

OLDMUTUAL

2022 INTERIM RESULTS



DO GREAT THINGS EVERY DAY



AGENDA



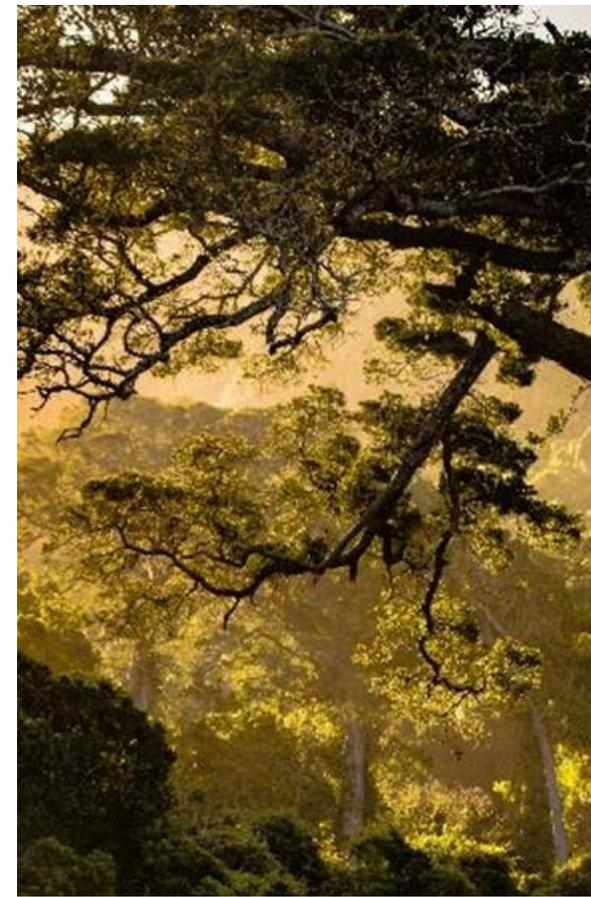
Strategic review
Iain Williamson
Group CEO



Financial review
Casper Troskie
Group CFO



Looking ahead
Iain Williamson
Group CEO



Q&A
OML Executive
Committee



2022
INTERIM
RESULTS

SHIFTING GEARS ACCELERATING GROWTH





FINANCIAL HIGHLIGHTS AT 30 JUNE 2022

Strong performance from our core businesses

a truly
mutual strategy



15%

Life APE
sales

R6.2bn

Within target range

Value of new
business margin

2.2%



9%

Gross written
premiums

R10.9bn



300bps

Group Solvency
Ratio

187%



(7%)

Funds under
management

R1.2trn



87%

Results from
operations

R4.1bn



120bps¹

Return on
net asset value

9.6%



25%¹

Interim dividend
per share

25 cents



OUR STRATEGIC FRAMEWORK

a truly mutual strategy



AMPLIFY

- 1 Growing and protecting the core
- 2 Unlocking new growth engines



SHARED VALUE AND SUSTAINABLE TRANSFORMATION

Remain integrated into the business



RESPONSIBLE INVESTMENTS

Net Zero | Asset Owners Alliance
| Asset Managers Initiative →



ESG annual asset manager survey



SOCIO-ECONOMIC TRANSFORMATION



CLIMATE CHANGE REPORTING



DIVERSITY AND INCLUSION

57% of top management are Black

43% of top management positions are occupied by women

COMMUNITY PARTNERSHIPS



GREEN BUILDINGS

WATER saving
WASTE management
ELECTRICITY generation
initiatives on our main campuses

>95% shareholder support on remuneration vote at AGM

Transparency enhanced through effective disclosures

Climate change | Tax | Remuneration

Securing operations against cyber threats



UPDATE ON COMMITMENTS TO INVESTORS

Accelerating delivery



Change the trajectory of the customer experience

- Additional digital claims channels



Build an entirely new financial services business

- Old Mutual Rewards - 1.5 million members with higher average needs met and better persistency



Realise R750 million cost efficiencies by 2022

- On track



Regain competitive advantage in Mass and Foundation Cluster

- Bridge Taxi Finance partnership – distribution with 300 000 daily commuters, incremental R130 million Old Mutual Insure Gross written premium



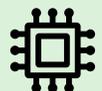
Re-energise both customer and adviser experience in Personal Finance and Wealth Management

- Increased restricted financial advisers distribution footprint – 30% up in the half for one of our brands



Improve investment performance in Old Mutual Investments

- Funds above benchmark: 94% over 1-year; 81% over 3-year



Embed digitalisation more firmly in our business operations

- Cloud migration of our legacy estate 88% complete



2022
INTERIM
RESULTS

OPERATING ENVIRONMENT



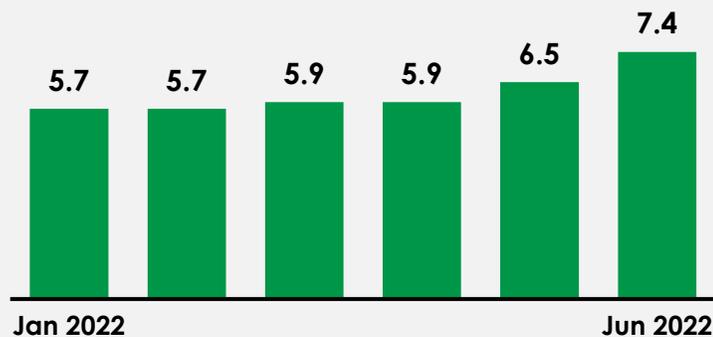


MACRO ENVIRONMENT IN OUR MARKETS REMAINS CHALLENGING

Increased pressure on the consumer

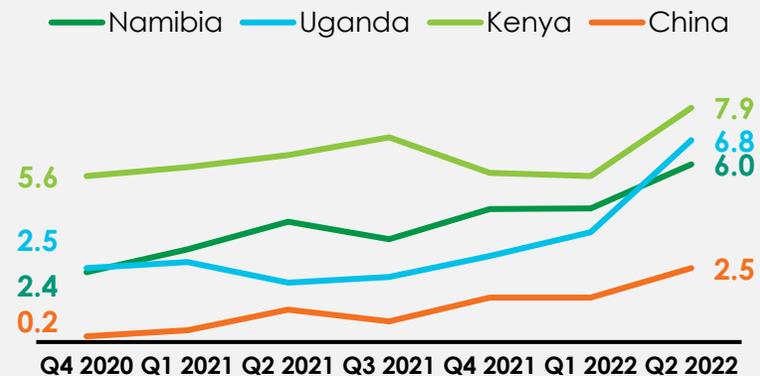
South Africa headline CPI YoY

(%)



Headline CPI trending up in other markets

(%)

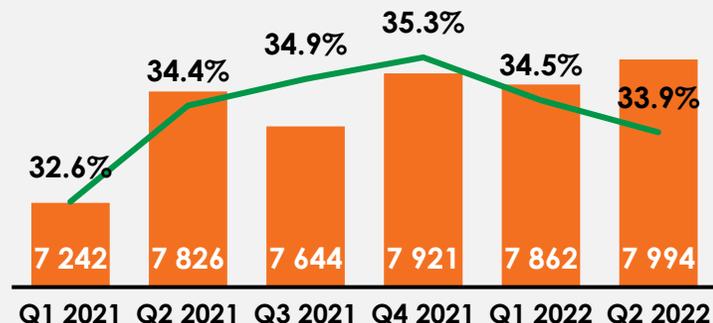


Global macro risks at play

- Inflation up due to Ukraine conflict and supply chain disruptions
- Unemployment and negative real income growth in SA
- Pressure on consumers mounting
- Producer Price Index (PPI) spurs increase in parts prices

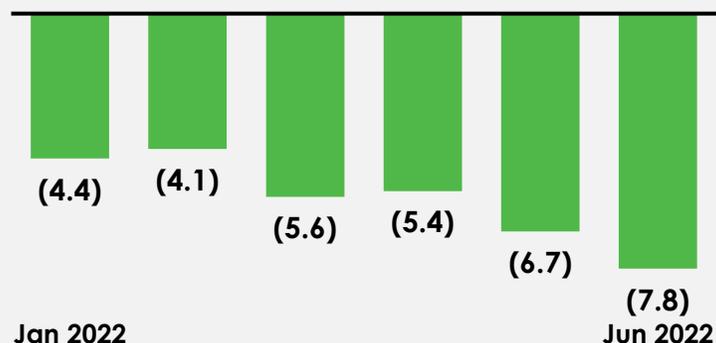
Unemployment worsening in South Africa

Unemployed ('000) Unemployment rate (%)



South Africa Real Income change YoY

(%)

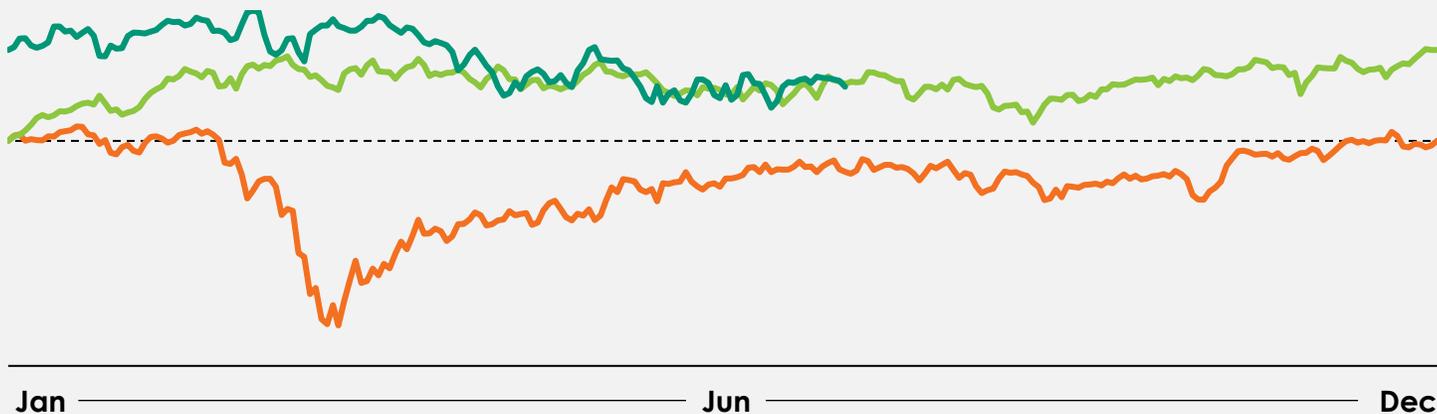




EQUITY MARKETS LIKELY TO REMAIN VOLATILE

JSE SWIX All Share (absolute levels)

