



ANNUAL GENERAL MEETING

Izak Smit



AGENDA

PPS 80TH ANNIVERSARY

RESILIENT ORGANISATION

THE NUMBERS IN DETAIL

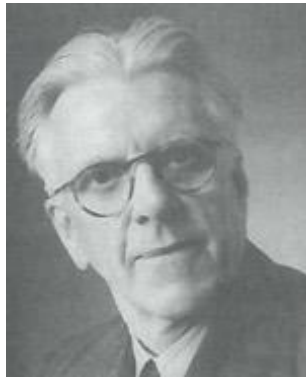
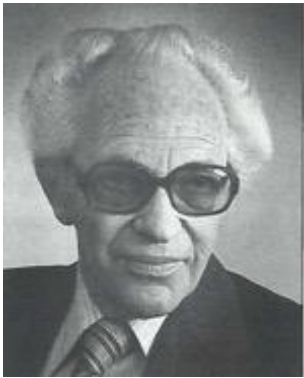
MUTUALITY

MEMBERSHIP

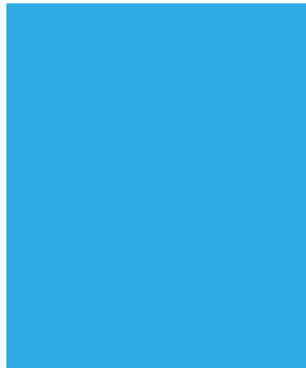
REFLECTIONS

IZAK SMIT – GROUP CEO

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid



80 YEARS OF PPS

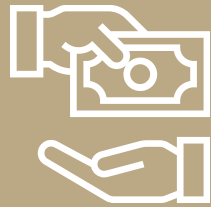






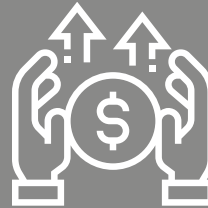
PPS EXISTS

1



TO PAY CLAIMS

2



WEALTH CREATION

OUR PURPOSE:

To help members protect their dreams,
and grow and secure their financial worth

INTEGRATED REPORT



READ THE LATEST
INTEGRATED REPORT
AT PPS.CO.ZA

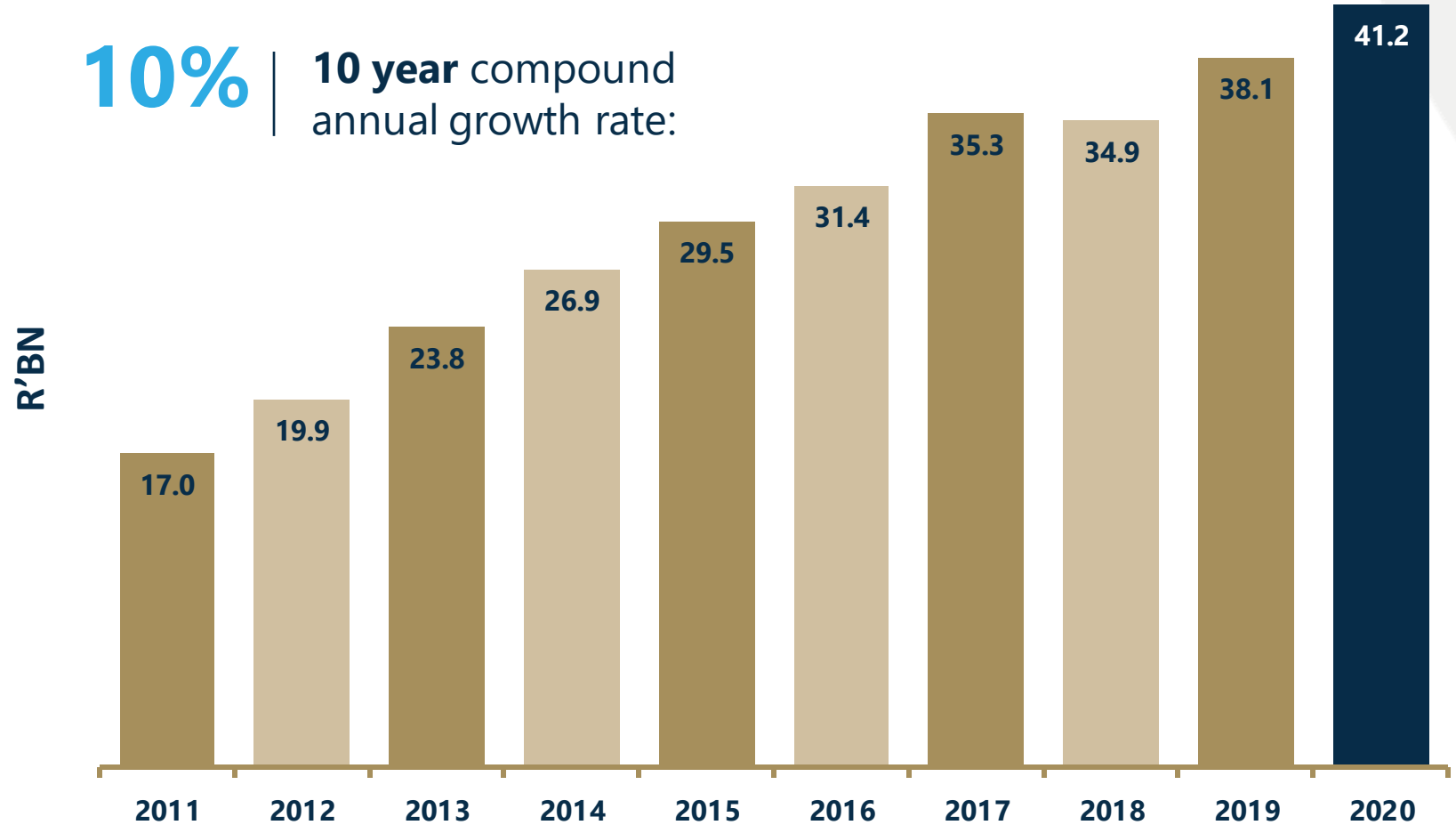


PPS GROUP ASSETS

10% | **10 year** compound
annual growth rate:



*Excluding unit trusts for third parties.





