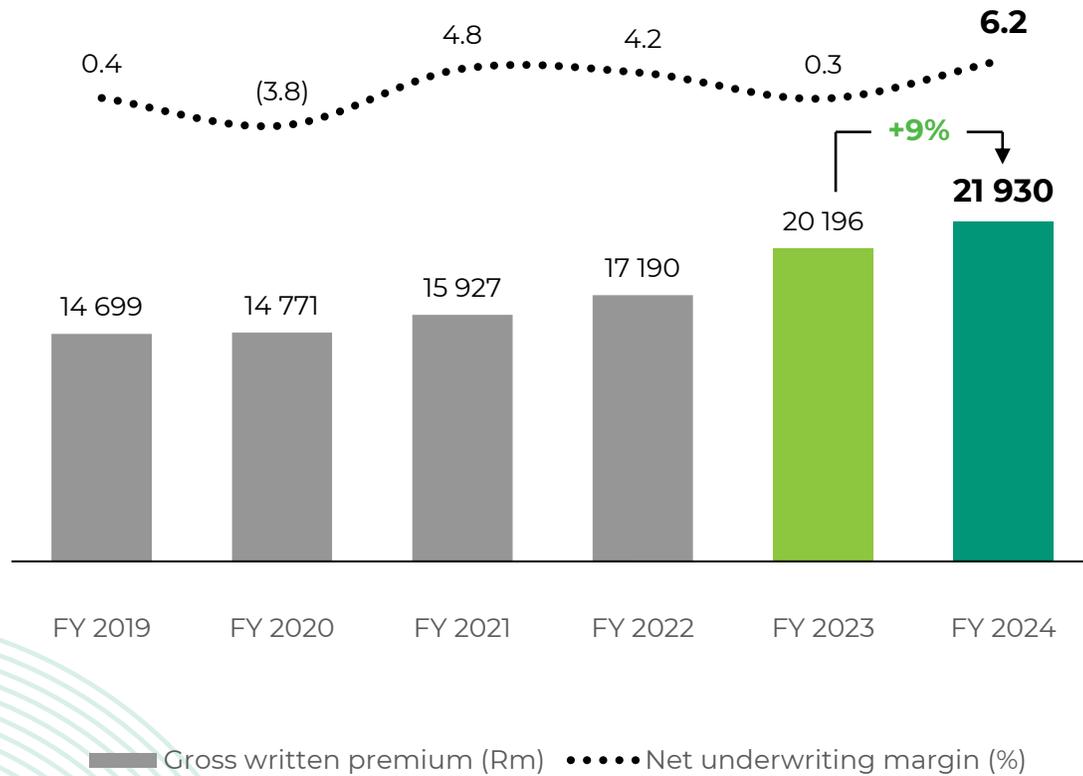


¹ Under IFRS 4, the retail absolute growth portfolio flows were recognised by OM Corporate and Personal Finance and Wealth Management, and eliminated as an intra-Group elimination. Under IFRS 17, these flows are no longer recognised in Old Mutual Corporate and the intra-Group elimination is therefore no longer required.

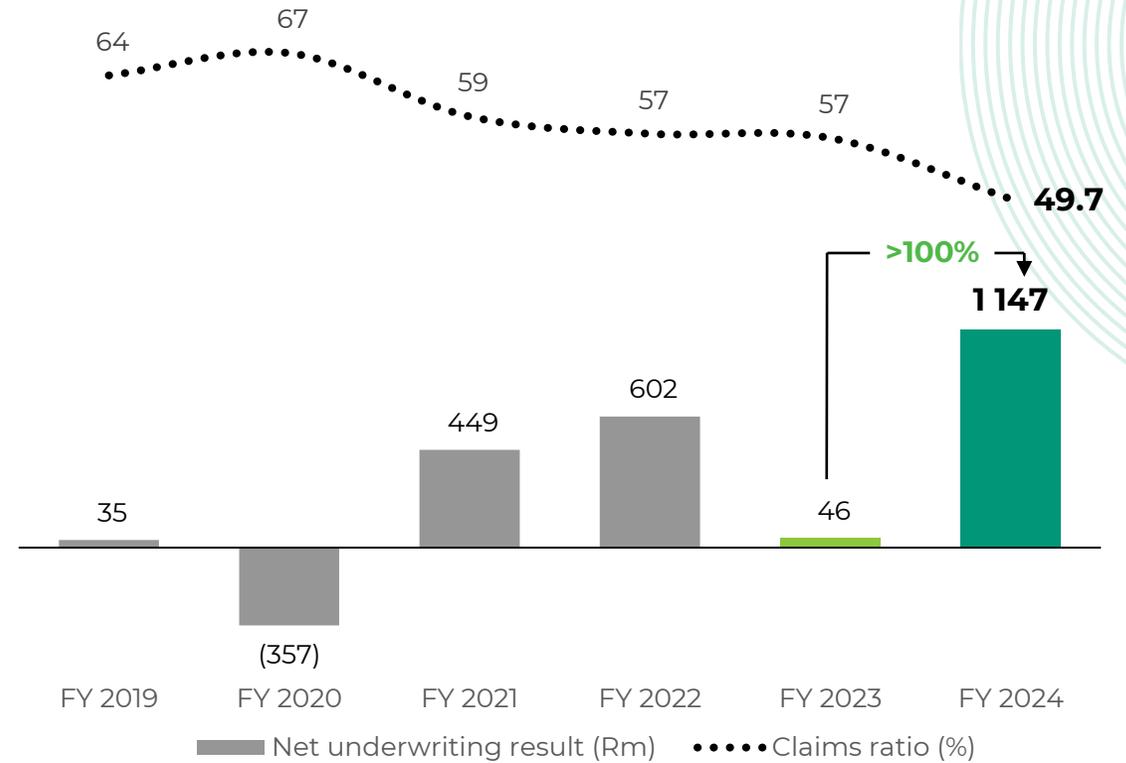


Exceptional performance, with strong margin recovery and topline growth ahead of nominal GDP

Gross written premiums and net underwriting margin



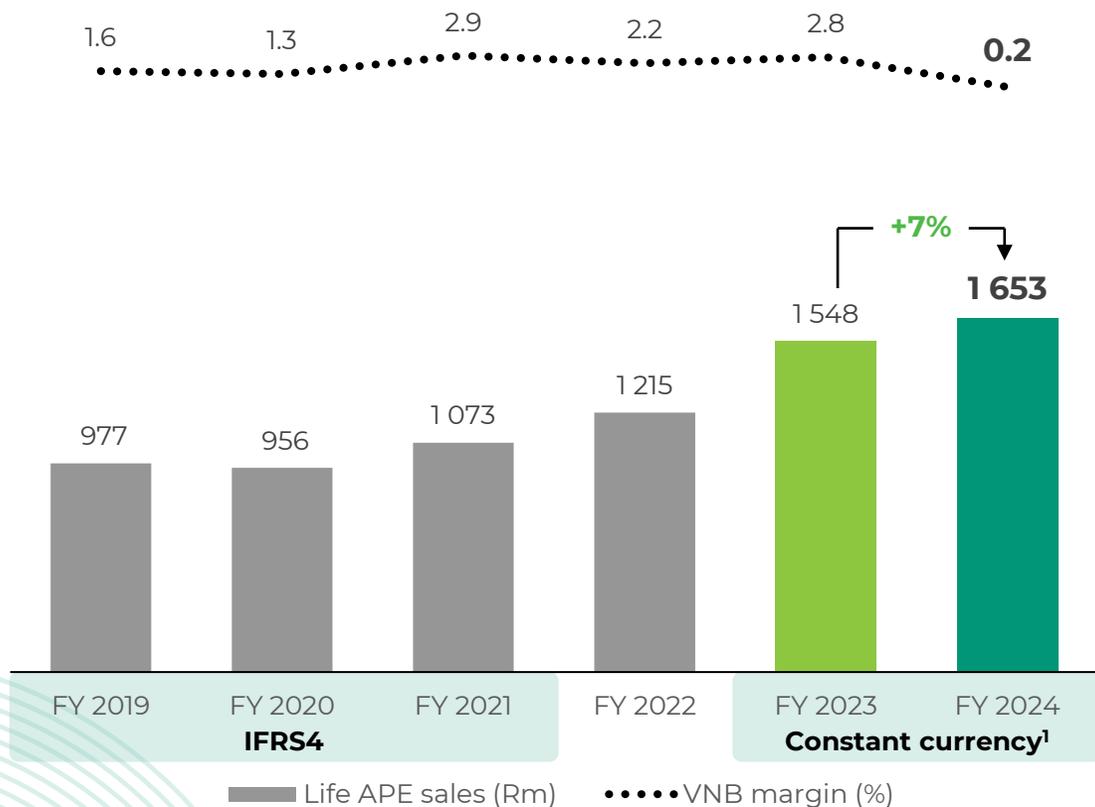
Net underwriting result and claims ratio