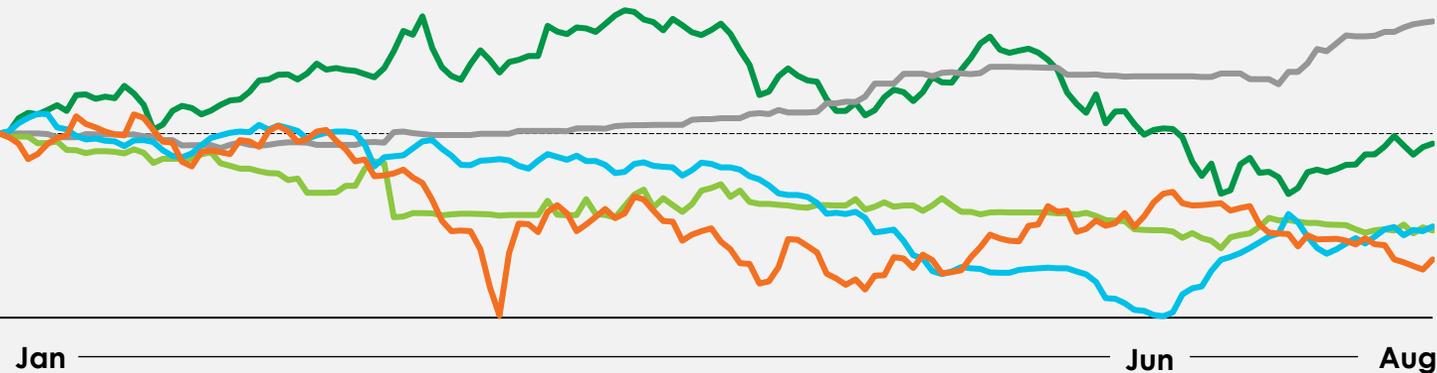
2020 2021 2022*



- COVID-19 outbreaks limit growth
- Higher JSE average market levels
- Global inflation and rising interest rates
- International political volatility

Other equity markets indices – 2022* (rebased to 100)

Namibia Malawi Uganda Kenya China



- Other equity markets closed lower for H1



2022
INTERIM
RESULTS

SEGMENTAL REVIEWS





MASS AND FOUNDATION CLUSTER

Growth trajectory remains sustainable

Sales momentum holding

- Risk sales above 2019
- Embedded the non-advice funeral product
- Net client cash flows up 14%
- Value of new business margin of 7.7% and within target range

Steady performance on the loan book

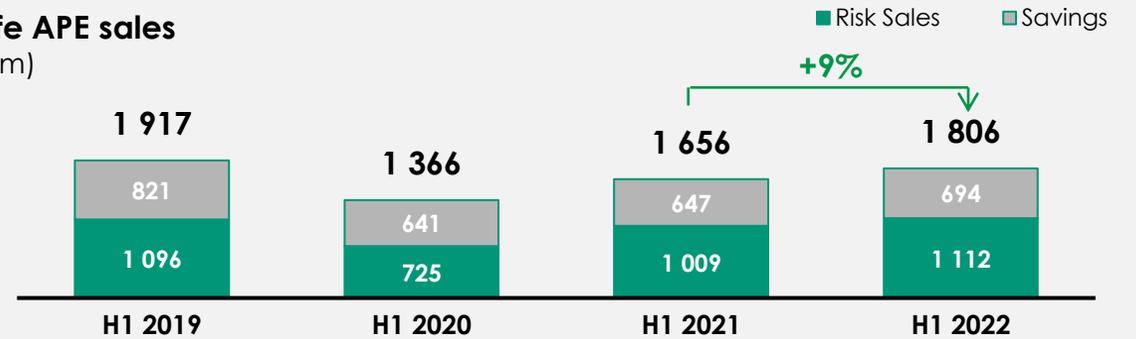
- Muted growth
- Credit loss ratio normalising, reduced target range to 6% - 8%
- Better collections

Partnership



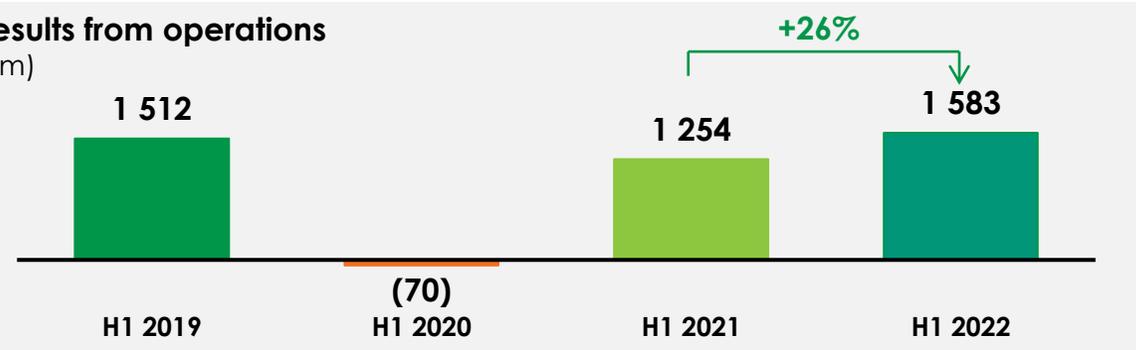
Life APE sales

(Rm)



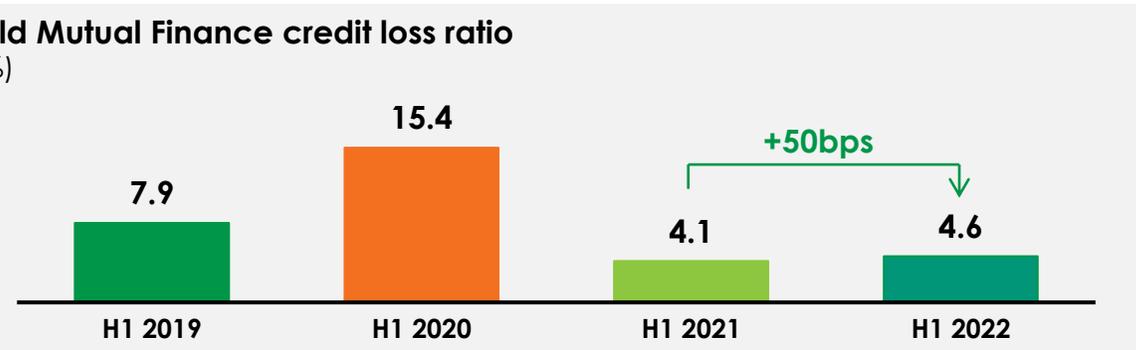
Results from operations

(Rm)



Old Mutual Finance credit loss ratio

(%)





PERSONAL FINANCE AND WEALTH MANAGEMENT

Improved profitability on reduced mortality claims

Delivered R2 billion in Net client cash flows

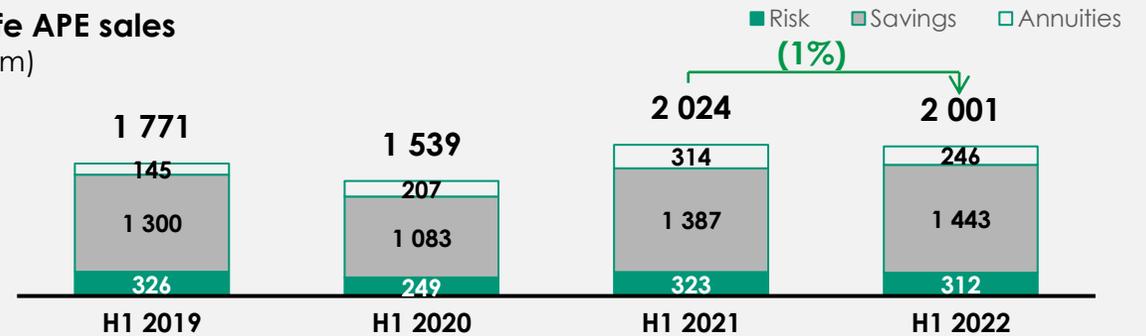
- Resilient Life APE sales above 2019 levels
- Further improvements to Old Mutual Protect
- Margins impacted by product-mix changes
- Incentives and cross-selling to drive volumes

Old Mutual Wealth

- Improved sales from independent distribution
- Old Mutual International sales 44% lower on markets and Rand
- Better support on local platform lifts Net client cash flows 85%

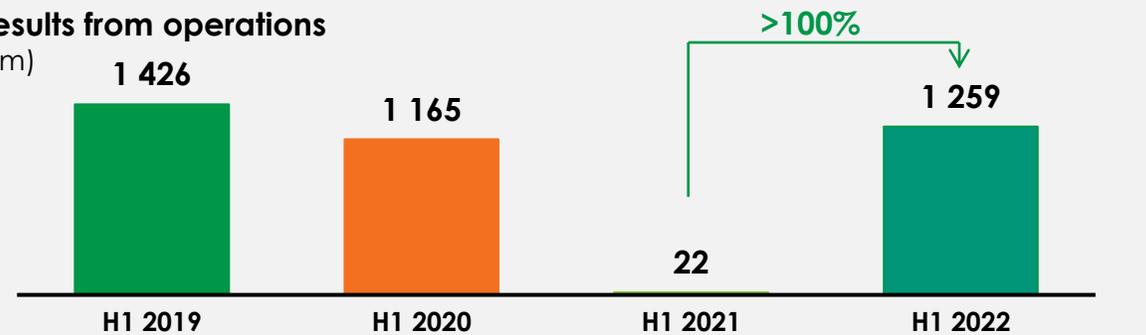
Life APE sales

(Rm)