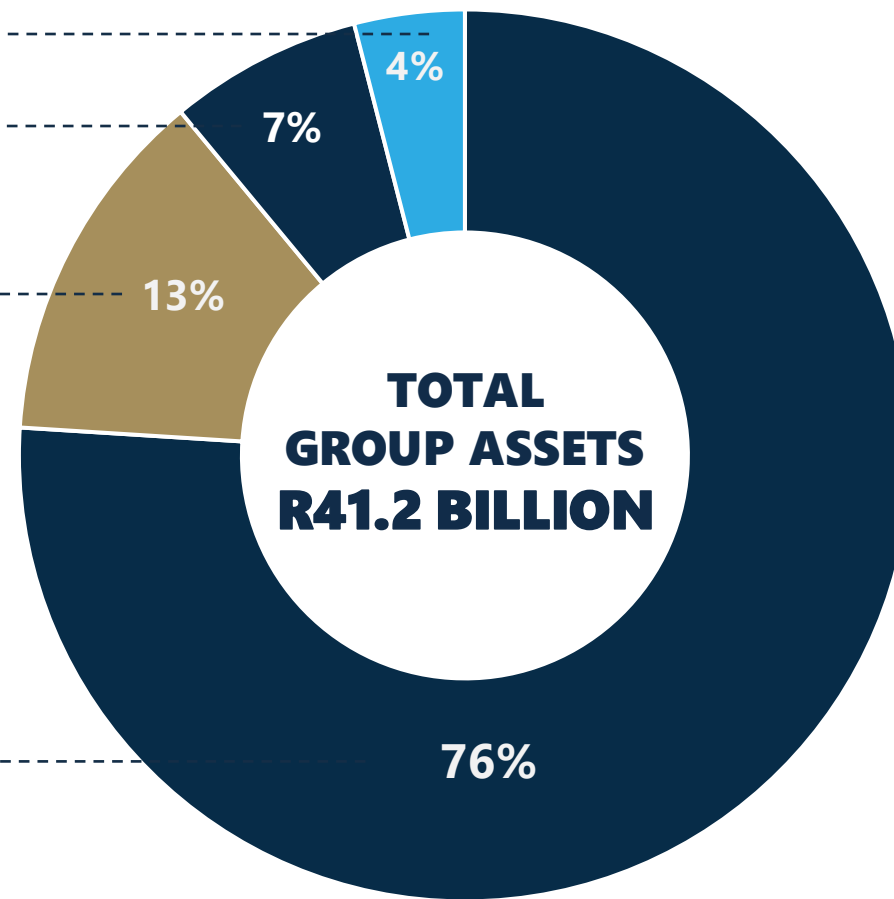
PPS GROUP ASSETS - BREAKDOWN

**GROUP
SUBSIDIARIES**

**INVESTMENT
ASSETS**

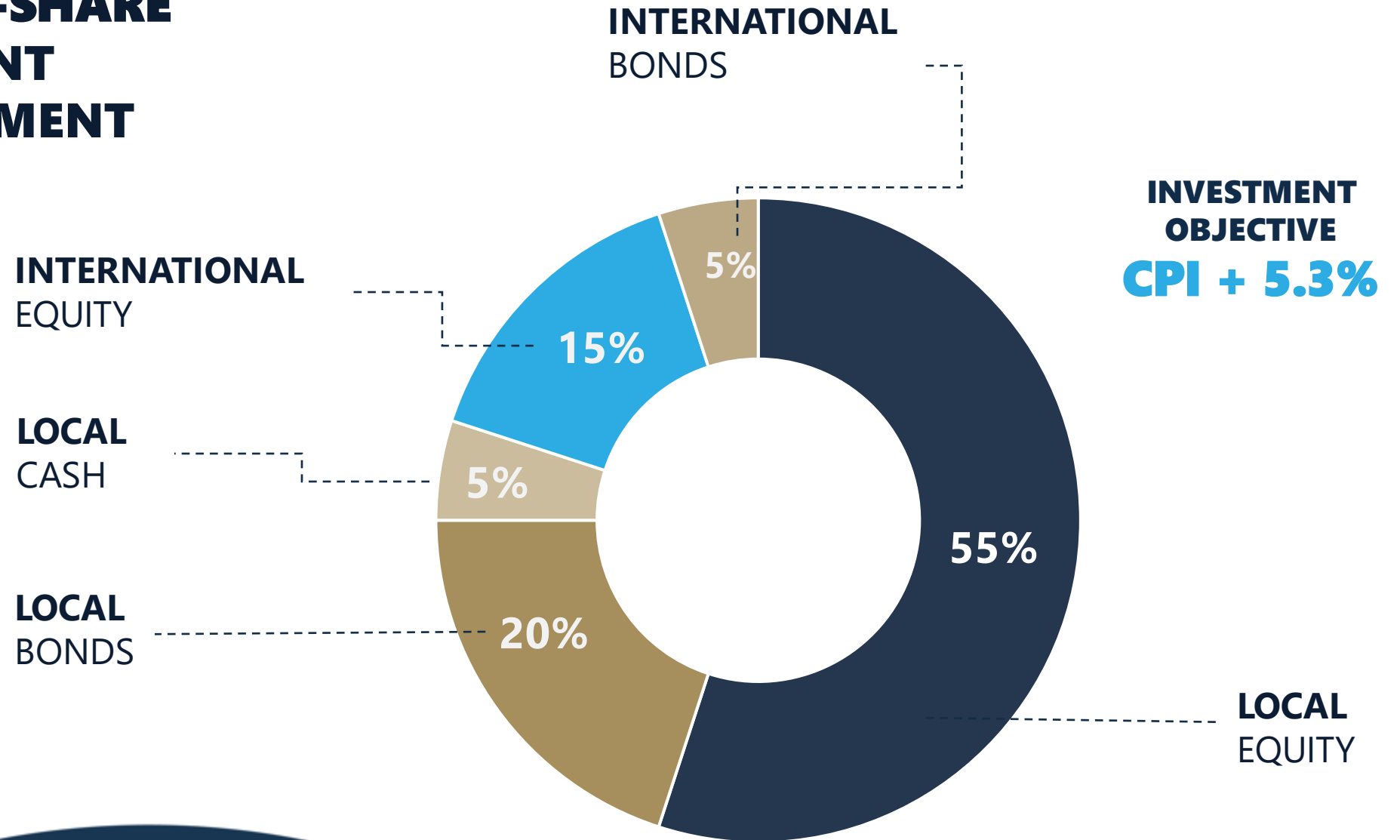
**ACTURAL RESERVES
SOLVENCY**

**PROFIT-SHARE
ACCOUNTS**



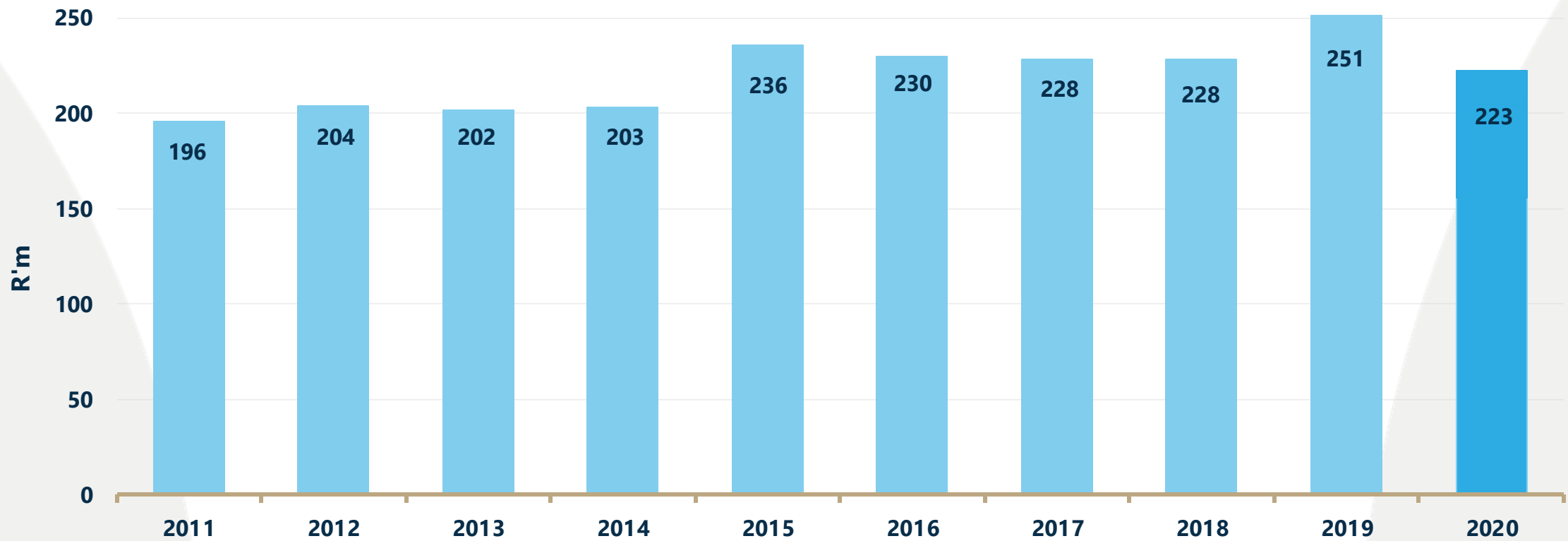


PROFIT-SHARE ACCOUNT INVESTMENT





GROWTH IN NEW BUSINESS

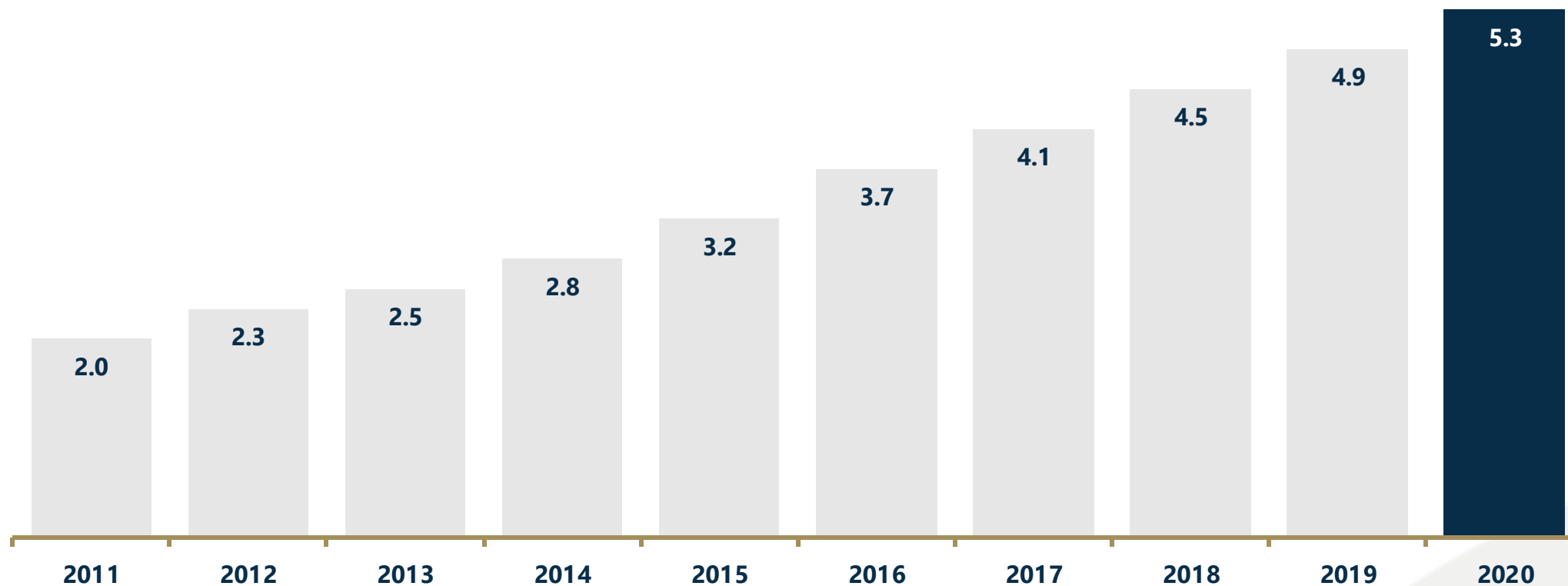


R5.3
BILLION

↑ 7%

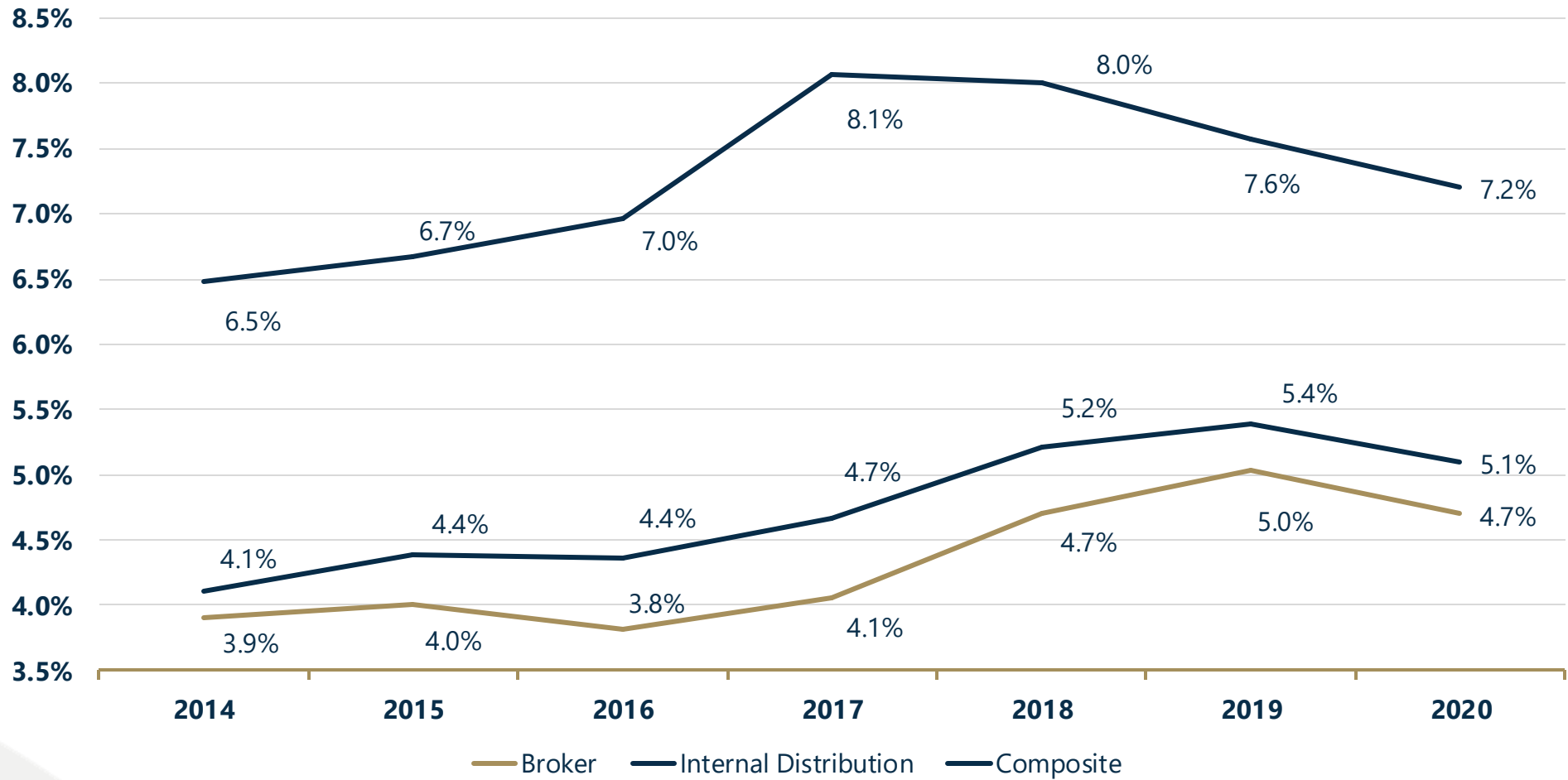
PPS GROUP GROSS PREMIUM INCOME

GROSS PREMIUM INCOME





LAPSE RATIO *per annum*





BENEFITS and CLAIMS **IN NUMBERS**

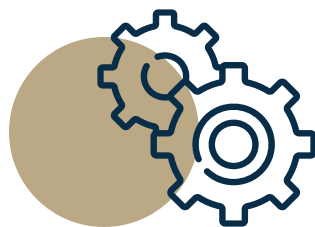
R4.8 bn
TOTAL BENEFITS PAID

↑ **29%**
from 2019

SICKNESS	R949 m	↑ 53%
PERMANENT INCAPACITY	R626 m	↑ 16%
LIFE COVER	R1 122 m	↑ 81%
CRITICAL ILLNESS	R261 m	↑ 16%
LUMP-SUM DISABILITY	R167 m	↑ 9%
MOTOR & HOUSEHOLD	R117 m	↓ 13%
EXIT PAYMENTS	R1 596 m	↑ 10%



PPS INSURANCE CLAIMS IN 2020



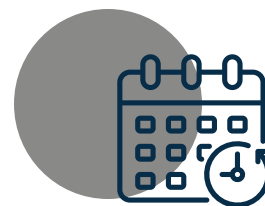
27 350

CLAIMS PROCESSED



R12.5 m

LIFE AND HEALTH RISK
CLAIMS PAID PER
WORKING DAY



110 CLAIMS

PER WORKING DAY

↑ **25%**
(total life claims)



COVID-19 CLAIMS



PPS COVID-19 CLAIMS AND STATISTICS

Below are some examples of claims we have received and processed, from March – Dec 2020.