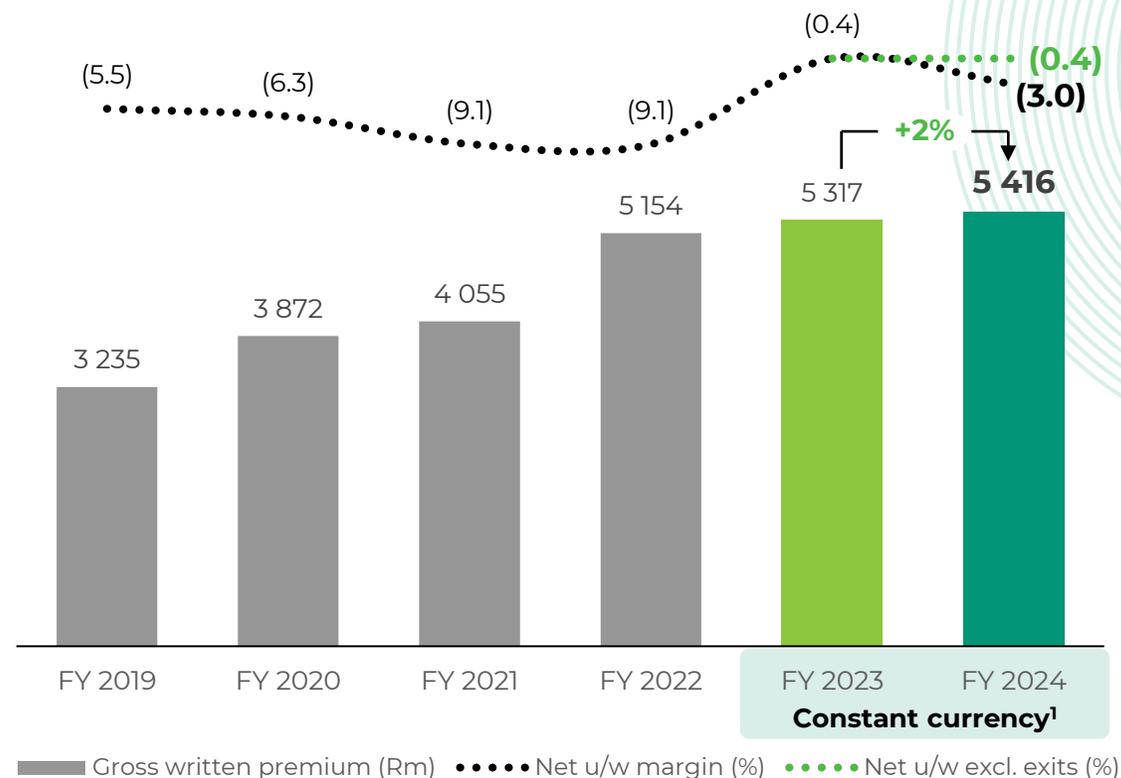


Delivered solid results, with continued topline growth and R1 billion cash remittance to the Group

Life APE sales and VNB margin



Gross written premiums and net underwriting margin



1. Constant currency information represents current period numbers, converted using prior period exchange rates.



STRATEGIC DELIVERY

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Accelerating the pace to realising our integrated financial services ambitions

Growing and protecting the core



Investment in the core

Defending the core



Digital Modernisation

Retiring our legacy platforms



New growth engines



Perimeter review

Exited Tanzania and Nigeria



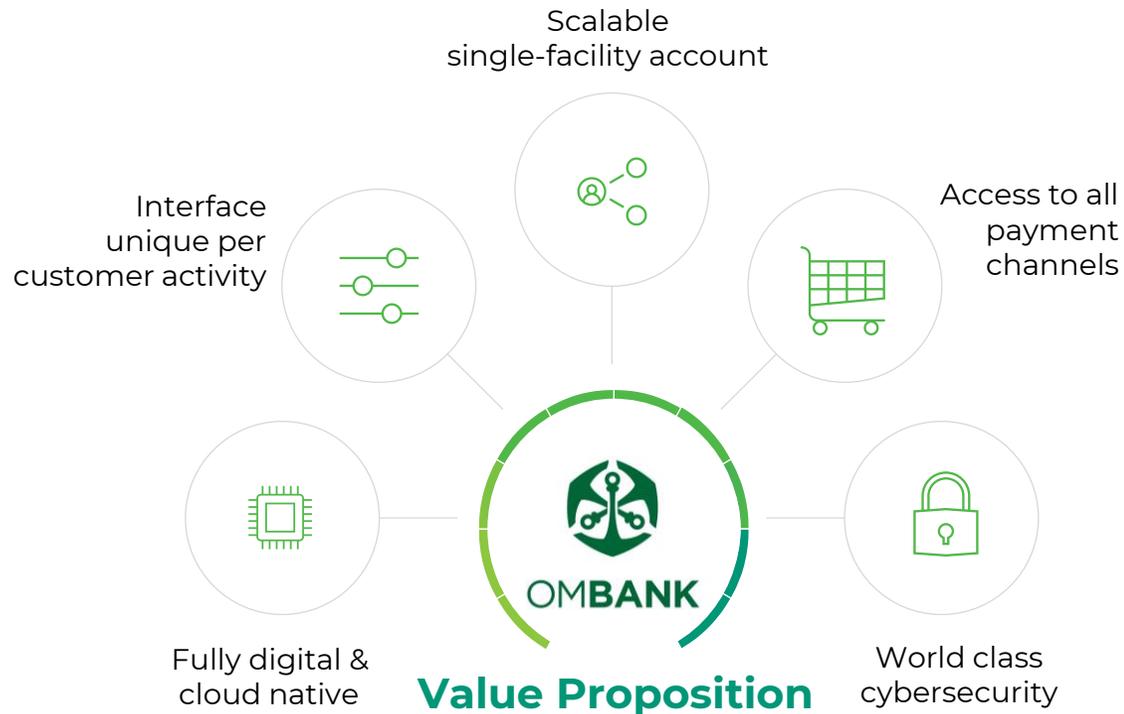
OM Bank

Update on readiness to launch





A material growth catalyst and a concrete realisation of our Integrated financial services business



Our right to win

- A **digital-first bank** delivered at scale and lowers the cost to serve per customer
- **7.5 million retail mass customers** in SA and **1.1 million** Money Accounts customers
- Integration into the Old Mutual Rewards programme with **2.8 million members**
- Leveraging **11 362 tied advisors** and **347 branches** in Old Mutual Finance

Path to profitability

- Cumulative spend since FY2021, **R2.8 billion**
- Break-even customers: **2 million** to **2.5 million**
- Loss run rate: **R1.1 bn** to **R1.3bn** in short-term, reducing to break-even by FY2028



Sustainability is integral to our business and our value creation strategy



Responsible investment

- **R179 bn** of AUM invested in the green economy
- **R38.4 bn** invested in renewable energy
- **717 387** active stewardship and resolutions voted on



Climate action

- **22%** reduction in Group operational carbon emissions footprint
- Partnered with **Climate & Disaster Resilience Fund** to mitigate flood-risks
- **30%** decrease in grid purchased non-renewable direct electricity against 2019 baseline



Financial wellness

- **15 516** SMMEs reached
- Launched new **Moneyversity+** digital platform

Awards and accolades

Long-term Insurer of the Year – 2024 - [News24](#)

Sustainable Impact Corporate award

[BMF Achievement Awards](#)

Best Asset Manager

Sustainable Investing in South Africa (OMIG)

[The European Global Banking & Finance Awards](#)

Best fund of hedge funds over a five-year period

Old Mutual Multi-Managers Long Short Equity Fund of Hedge Funds

[HedgeNews Africa](#)

Ratings

MSCI AAA

[Improved from AA](#)

S&P Global ESG ranking of 50

[Above average peer group](#)

Bloomberg ESG Score of 6.68

[Leading our peers](#)