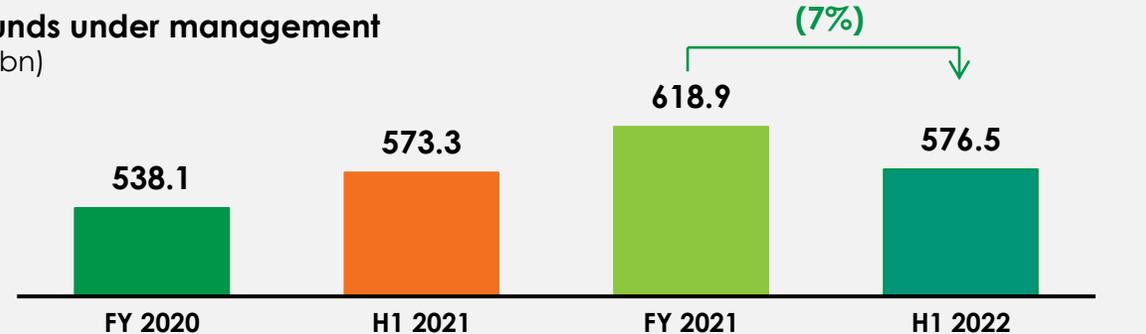
Results from operations

(Rm)



Funds under management

(Rbn)





OLD MUTUAL INVESTMENTS

Higher average markets driving top line and profitability, despite market volatility

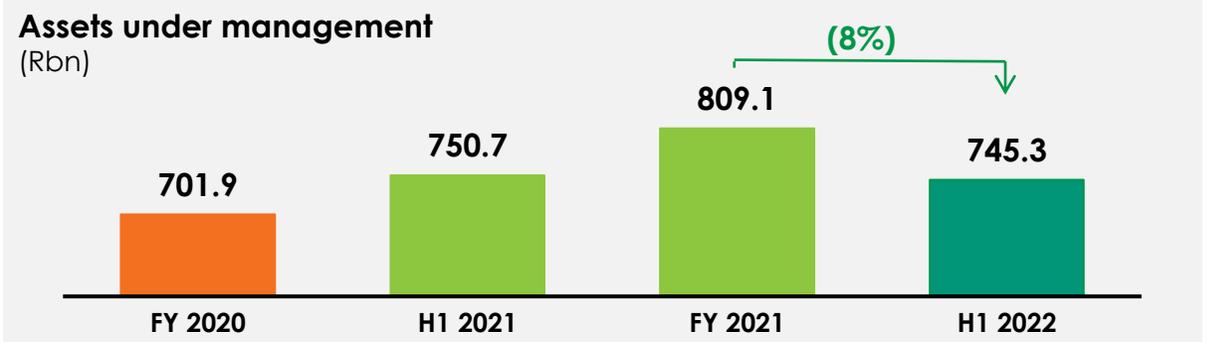
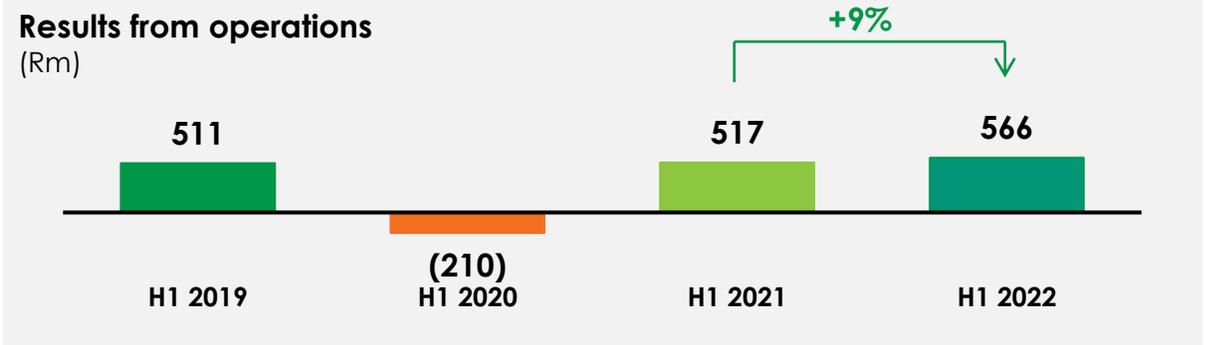
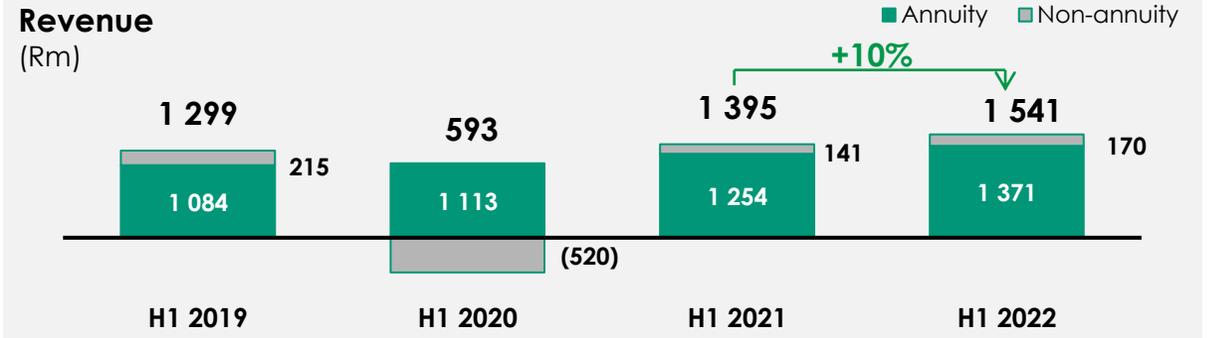
- Annuity revenue 9% higher as markets rise
- Non-annuity revenue up 21% on higher performance OMIG fees
- Assets under management impacted by volatile Q2 equity markets and low margin outflows
- Secured to flow funds pipeline healthy

New product innovation continues

- Futuregrowth High Growth Development Fund launched

Serious about transformation

- AWCA-Futuregrowth B-BBEE transaction finalised
- OMIG and Futuregrowth Black ownership to go above 51% on Bula Tsela transaction completion





OLD MUTUAL CORPORATE

Responsibly improved sales, margins and flows

Resilient results

- ▶ GAP underwriting result driven by good retention and repricing
- ▶ Higher GAP sales quote activity
- ▶ Lower benefit payments and terminations during the first half

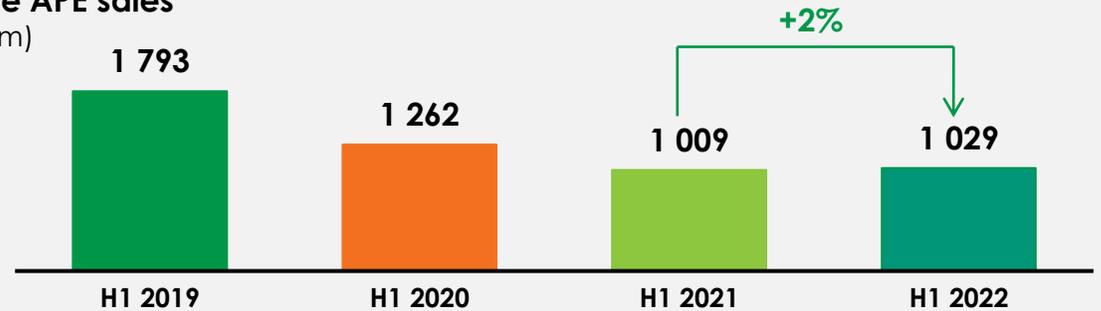
Growth vectors

- ▶ Successful SMEgo pilot with phase two launched
- ▶ Preference Capital¹ acquisition to bolster our SME presence



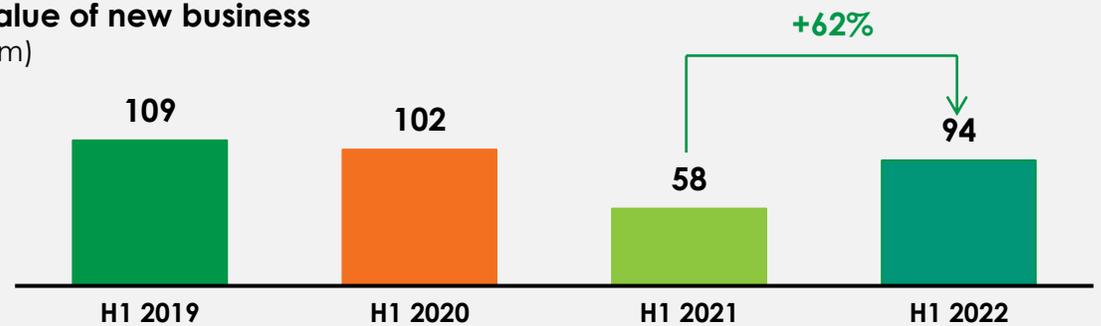
Life APE sales

(Rm)