4 201

**COVID-19 RELATED
CLAIMS PAID**



R156 m

**TOTAL SICKNESS
CLAIMS PAID**



R234 m

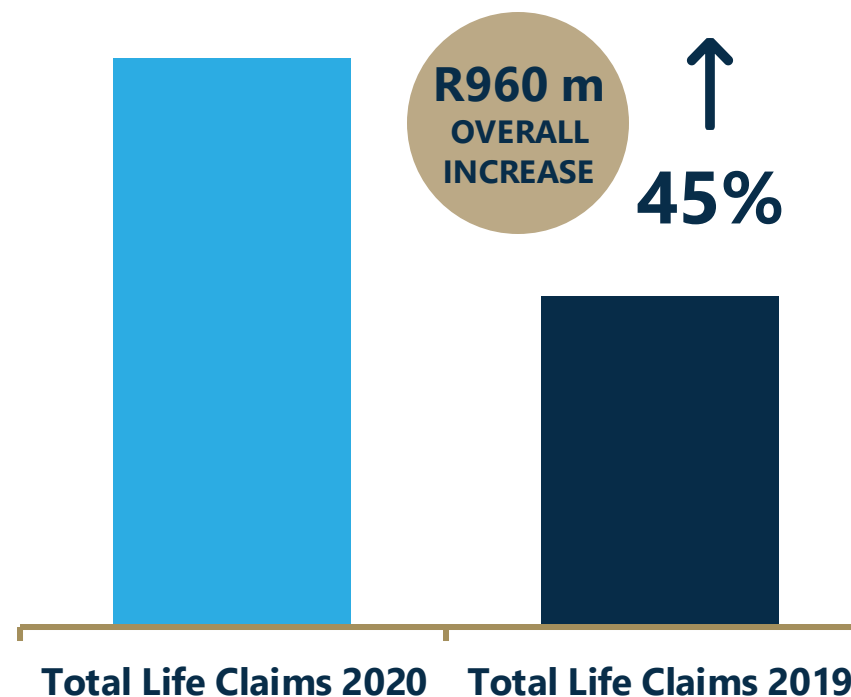
TOTAL DEATH CLAIMS PAID*



R390M

TOTAL COVID-19 RELATED CLAIMS PAID

*Excluding Profit-Share payouts.

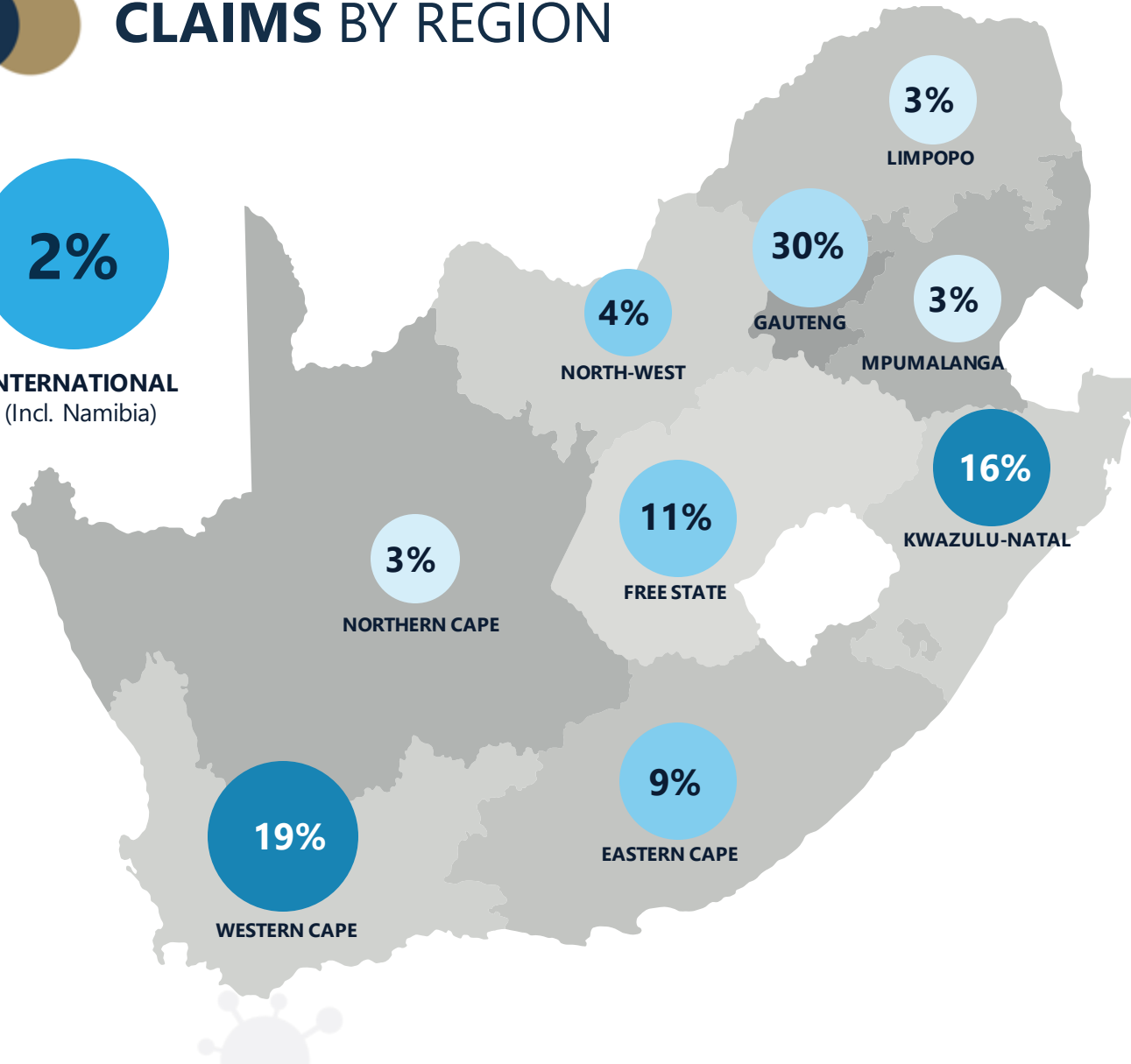




CLAIMS BY REGION

2%

INTERNATIONAL
(Incl. Namibia)



CLAIMS BY COVID-19 (CLAIMS PROTOCOL)