Level 1 B-BBEE rating since 2019

FINANCIAL REVIEW

CASPER TROSKIE



Robust financial performance

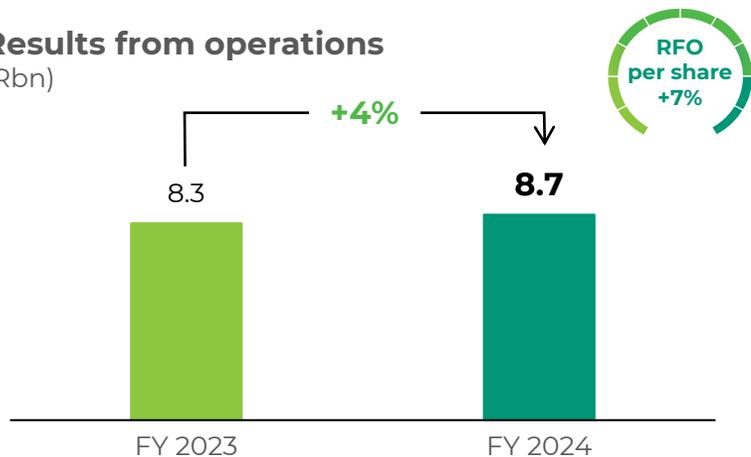


Enhancing returns while investing for the future

Earnings

Results from operations

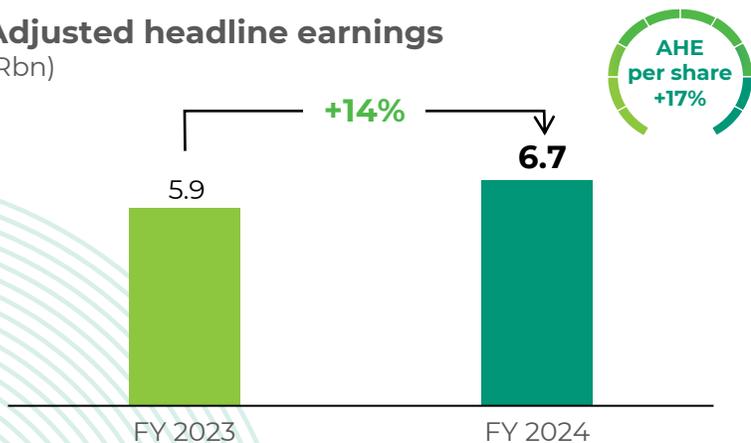
(Rbn)



10% increase excluding new growth investments

Adjusted headline earnings

(Rbn)

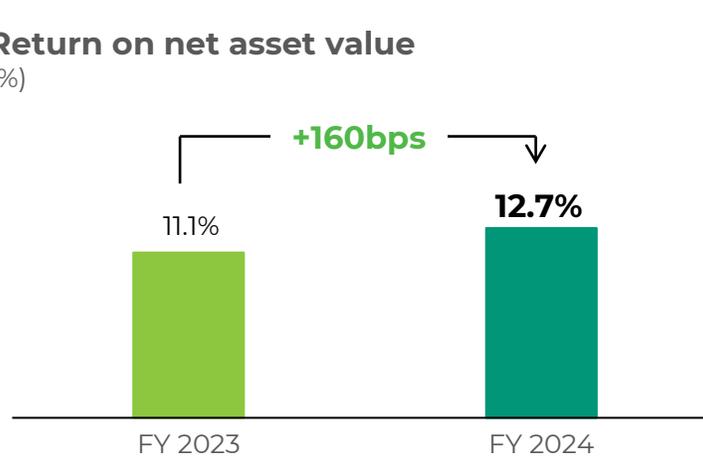


21% increase excluding new growth investments

Capital efficiency

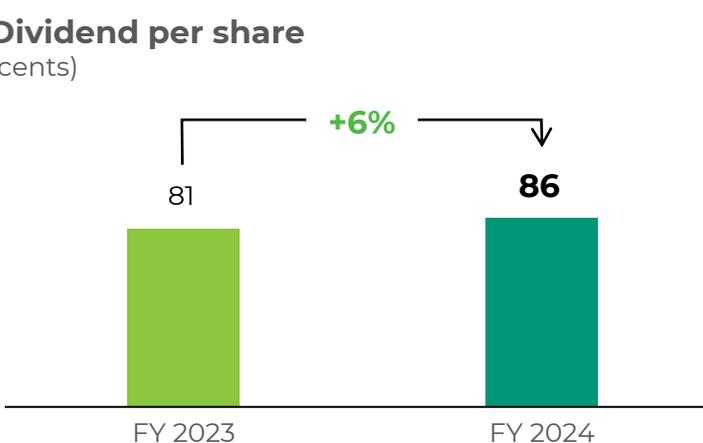
Return on net asset value

(%)



Dividend per share

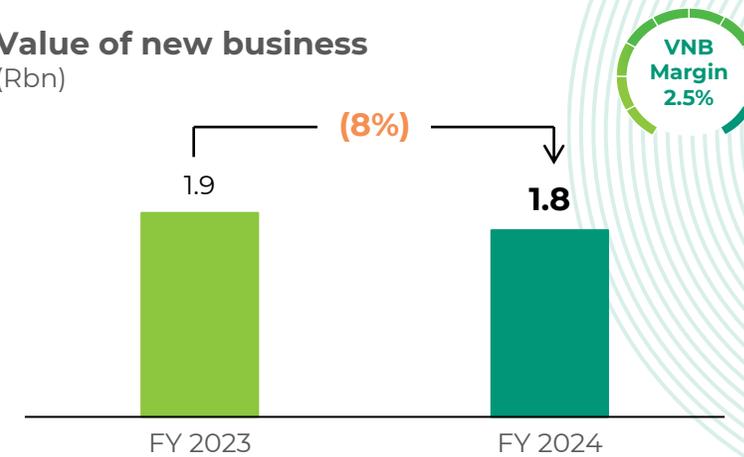
(cents)



Value

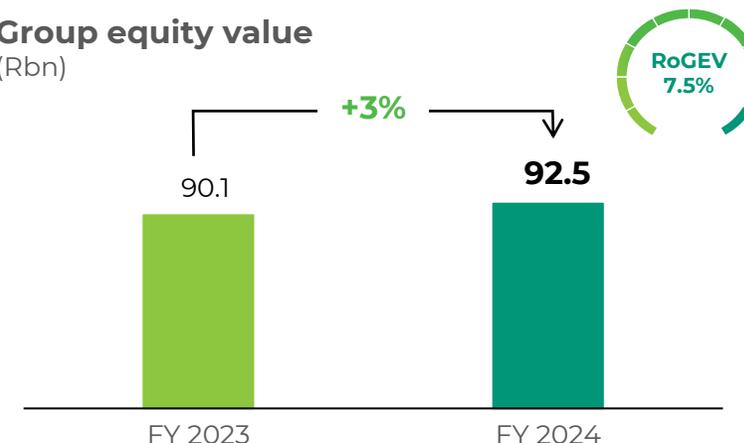
Value of new business

(Rbn)



Group equity value

(Rbn)