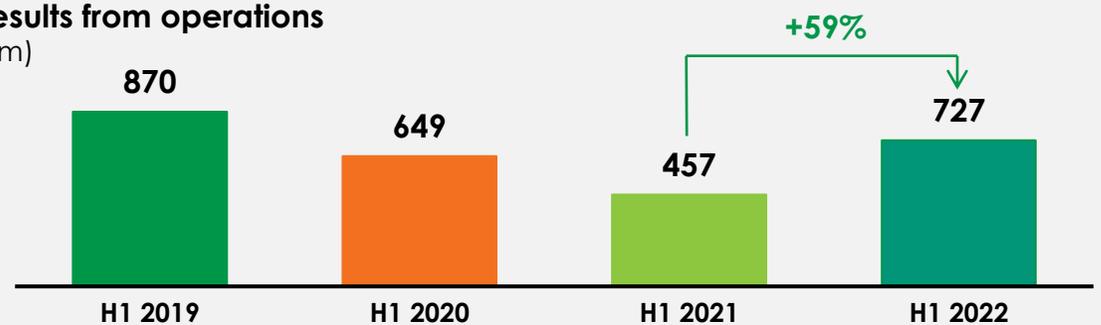
Value of new business

(Rm)



Results from operations

(Rm)





OLD MUTUAL INSURE

Resilient underwriting result in challenging conditions

iWYZE delivered double digit premium growth

- KZN floods' net impact of R135 million
- CGIC excellent underwriting result
- Good cost management
- 5% growth in Gross written premiums
- Hardening cycle in reinsurance renewals
- PPI supply chain pressures prompt pricing review

Good progress on consolidation

- ONE Financial Services integration
- Acquisition of Versma Management Services¹

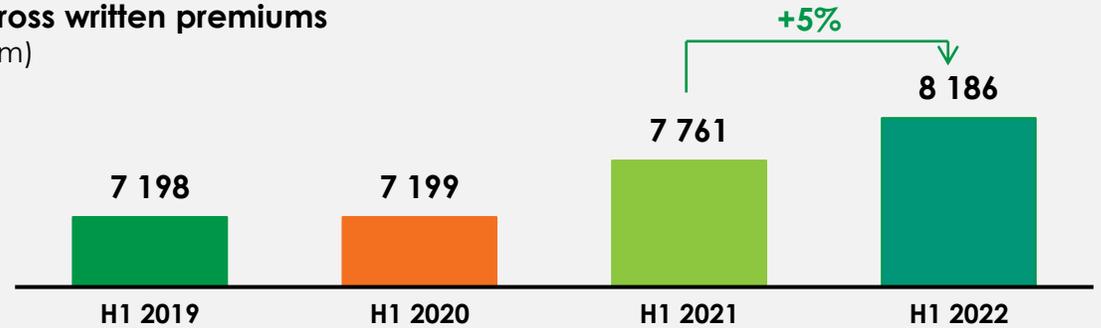
Partnerships



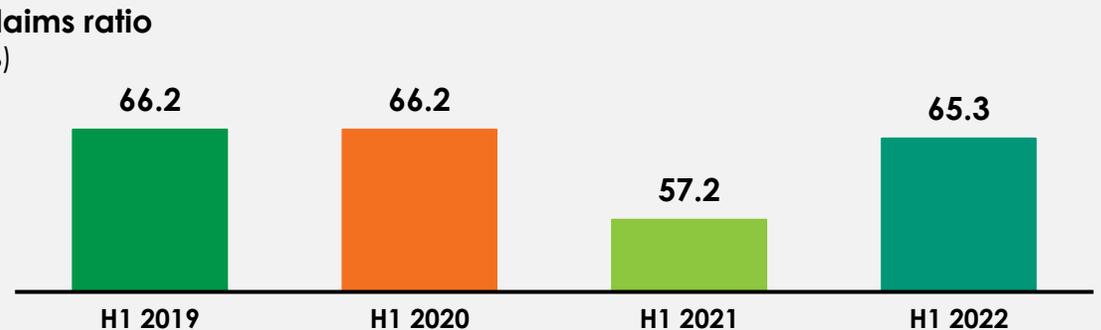
Swift
VEE

Pineapple

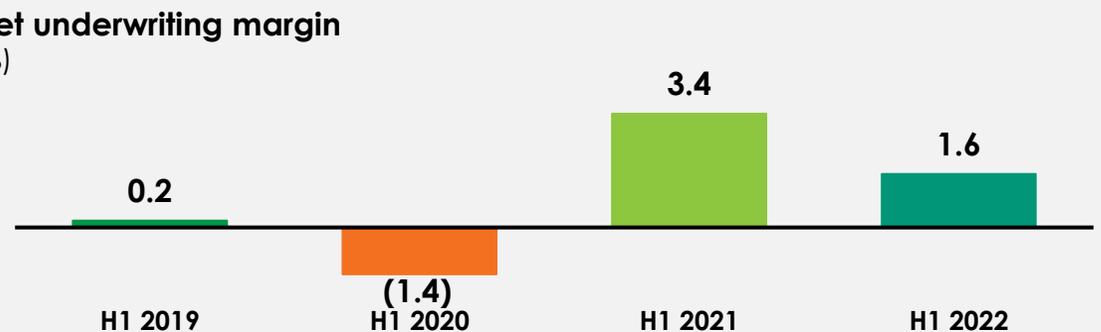
Gross written premiums (Rm)



Claims ratio (%)



Net underwriting margin (%)





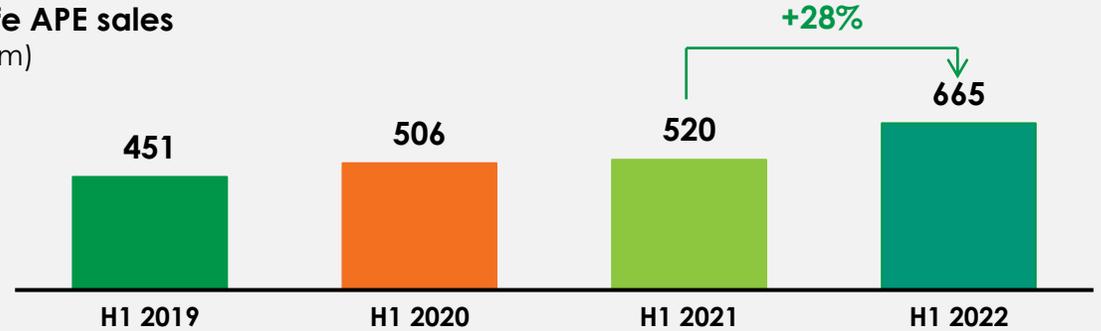
OLD MUTUAL AFRICA REGIONS

Remediation translating into improved sales and profitability

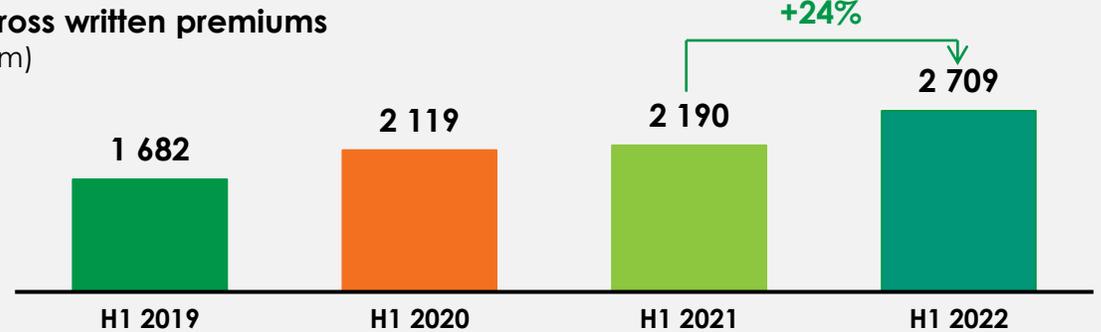
Strong financial delivery across the portfolio

- Robust top-line growth
- Pivot to corporate bearing fruit
- Value of new business improvement driven by higher life APE sales
- Higher Gross flows supporting Asset Management revenue
- Cautious approach to lending
- Control environment improved further
- Rebranded Kenya and Rwanda operations

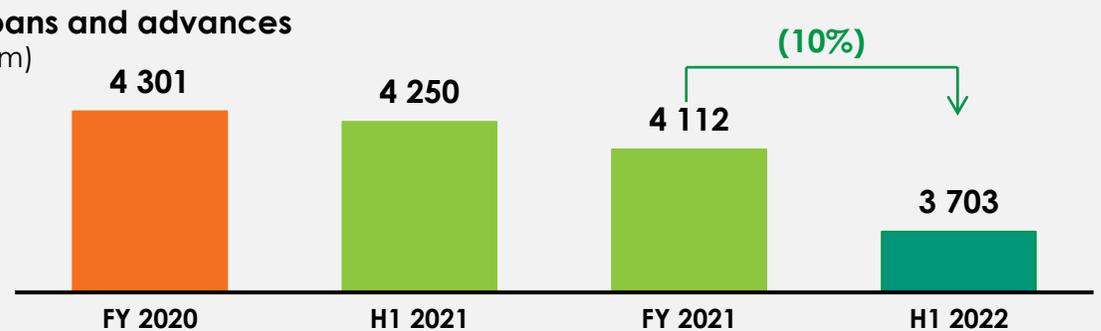
Life APE sales
(Rm)



Gross written premiums
(Rm)



Loans and advances
(Rm)