80% COVID+

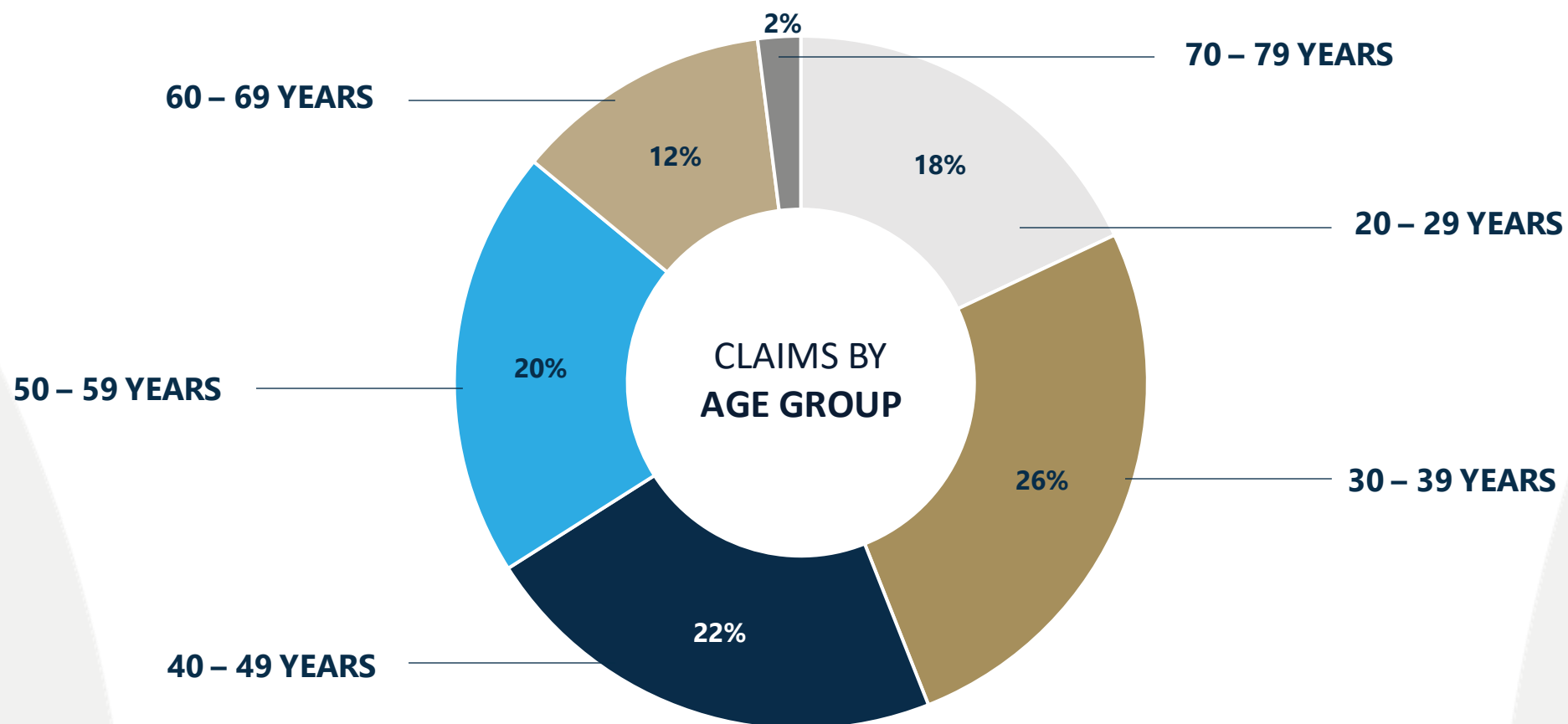
14% QUARANTINE MEDICAL

4% QUARANTINE GOVERNMENT/NICD

2% PERSON UNDER INVESTIGATION (PUI)