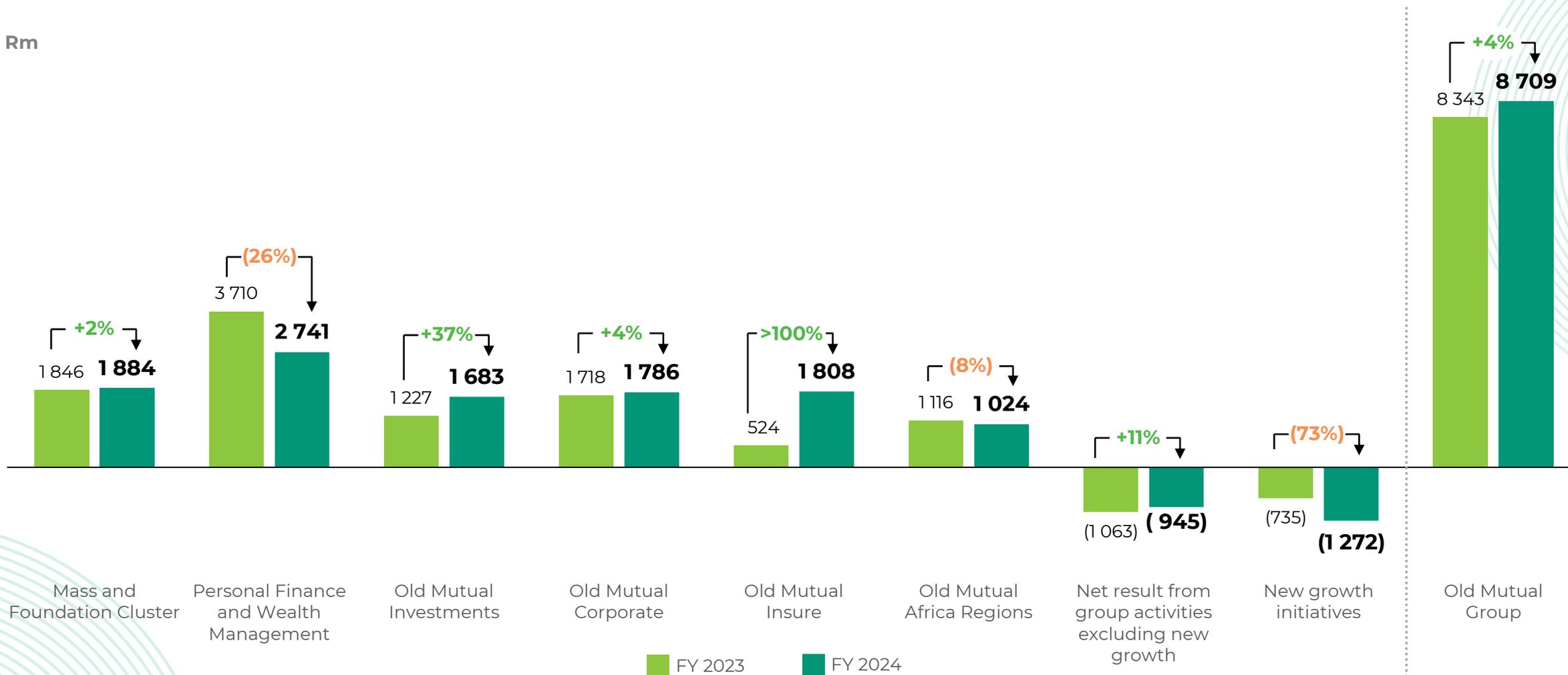


Results from operations



Up 10% excluding new growth investments

Rm

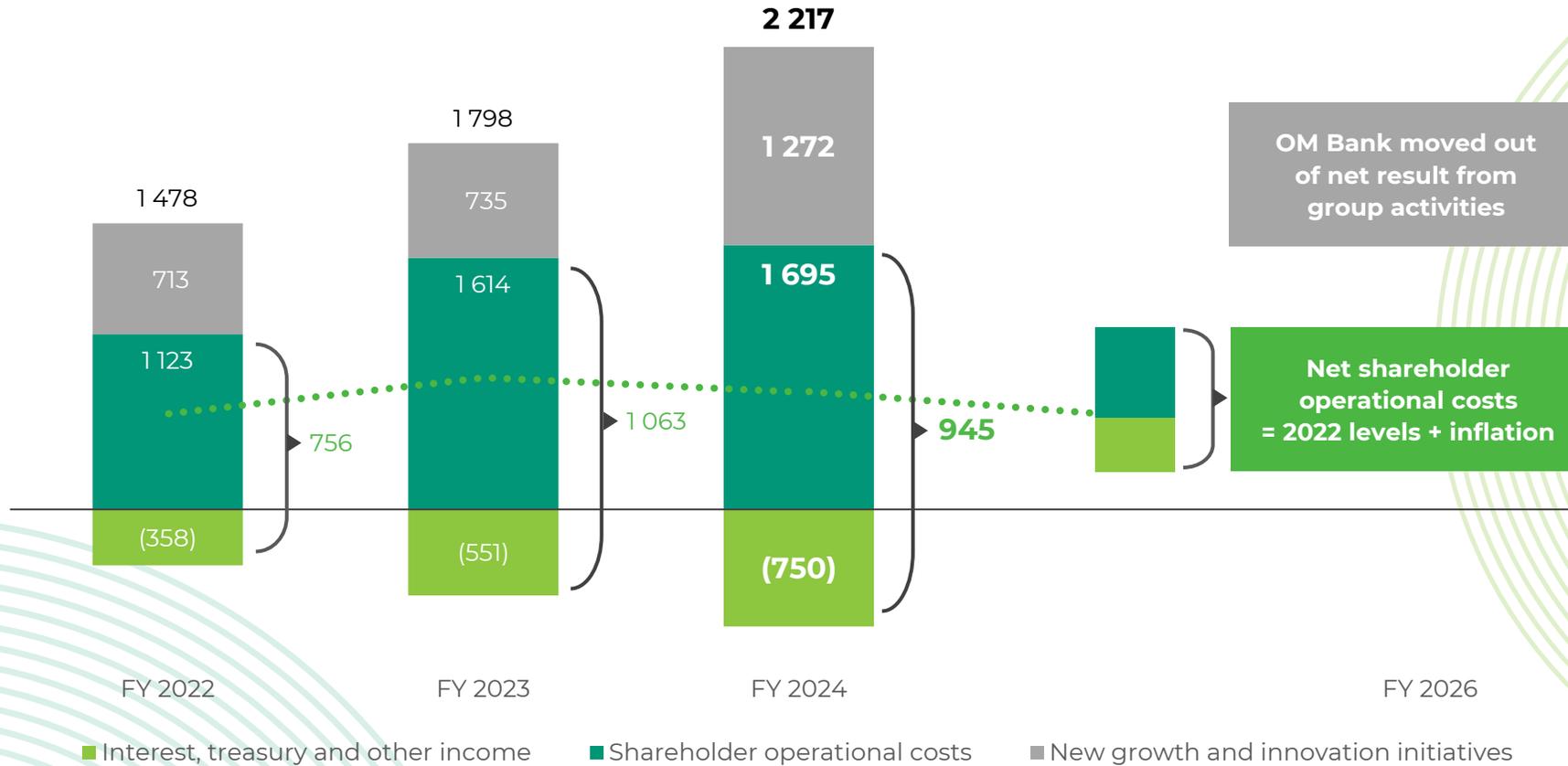


Net result from group activities



Stringent focus on cost management

Rm



Adjusted headline earnings up 14%



Up 21% excluding new growth investments

Rm	FY 2024	FY 2023	Change
Results from operations	8 709	8 343	4%
Shareholder investment return	2 697	2 162	25%
Finance costs	(1 091)	(1 020)	(7%)
Income from associate	279	(118)	>100%
Adjusted headline earnings before tax and non-controlling interests	10 594	9 367	13%
Shareholder tax	(3 591)	(3 216)	(12%)
Non-controlling interests	(318)	(290)	(10%)
Adjusted headline earnings	6 685	5 861	14%
Results from operations per share	196.2c	183.6c	7%
Adjusted headline earnings per share	150.6c	129.0c	17%

AHE to IFRS profit reconciliation



Zimbabwe remains the main adjustment

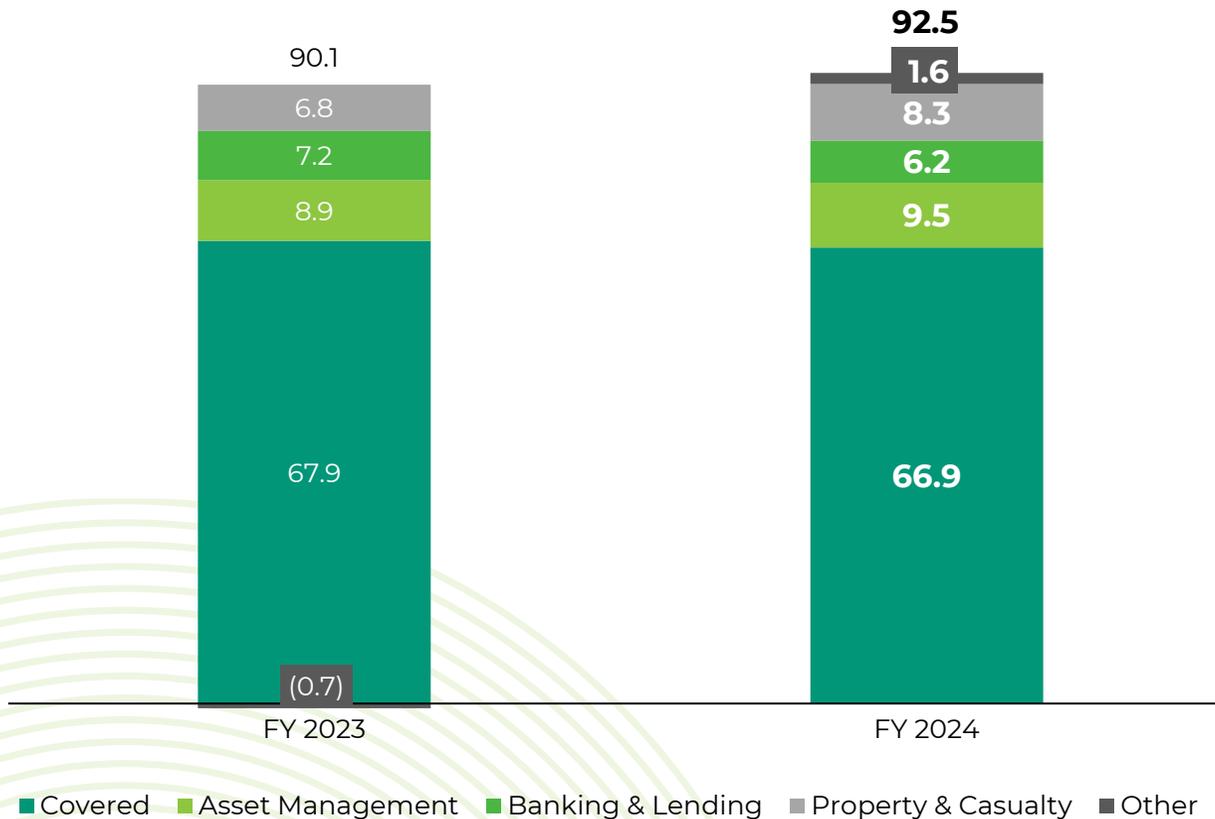
Rm	FY 2024	FY 2023	Change
Adjusted headline earnings	6 685	5 861	14%
Accounting mismatches and hedging impacts	1	(541)	(>100%)
Impact of restructuring	(5)	21	(>100%)
Ring fenced operations	2 145	2 039	5%
Headline earnings	8 826	7 380	20%
Headline earnings adjusting items	(1 157)	(315)	(>100%)
IFRS profit after tax attributable to ordinary equity holders of the parent	7 669	7 065	9%
Headline earnings per share	202.7c	165.5c	22%
Basic earnings per share	176.2c	158.4c	11%