UNLOCKING NEW GROWTH ENGINES

Promising momentum in the portfolio

NEXT176

Building adjacent
businesses for growth

R300 million in
committed capital



East Africa

West Africa

China



Progressed challenger
transactional
capability build



2022
INTERIM
RESULTS

FINANCIAL REVIEW



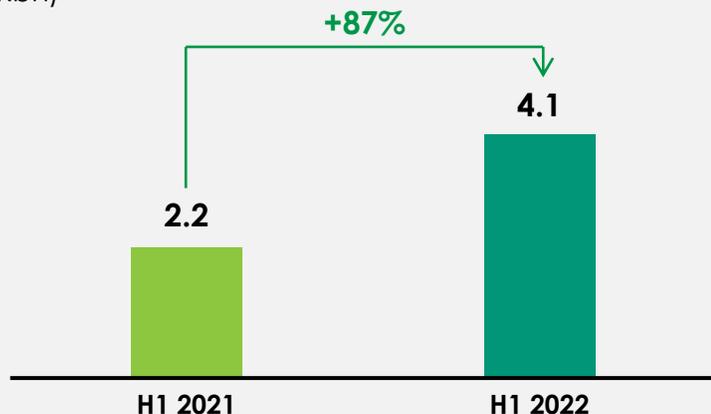


STRONG GROWTH FROM THE CORE

EARNINGS

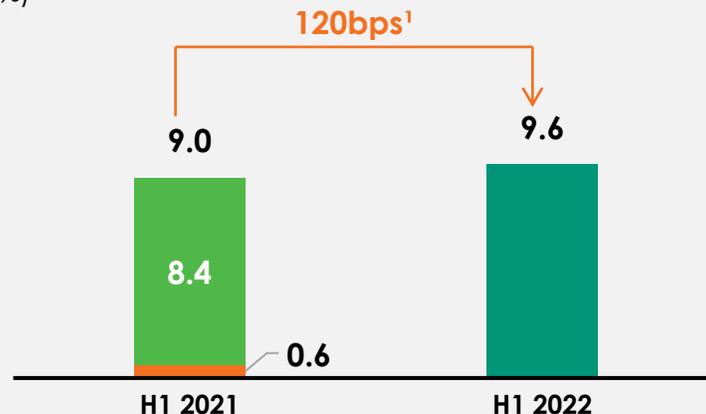
Results from operations

(Rbn)



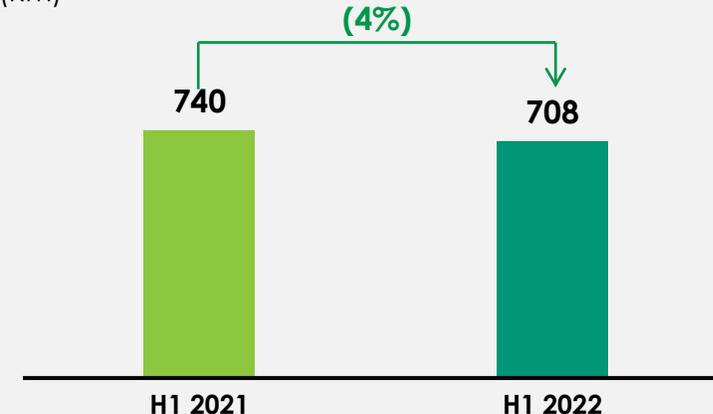
Return on net asset value

(%)



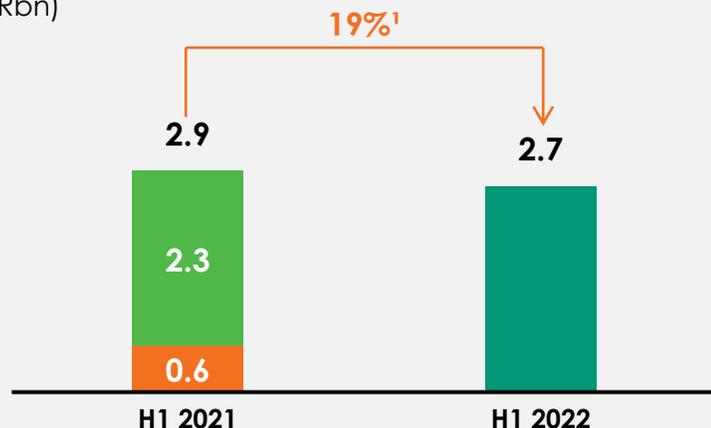
Value of new business

(Rm)



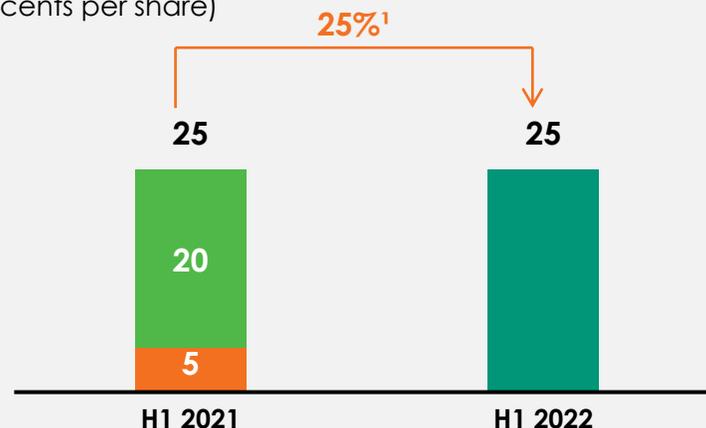
Adjusted headline earnings

(Rbn)



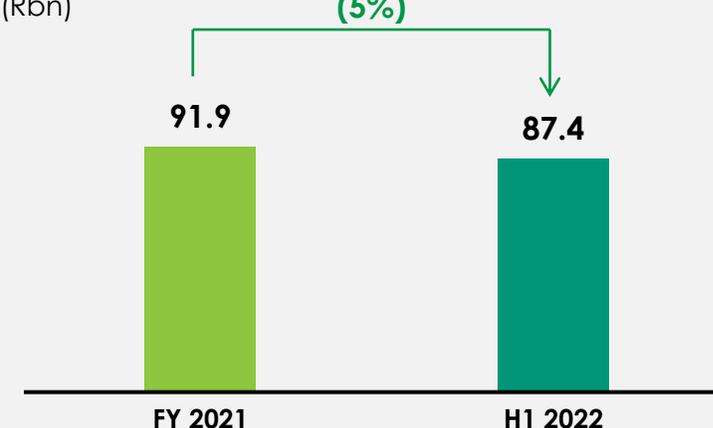
Interim dividend

(cents per share)



Group equity value

(Rbn)



■ Nedbank distributed stake



PANDEMIC PROVISIONS AT 30 JUNE 2022

No additional provisions raised

| Rm | Mass and Foundation Cluster | Personal Finance | Old Mutual Corporate | Africa Regions | Total |
|--|-----------------------------|------------------|----------------------|----------------|--------------|
| Pandemic provisions at 31 December 2021 | 353 | 1 761 | 372 | 378 | 2 864 |
| Release of COVID-19 provisions | - | (231) | (50) | (11) | (292) |
| Pandemic provisions at 30 June 2022 | 353 | 1 530 | 322 | 367 | 2 572 |