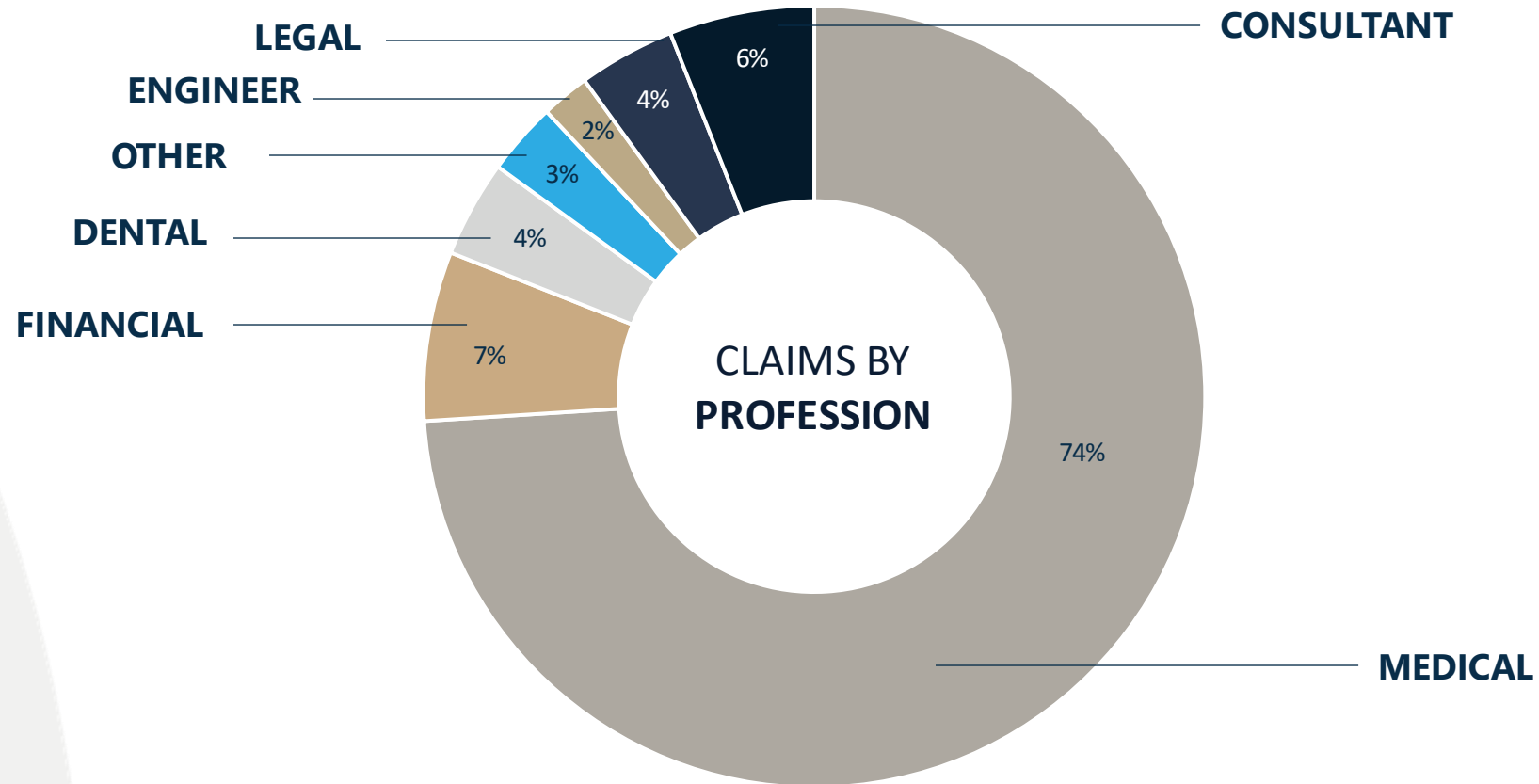


COVID-19 CLAIMS BY AGE



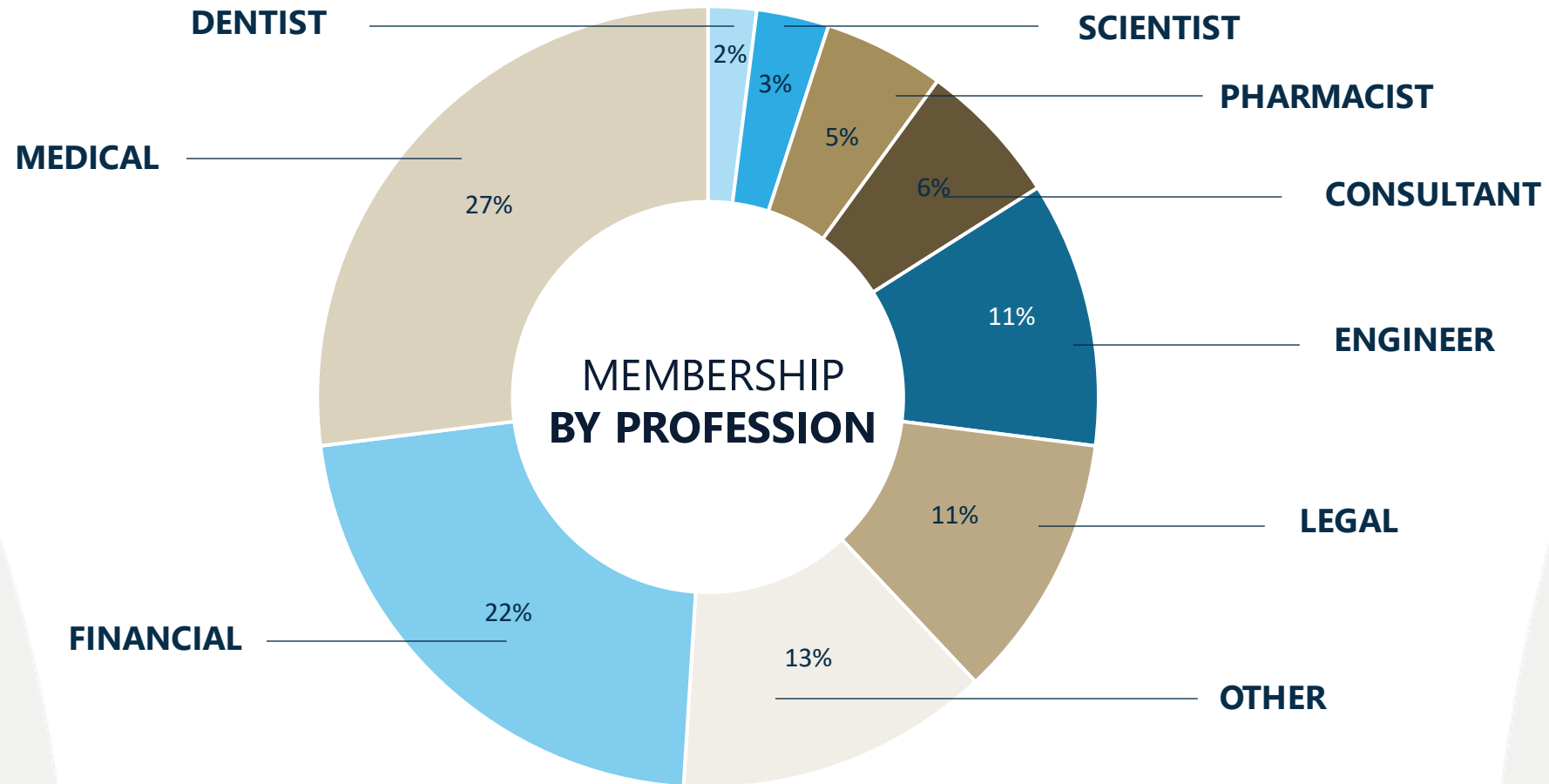


COVID-19 CLAIMS BY PROFESSION





COVID-19 CLAIMS BY PROFESSION



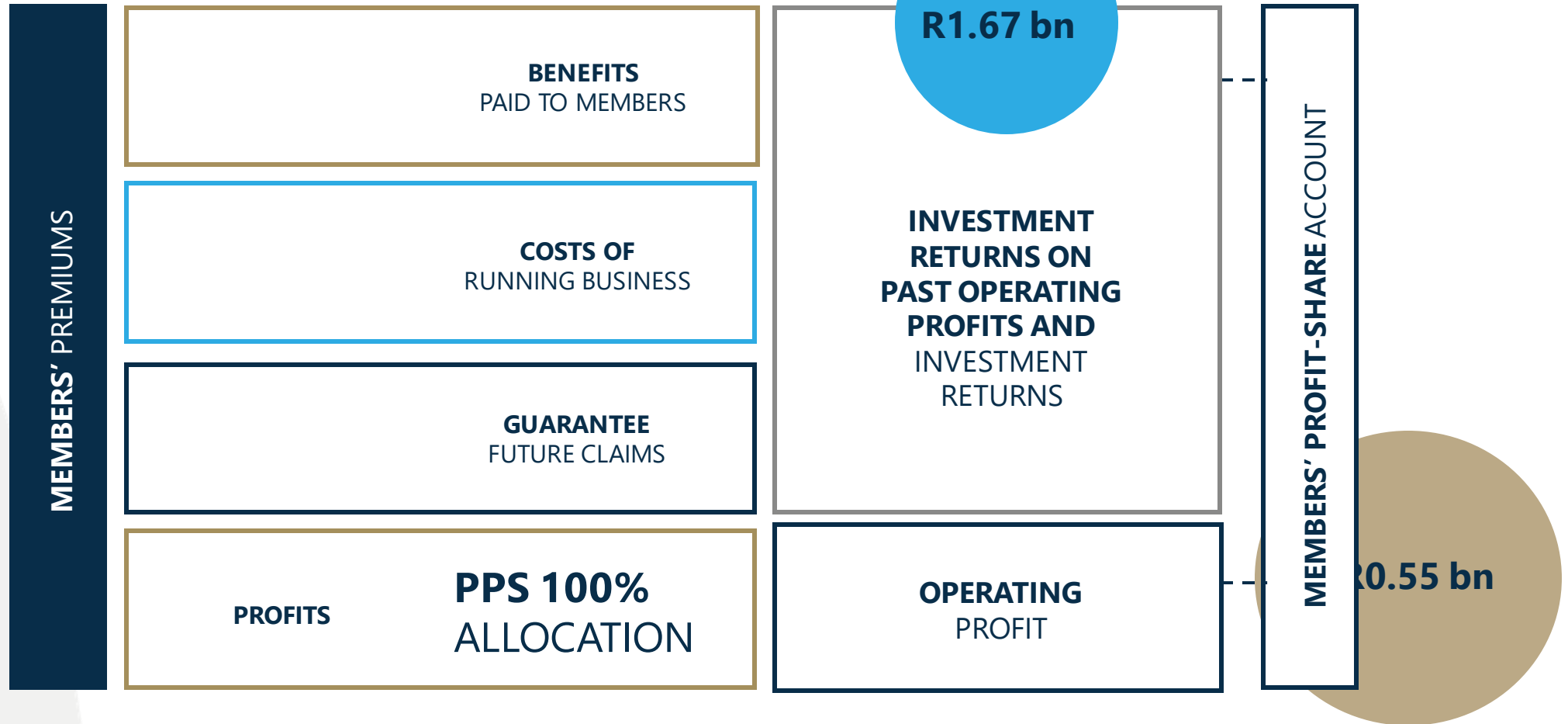


MUTUALITY & PROFITS

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid



MUTUALITY



R0.55 bn



OPERATING PROFIT

R2.22 bn

PROFIT-SHARE ALLOCATED TO MEMBERS'
PROFIT-SHARE ACCOUNT

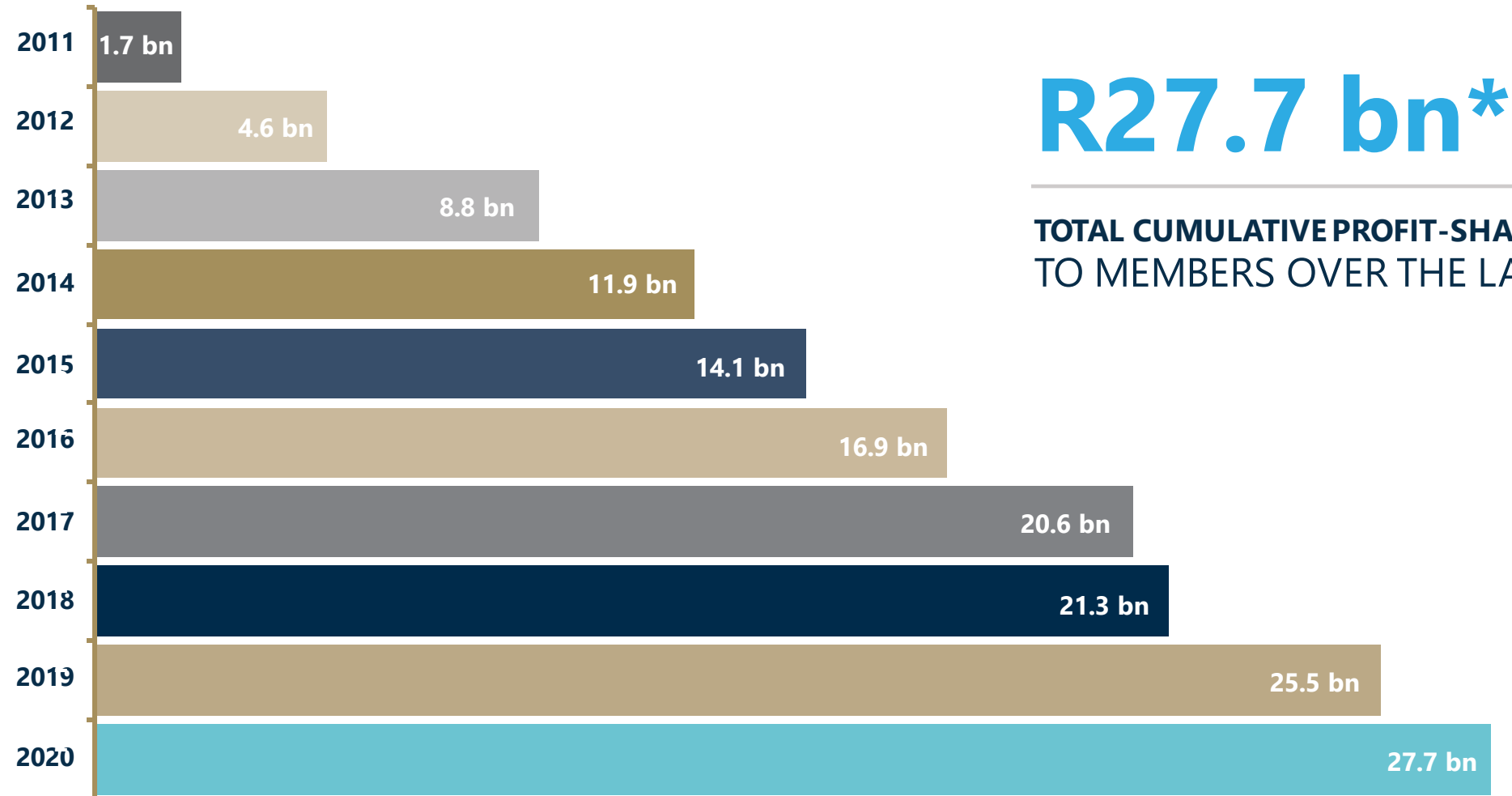
R1.67 bn



INVESTMENT RETURN



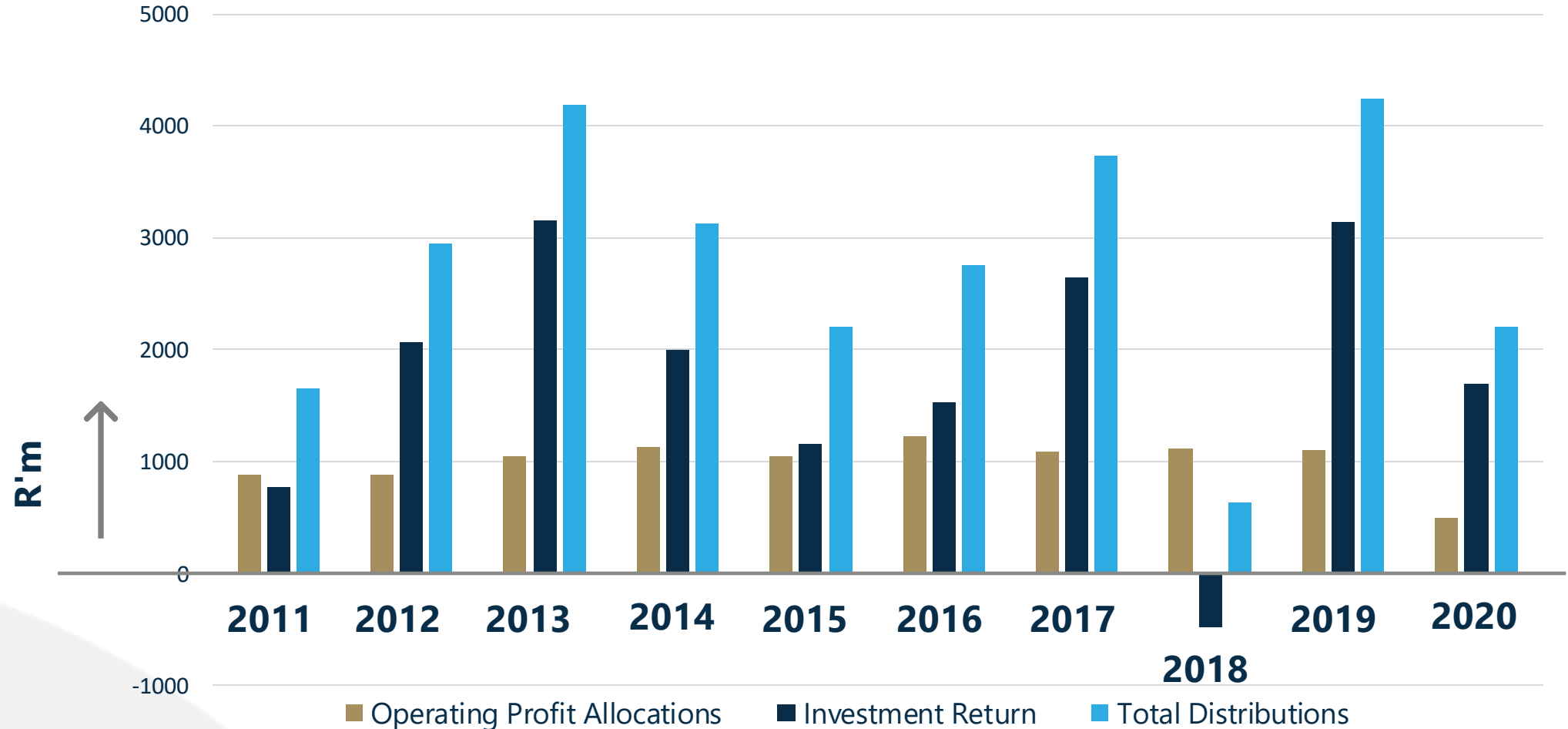
TOTAL CUMULATIVE PROFIT-SHARE ALLOCATION TO MEMBERS OVER THE LAST 10 YEARS



*All benefits including exits.



PROFIT-SHARE ALLOCATION 2010 TO 2020





PROFIT-SHARE



Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid



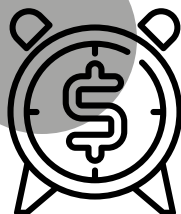
PPS MILLIONAIRES

↑
11%

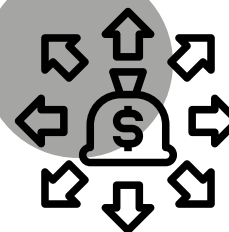


7 561
NUMBER OF
MILLIONAIRES

↑
5%



5 328
MILLIONAIRES
NOT VESTED

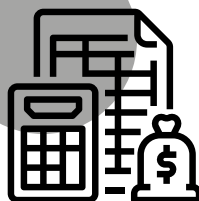


41 YEARS
YOUNGEST
MILLIONAIRE

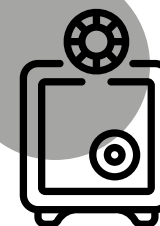