Group equity value



Sum of the parts

Rbn



	FY 2024	FY 2023
Share price	R12.51	R13.07
GEV per share	R19.51	R18.81
Return on GEV	7.5%	7.2%

Embedded value

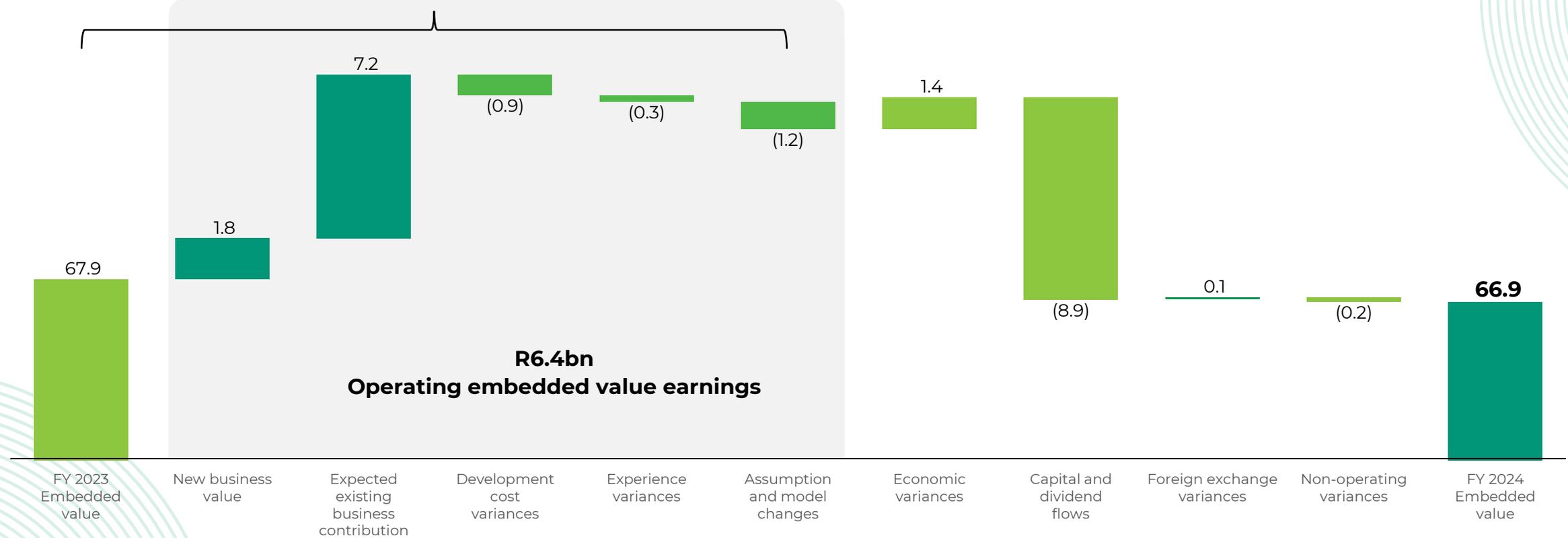


Covered business

Rbn



Return on embedded value

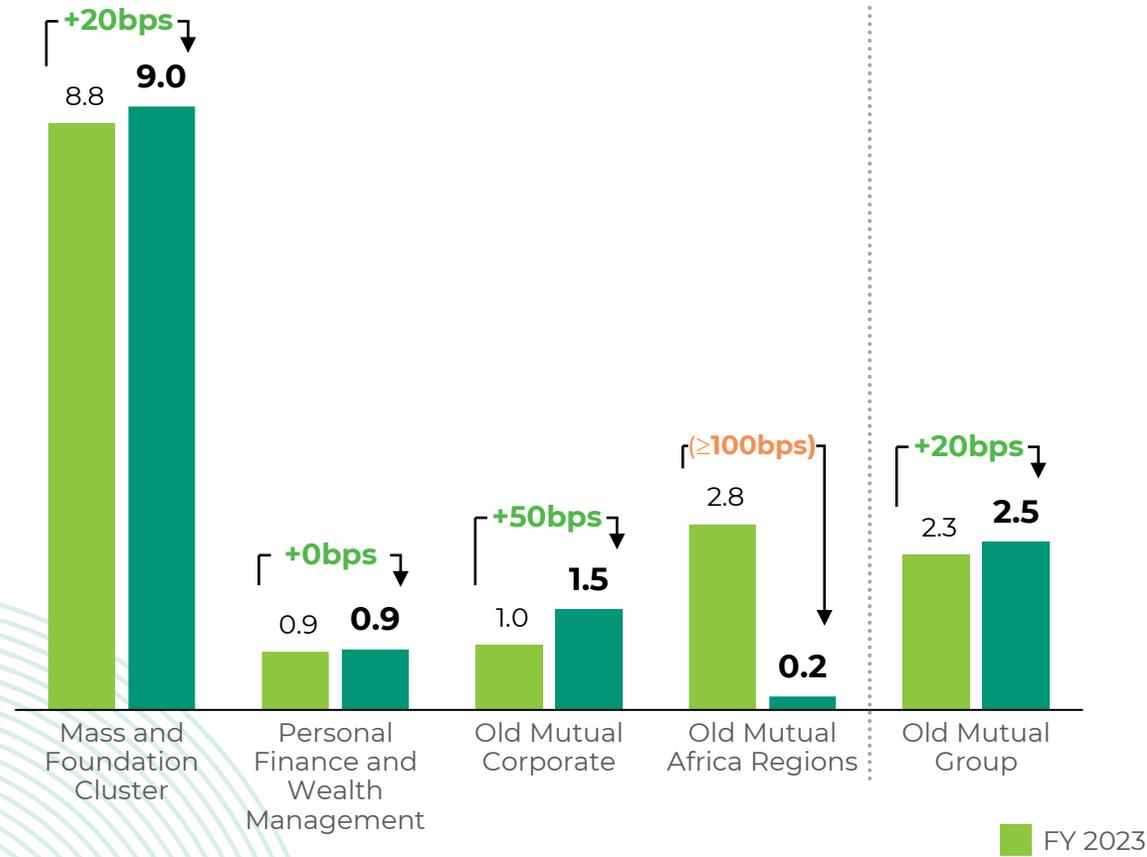


Value of new business

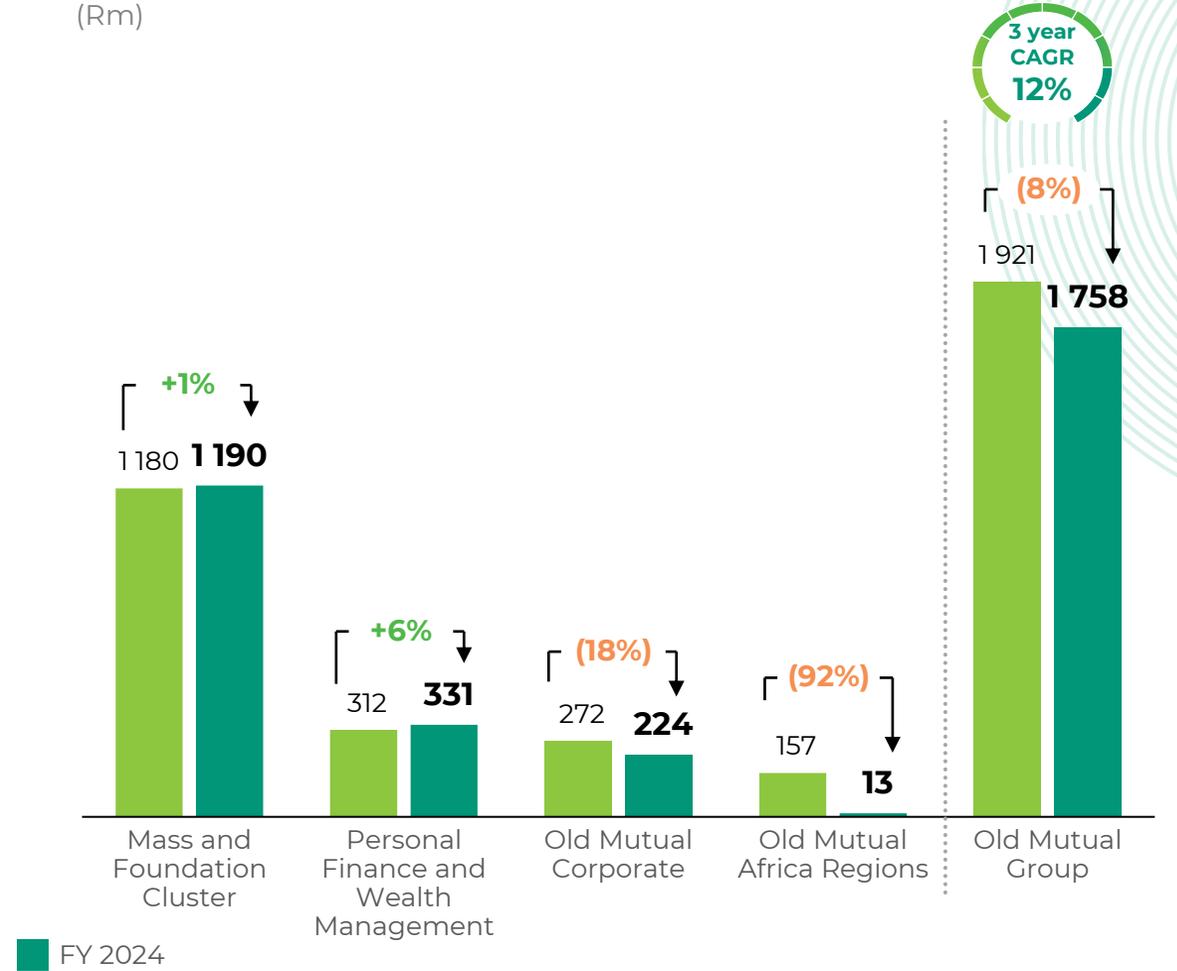


Margin remains within target range

Value of new business margin (%)



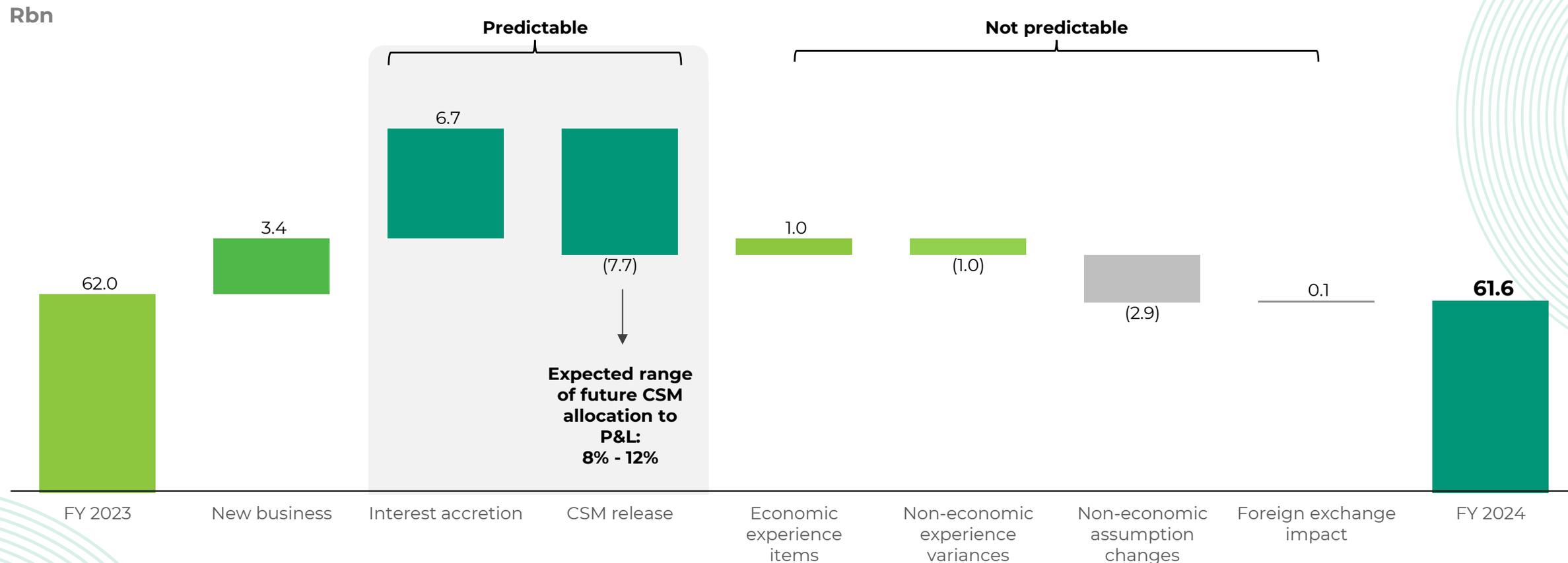
Value of new business (Rm)



Contractual service margin



Allocation within expected range



CSM represents store of future profits

1. Release of contractual service margin includes the impact of expected investment profits or losses



Enhancing value for shareholders

Considered capital deployment



Cash remitted from subsidiaries

Ordinary dividends
Discretionary capital



Returning capital
Reinvesting capital