South African experience

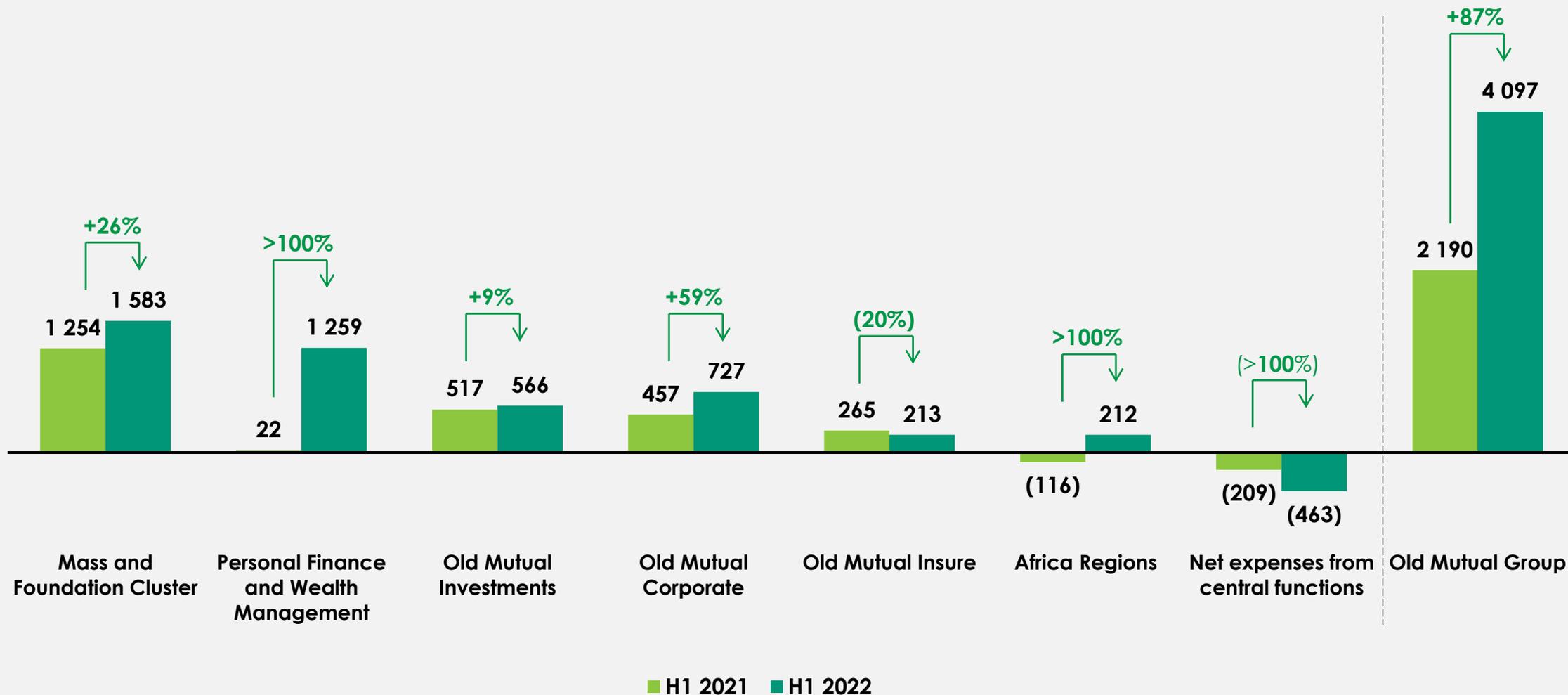




RESULTS FROM OPERATIONS

COVID-19 experience better than expectation

Rm

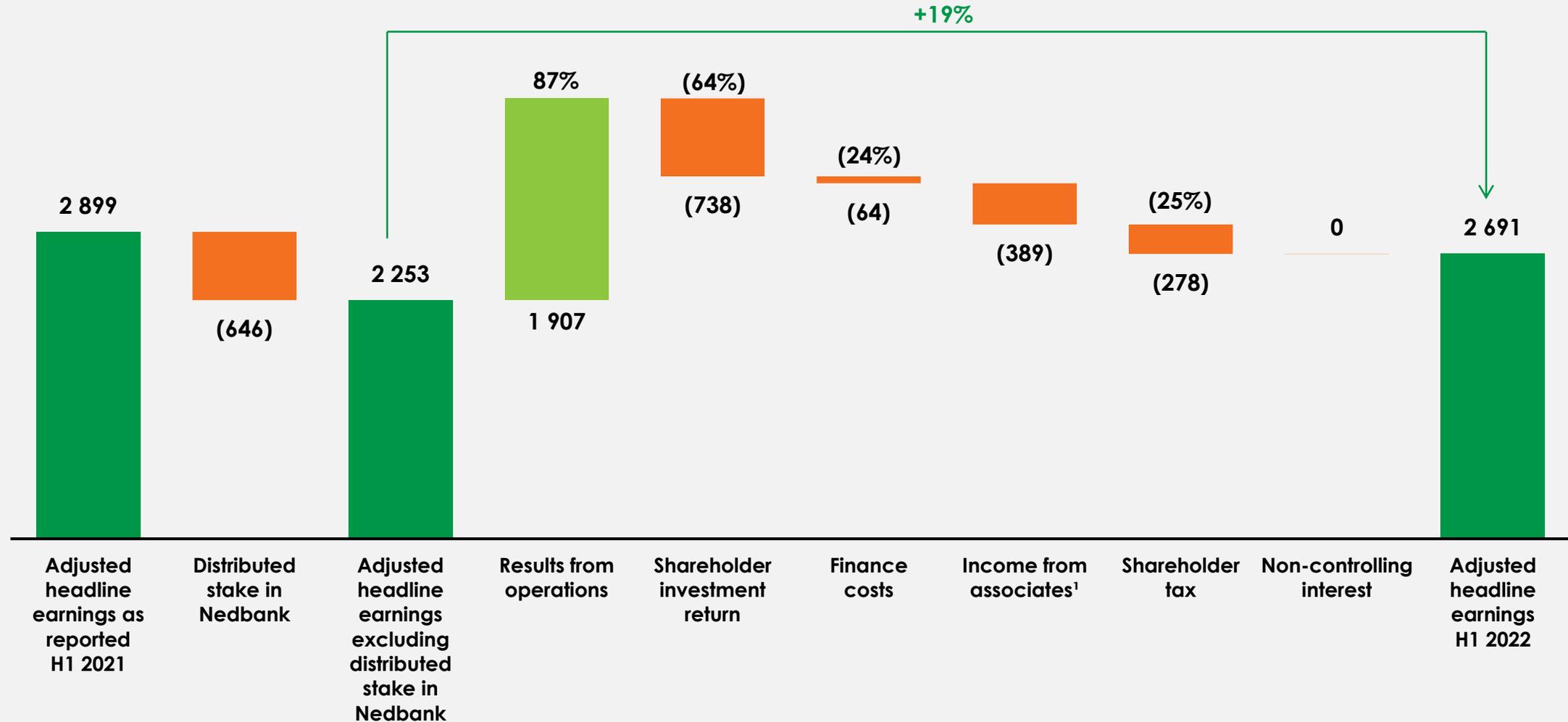




ADJUSTED HEADLINE EARNINGS 19% UP

Performance of the core business coming through post Nedbank unbundling

Rm



% represents % move on prior year

1. Represents the retained stake in Nedbank being included in H1 2021



ADJUSTED HEADLINE EARNINGS TO IFRS PROFIT RECONCILIATION

Zimbabwe main driver of the difference

| Rm | H1 2022 | H1 2021 | % change |
|---|--------------|---------|----------|
| Adjusted Headline Earnings (excluding Nedbank) | 2 691 | 2 253 | 19% |
| Distributed stake in Nedbank | - | 646 | (100%) |
| Adjusted Headline Earnings | 2 691 | 2 899 | (7%) |
| Investment return for Group equity and debt instruments in life funds | 606 | (187) | >100% |
| Impact of restructuring | 31 | (1 261) | >100% |
| Operations in hyperinflationary economies | 1 745 | 1 720 | 1% |
| Residual plc | 67 | (16) | >100% |
| Headline earnings | 5 140 | 3 155 | 63% |
| Headline earnings adjustable items | 82 | (171) | >100% |
| IFRS profit after tax | 5 222 | 2 984 | 75% |



DISCIPLINED CAPITAL MANAGEMENT

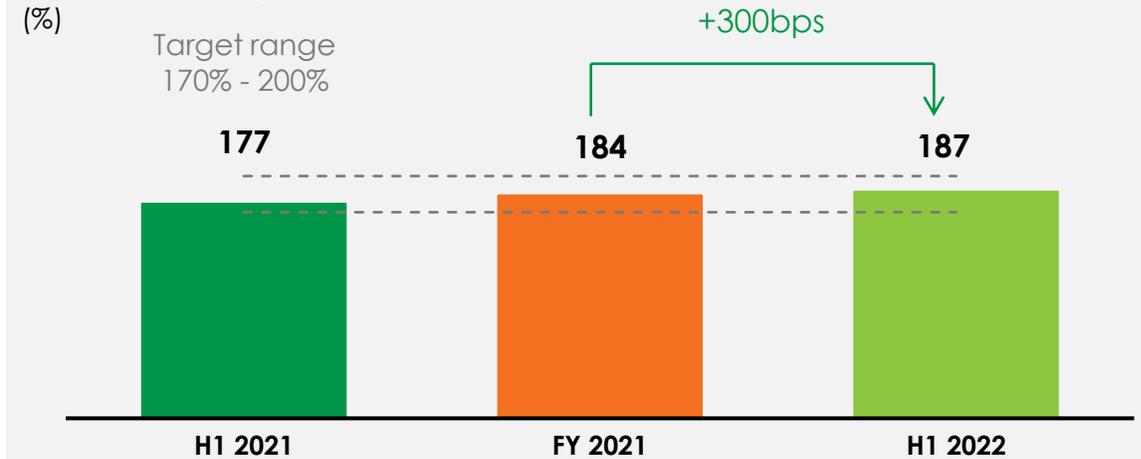
Improvement in Group Solvency ratio mainly driven by

- Higher OMLACSA solvency ratio
- Higher average solvency ratios for non-regulated entities due to the lower prescribed equity shock
- Offset slightly by lower solvency ratios for certain Non-SA insurers

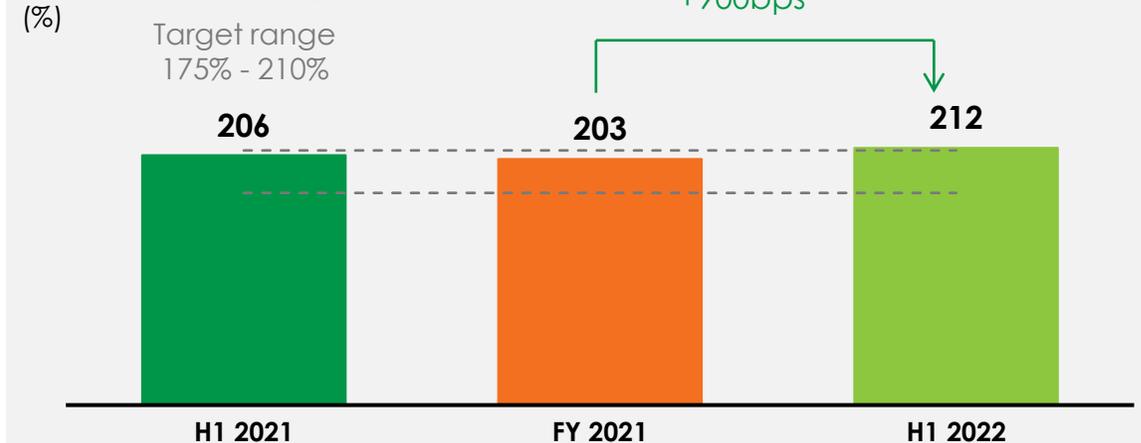
Improvement in OMLACSA Solvency ratio mainly driven by

- Lower prescribed equity shock combined with lower equity exposures
- Net issuance of subordinated debt
- Reduction in risk margin

Group Solvency ratio (%)



OMLACSA Solvency ratio (%)