↑
21%



582
MILLIONAIRES
>R2 m



27
YOUNGER
THAN 45 YEARS



260
YOUNGER
THAN 50 YEARS



THE POWER OF THE PPS PROFIT-SHARE ACCOUNT

Examples of actual members that retired during 2020

AGE	YEARS OF (MEMBERSHIP)	TOTAL PREMIUMS PAID	TOTAL CLAIMS PAID	PPS (PROFIT-SHARE PAID)
85	52	R223 888	R28 182	R2 582 736
72	42	R1 715 731	R256 322	R2 203 366
68	41	R1 930 339	R167 566	R2 064 215
68	30	R2 475 406	R2 587 094	R1 783 948
63	39	R778 702	R72 360	R1 824 124



PROFIT-SHARE ACCOUNT

DIFFERENTIATORS



AUTOMATICALLY ACTIVATED



100% PROFIT ALLOCATION



PROTECTED FROM CREDITORS



NO PENALTY WHEN CLAIMING



BOOSTS RETIREMENT SAVINGS



NO ADDITIONAL PREMIUM



PORTFOLIO CHOICE FROM AGE 55



PROFIT-SHARE CROSS-HOLDINGS BOOSTER

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid



THE PROFIT-SHARE CROSS-HOLDINGS BOOSTER CONCEPT

PROFIT-SHARE CROSS-HOLDING BOOSTER TIERS	BOOSTER %
PPS INSCO PRODUCT ONLY	0%
PLUS ONE OTHER SUBSIDIARY PRODUCT	15%
PLUS TWO OTHER SUBSIDIARY PRODUCTS	22.5%
PLUS THREE OTHER SUBSIDIARY PRODUCTS	27.5%