Balance sheet efficiency



RONAV

Group
Excluding growth initiatives



Capital optimisation

Balance sheet strength



Appropriately balanced for protection and potential

Group shareholder solvency ratio
Group liquidity
Asset liability management
Shareholder investment

Cash remitted from subsidiaries



Significant capital optimisations resulted in ratio > 100%

Rm	FY 2024	FY 2023
OMLACSA	7 646	3 550
Old Mutual Investments	415	900
Old Mutual Capital Holding	2 160	462
Old Mutual Africa Regions	1 000	100
Old Mutual Residual plc	92	88
Central working capital	(775)	(321)
Cash remitted from subsidiaries	10 538	4 779
Cash contribution to dividend	3 805	3 969
Contribution to discretionary capital	6 733	810
Cash remitted from subsidiaries / adjusted headline earnings	158%	82%

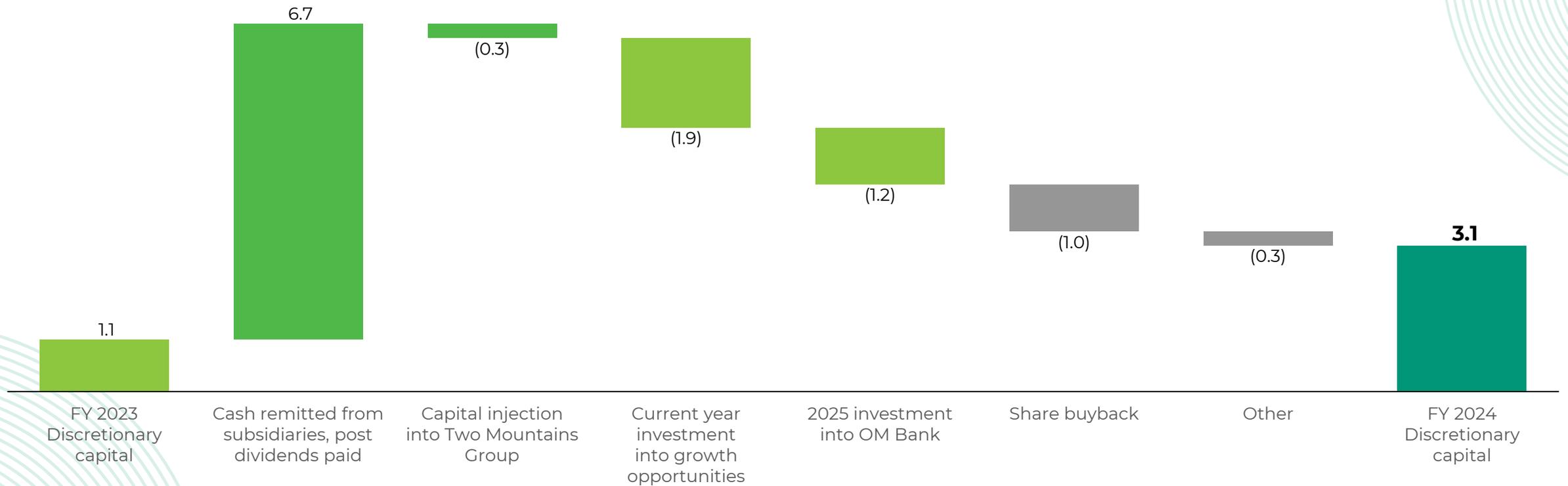
Target ratio of 70-80% of adjusted headline earnings before optimisations