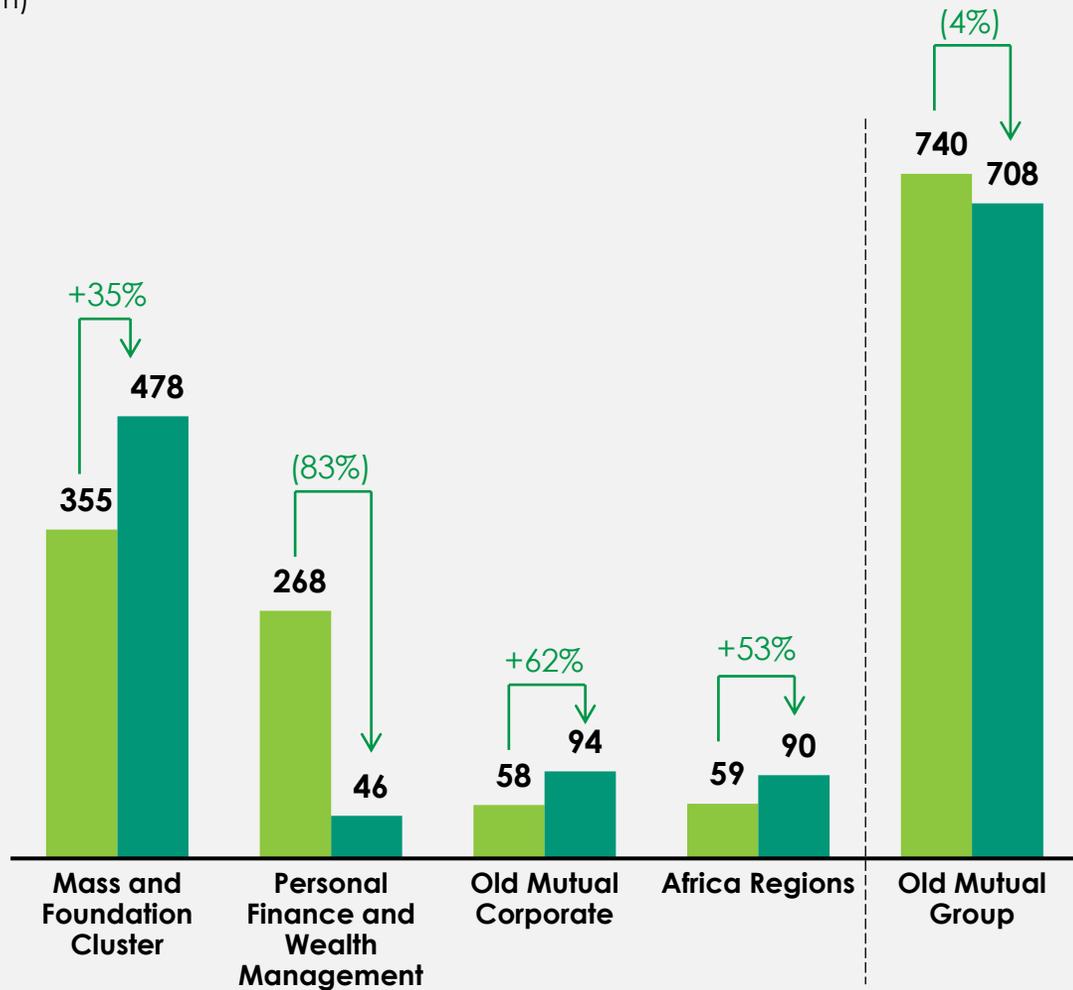




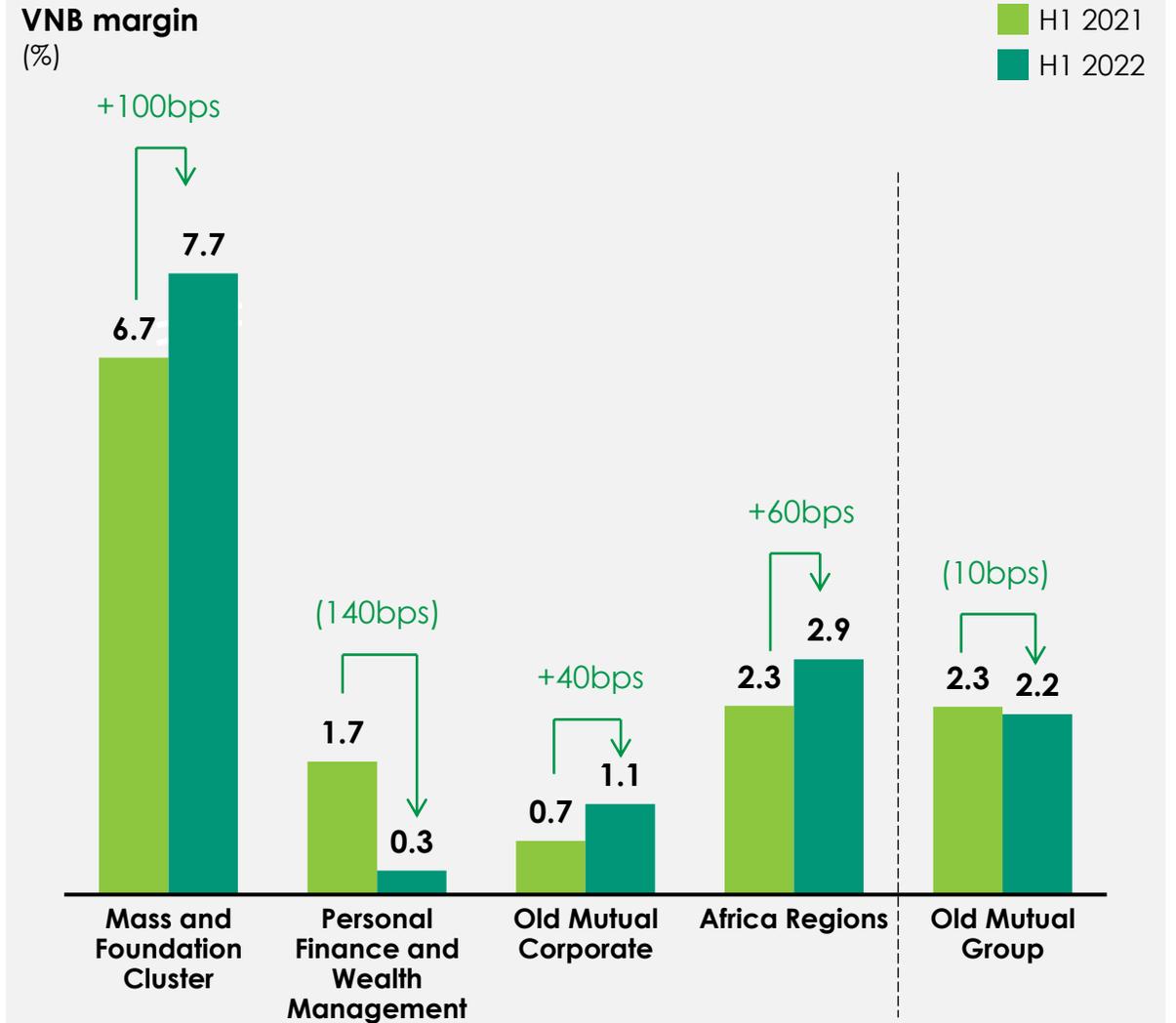
VALUE OF NEW BUSINESS

Robust result with work to be done in Personal Finance

VNB
(Rm)



VNB margin
(%)