Discretionary capital



Considered capital deployment

Rbn

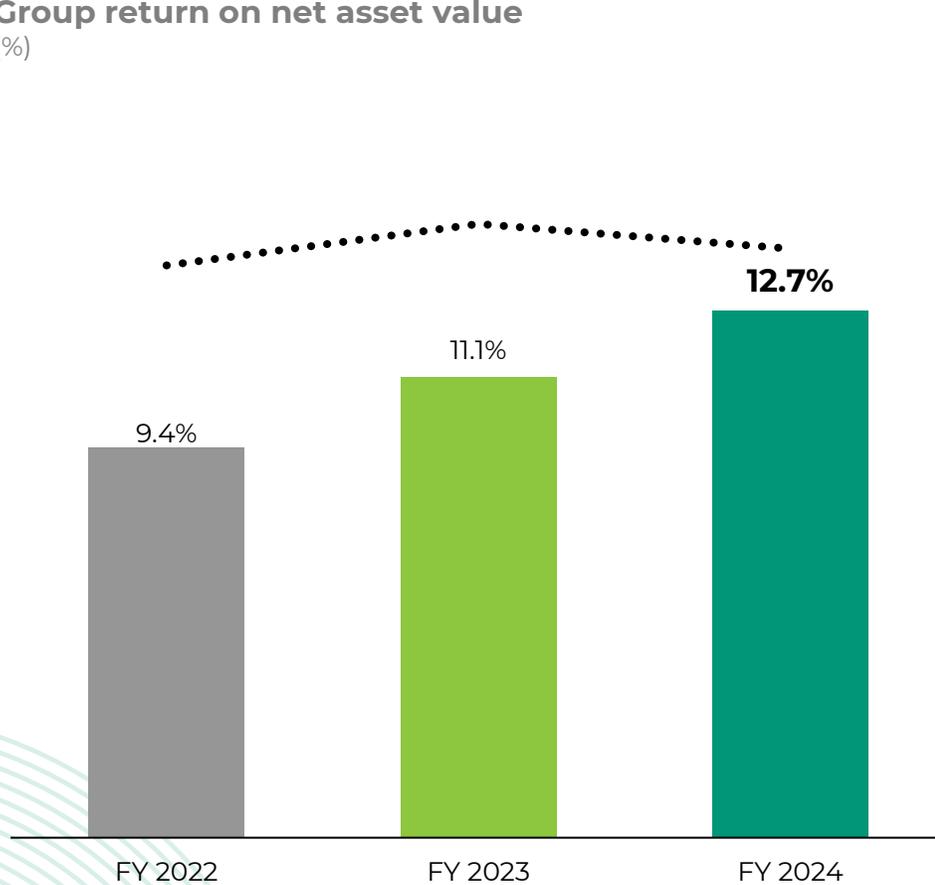


Return on net asset value



Continuing upward trend

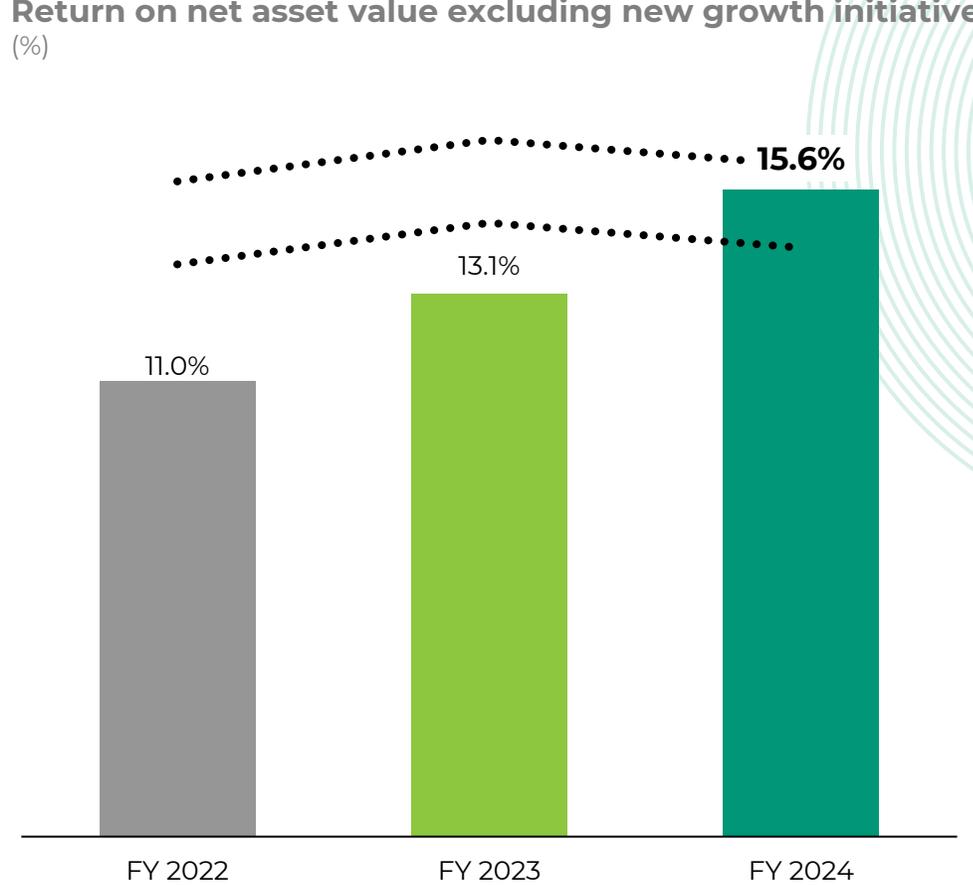
Group return on net asset value (%)



.....Target: Cost of equity + 2%¹



Return on net asset value excluding new growth initiatives (%)



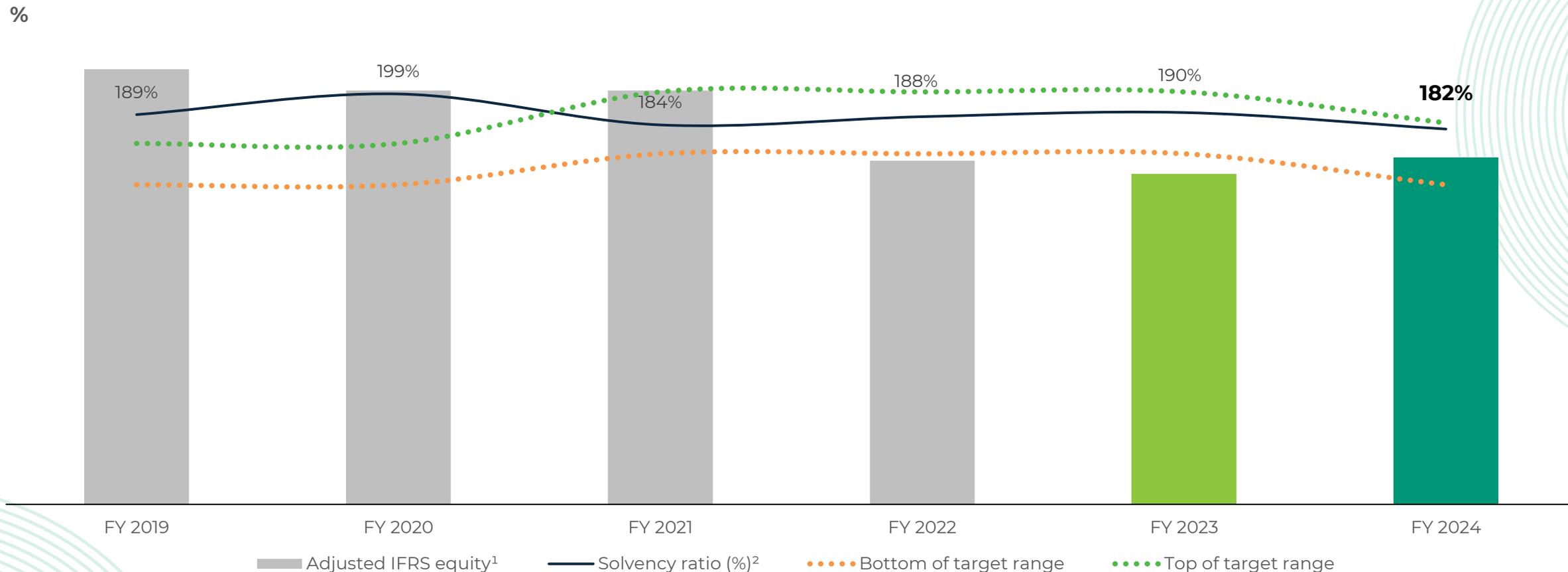
.....Target: Cost of equity + 2%² Target: Cost of equity + 4%²

1. Equals cost of equity plus 2% (FY2024: 14.2%)
2. Equals cost of equity plus 2% - 4% (FY2024: 14.2% - 16.2%)

OML Group shareholder solvency



Appropriately balanced for protection and potential



Continued optimisations to reduce equity while maintaining a strong balance sheet

1. FY 2019 to FY 2022 are presented on an IFRS 4 basis
2. For December 2023, our investment in China was included on a C-ROSS basis, with the current year including China on an adjusted South African Prudential basis