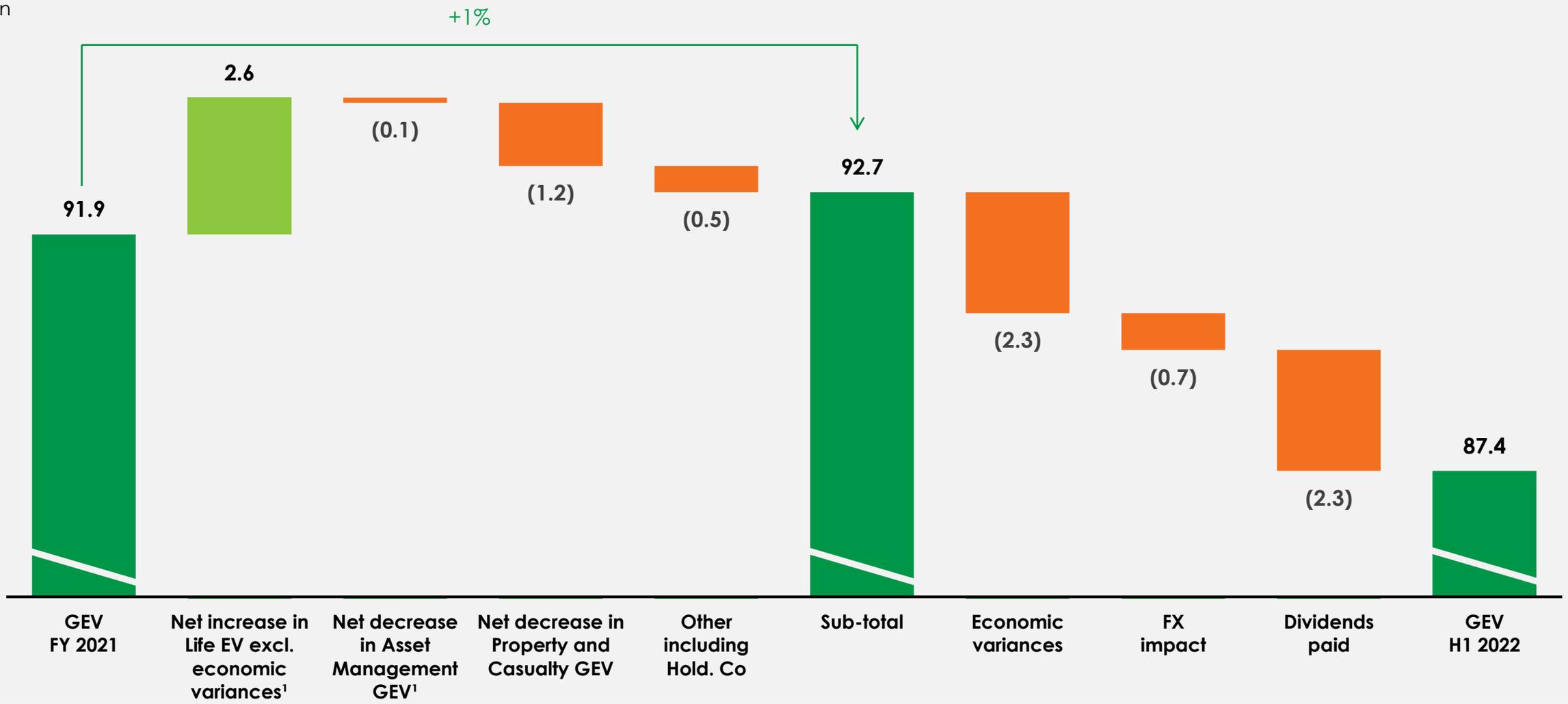




GROUP EQUITY VALUE

Resilient despite market volatility

Rbn



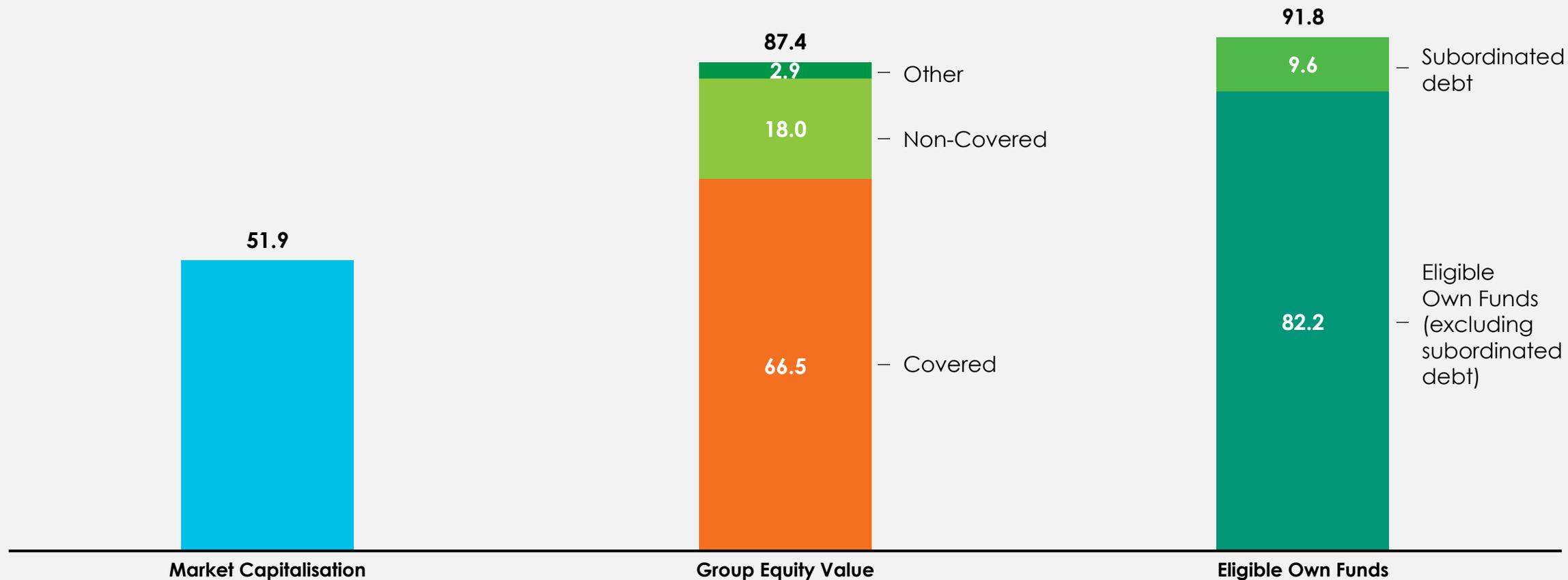
1. Change in GEV in the Life and Asset Management business is before dividends remittance and capital injections



GROUP EQUITY VALUE

Share price trading at a significant discount to GEV

Rbn





PERFORMANCE AGAINST MEDIUM-TERM TARGETS



| | KPI | Target | H1 2022 outcome |
|-----------------|---------------------------|--|---------------------------|
| Growth | Results from operations | Deliver 2019 result plus 5% to 10% by 2023 | R4 097 million |
| | Return on net asset value | Between Cost of Equity ¹ +2% and Cost of Equity ¹ +4% | 9.6% |
| Efficiencies | Cost efficiencies | R750 million by the end of 2022 through our South African insurance and savings businesses | > R500 million of savings |
| | VNB margin | Between 2% and 3% | 2.2% |
| | Net underwriting margin | Old Mutual Insure underwriting margin 4%–6% | 1.6% |
| Capital | Solvency | Old Mutual Limited: 170%–200% | 187% |
| | | OMLACSA: 175%–210% | 212% |
| Capital returns | Dividend cover | Full year cover: 1.5x to 2.0x | 25c |





2022
INTERIM
RESULTS

LOOKING AHEAD





MEDIUM-TERM TARGETS

Good progress in H1, FY 2023 targets remain in place

| | KPI | Target | H1 2022 outcome | Outlook |
|-----------------|---------------------------|--|---------------------------|--|
| Growth | Results from operations | Deliver 2019 result plus 5% to 10% by 2023 | R4 097 million | Challenging due to worsening economic trends |
| | Return on net asset value | Between Cost of Equity ¹ +2% and Cost of Equity ¹ +4% | 9.6% | Recovery to continue in 2023 |
| Efficiencies | Cost efficiencies | R750 million by the end of 2022 through our South African insurance and savings businesses | > R500 million of savings | On track to deliver |
| | VNB margin | Between 2% and 3% | 2.2% | On track to deliver |
| | Net underwriting margin | Old Mutual Insure underwriting margin 4%–6% | 1.6% | Below range but recovering in 2023 |
| Capital | Solvency | Old Mutual Limited: 170%–200% | 187% | Within range |
| | | OMLACSA: 175%–210% | 212% | Above range |
| Capital returns | Dividend cover | Full year cover: 1.5x to 2.0x | 25c | In line |



LOOKING AHEAD – EXCITED BY THE PROSPECTS THAT ARE BEFORE US

We will grow and protect the core, as we unlock new growth engines at pace

We are **delivering on**
the **commitments**
to investors

Highly **attractive**
financial metrics

We are focused on creating
meaningful
partnerships across
our portfolio

Investing in **customer**
experience and
generating
shared value

This allows us to shift gears
and **accelerate**
growth

Capital markets
day in the fourth quarter
of 2022



2022
INTERIM
RESULTS

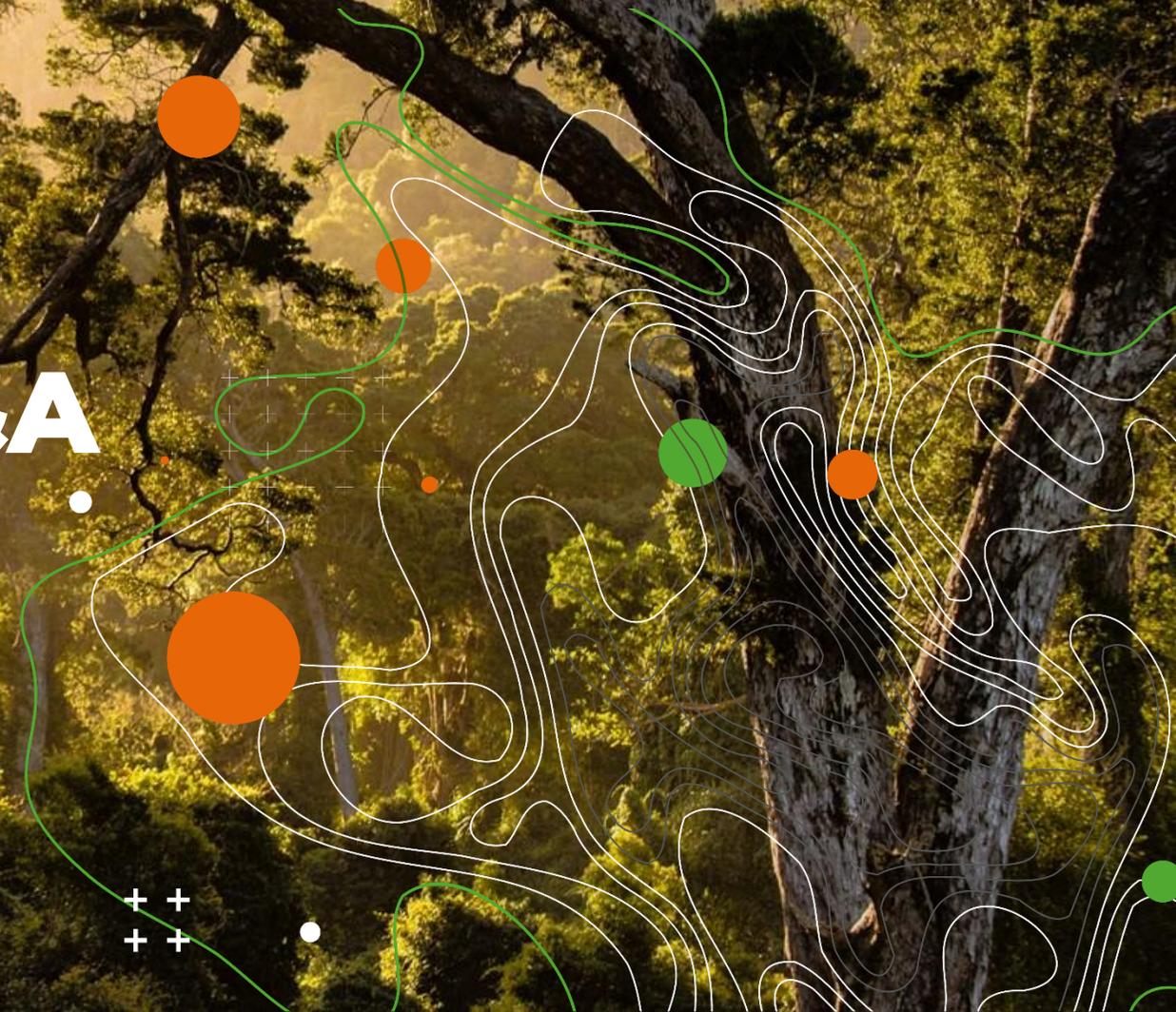
CONCLUSION





2022 INTERIM RESULTS

Q&A





DISCLAIMER

This presentation may contain certain 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 amongst other things, South Africa domestic and 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.

Old Mutual Limited undertakes no obligation to update the forward-looking statements contained in this presentation or any other forward-looking statements it may make.

Nothing in this presentation shall constitute an offer to sell or the solicitation of an offer to buy securities.