Medium-term targets



Strong delivery

	KPI	Target	2024 outcome	Medium-term outlook
Growth	Gross flows and gross written premiums	Deliver growth of nominal GDP +1% over the medium term	Strong delivery ●	Continue to regain market share
	Value of new business margin	Between 2% and 3%	2.5% ●	Within range
Efficiencies	Net underwriting margin	Old Mutual Insure 4% to 6%	6.2% ●	Above range
	Return on net asset value	Group: 14.2% ¹	12.7% ●	Continued strategic delivery on the core and accelerate new growth initiatives
		Excl. new growth initiatives: 14.2% - 16.2% ²	15.6% ●	Within range
Capital	Solvency	Old Mutual Limited shareholder: 155% to 185%	182% ●	Within range
		OMLACSA: 165% to 200%	187% ●	Within range
Capital returns	Dividend cover	Full year cover: 1.5x to 2.0x	1.6 times ●	Within range
Strategic execution	Strategic delivery	Delivering building blocks to enable integrated financial services offering together with growth from OM Bank, Next176 and growth regions	OM Bank build and approvals completed Exited Nigeria and Tanzania ●	Launch of OM Bank and Savings and Income proposition, and decommissioning legacy platforms

1. Target set as cost of equity plus 2% (Medium term: 15.2%)

2. Target set as cost of equity plus 2% - 4% (Medium term: 15.2% - 17.2%)

CONCLUSION

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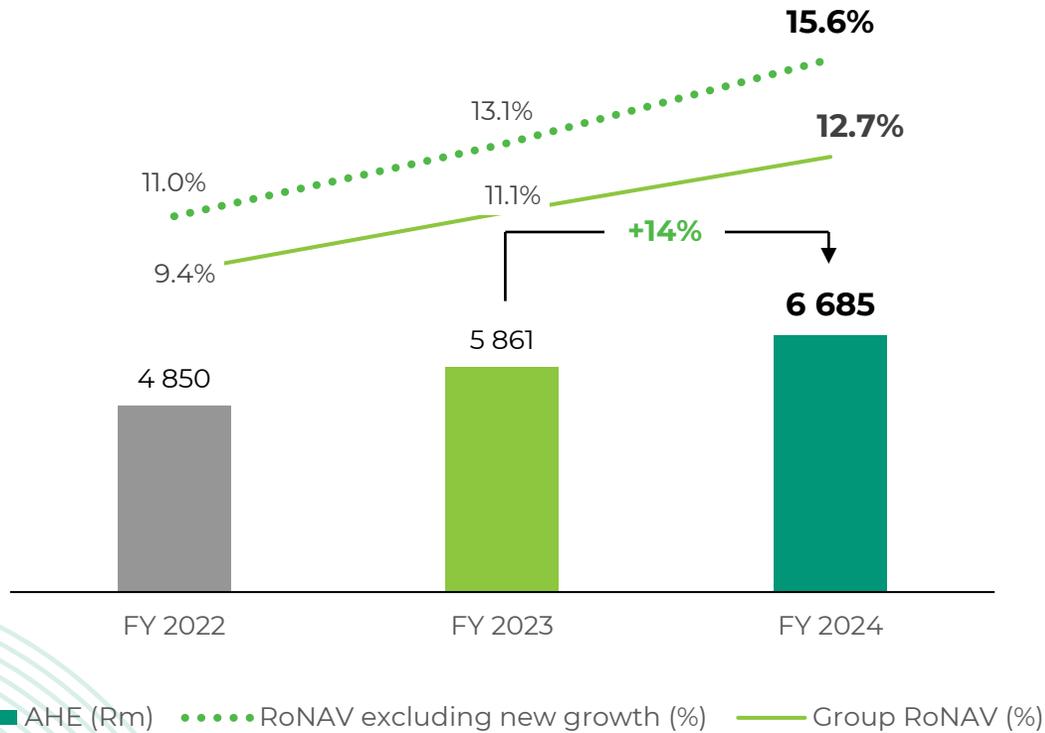


Building an attractive returns profile

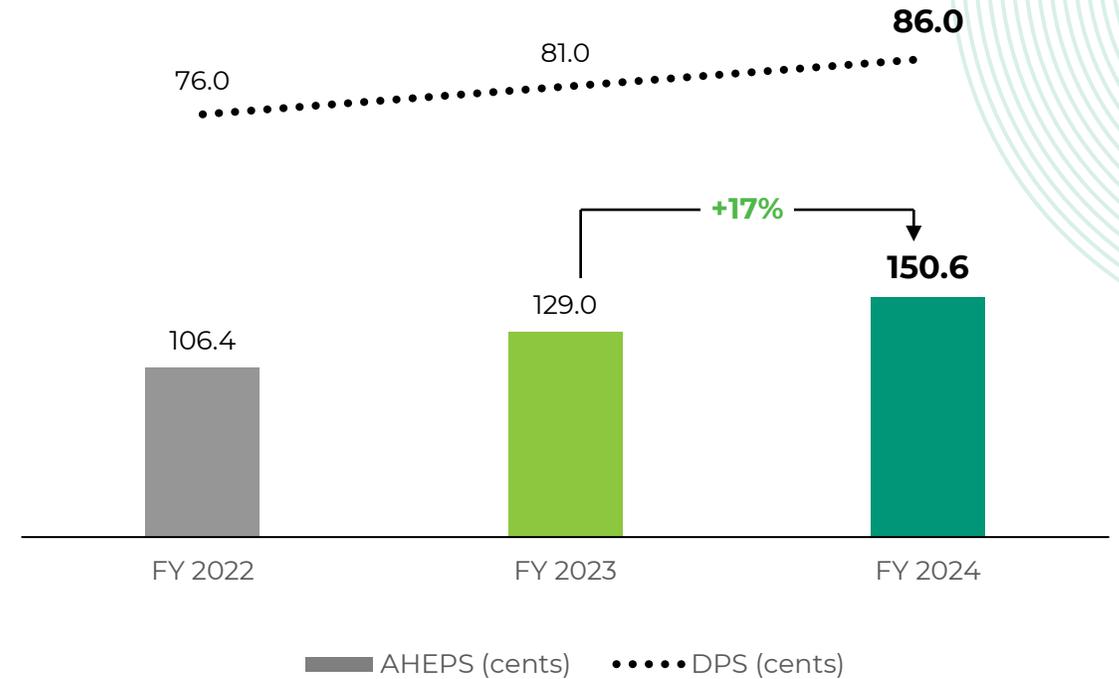


Despite our significant investments in new growth, we continue to enhance our returns profile

AHE and RoNAV



AHEPS and DPS



2025 focus areas



Launch OM Bank



Launch Savings & Income solution



Margin-accretive sales growth



Diligent expense management



Capital efficiencies and RoNAV



Improve collections and persistency





Q&A



OldMutualSA



oldmutualSA



Old-mutual—south-africa



OldMutualSA



Cautionary statement

This report may contain forward-looking statements with respect to certain of Old Mutual Limited's plans and its current goals and expectations relating to its future financial condition, performance and results and in particular estimates of future cash flows and costs.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Old Mutual Limited's control including, among other things, domestic conditions across our operations as well as global economic and business conditions, market-related risks, such as fluctuations in equity market levels, interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Old Mutual Limited and its affiliates operate.

As a result, Old Mutual Limited's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Old Mutual Limited's forward-looking statements. The forward-looking statements contained in this report are the responsibility of directors and have not been reviewed or reported on by the independent joint auditors. Old Mutual Limited undertakes no obligation to update the forward-looking statements contained in this report or any other forward-looking statements it may make. Nothing in this report shall constitute an offer to sell or the solicitation of an offer to buy securities.

Non-IFRS financial measures

Non-IFRS financial measures This report includes non-IFRS financial measures which are not defined by IFRS. The non-IFRS financial measures are the responsibility of directors and have not been reviewed or reported on by the independent joint auditors. The non-IFRS measures are prepared for illustrative purposes only and provide information that is useful to investors and are appropriate to assess the Group's operational results and financial performance. The non-IFRS measures also enhance the investor's understanding of the Group's results by providing greater insight into the financial performance, financial position and cash flows of the Group as well as the way it is managed. These non-IFRS financial measures are not uniformly defined and may not be comparable with similar measures used by other companies. For certain non-IFRS financial measures, there are no directly comparable amounts under IFRS. Because of their nature, these non-IFRS financial measures should not be viewed as alternatives to measures of financial position, changes in equity, results of operations and cash flows determined in accordance with IFRS.

Constant currency information

The constant currency information included in this report has been presented to illustrate the impact of changes in the South African rand exchange rates and is considered to be pro forma financial information in terms of the JSE Listings Requirements. It is presented for illustrative purposes only. Given the nature of this information, it may not fairly present the segment's financial position, changes in equity, result of operations and cash flows. All references to constant currency information are based on the translation of foreign currency results for the year ended 31 December 2024 at the daily average exchange rate for the year ended 31 December 2023 for income statement metrics and the closing exchange rate as at 31 December 2023 was used for the balance sheet metrics. The major currencies contributing to the exchange rate movements are the Nigerian naira, Malawian kwacha, Ghanaian cedi and Kenyan shilling. Refer to table 3.6 in the additional disclosures for the exchange rates. Deloitte & Touche and Ernst & Young Inc's limited assurance report on the constant currency financial information is available on: <https://www.oldmutual.com/investor-relations/reporting-centre/reports>.