Percentages can change annually



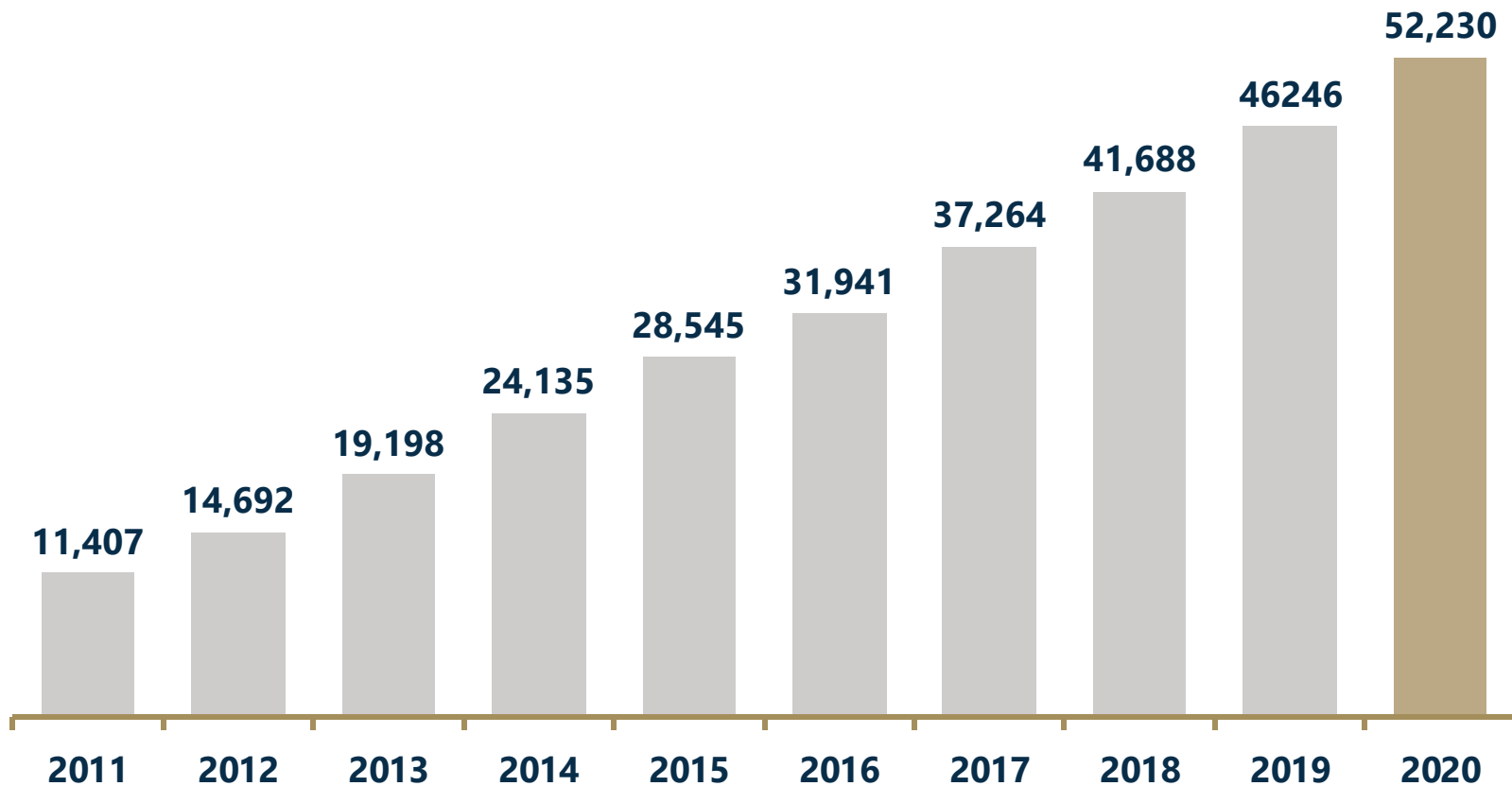
PPS SUBSIDIARIES

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid



2020 PPS INVESTMENTS HIGHLIGHTS

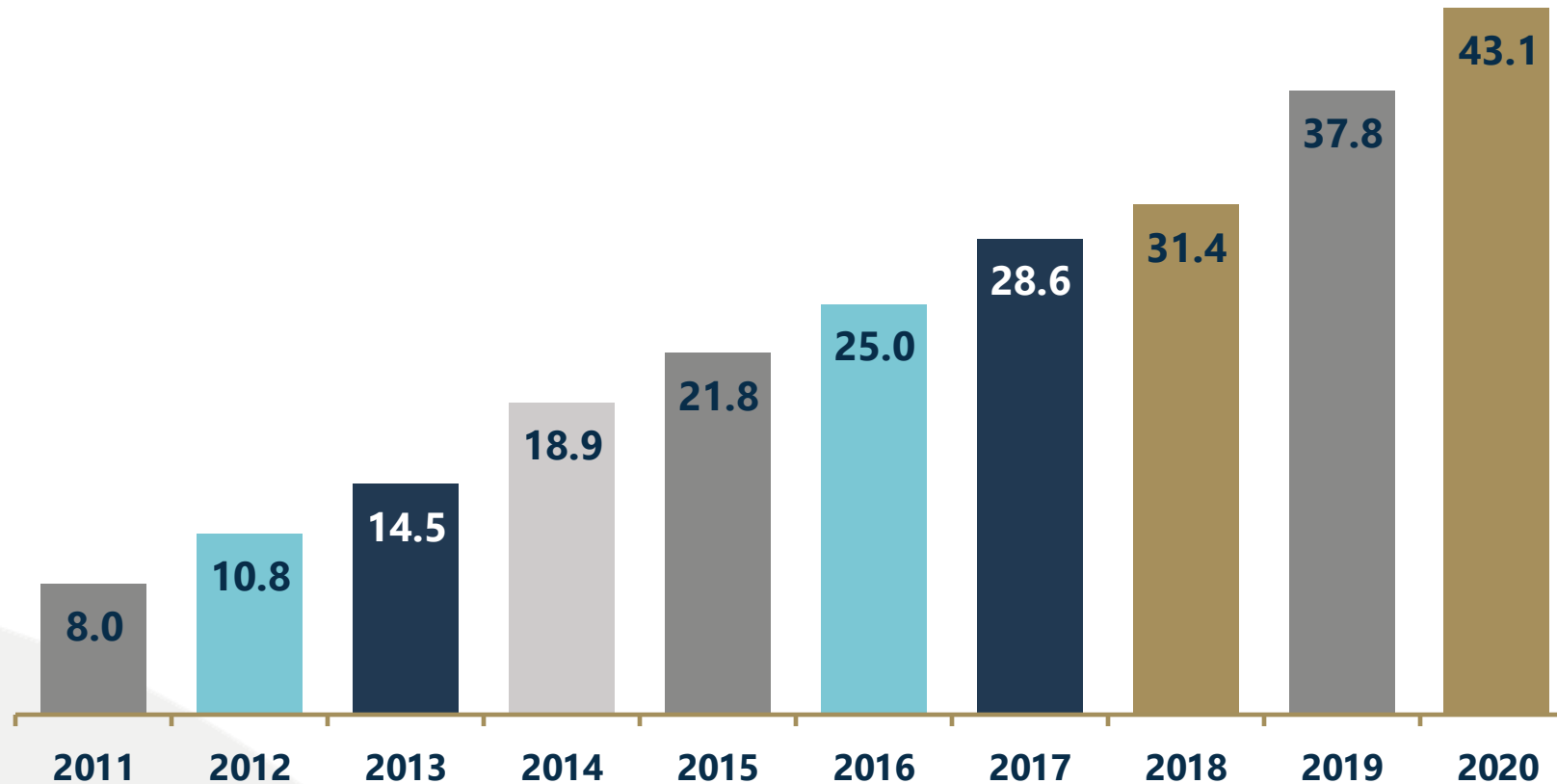
INVESTORS UP 13% TO OVER 52 000





2020 PPS INVESTMENT HIGHLIGHTS

ASSETS UNDER ADMINISTRATION UP 14% (R bn)



UP 14%

↑



2020 PPS INVESTMENTS HIGHLIGHTS

R7.5 bn

PPS NEW INVESTMENT FLOWS



UP 22%



2020 PPS INVESTMENTS HIGHLIGHT

PERFORMANCE PEDIGREE

PPS MULTI-MANAGER FUND RANGE	Morning-star rating	1 Year		2 Years		3 Years		5 Years		7 Years	
		Return %	Quartile	Return %	Quartile	Return %	Quartile	Return %	Quartile	Return %	Quartile
PPS Flexible Income A2	***	4.59	3	6.08	3	7.05	3	7.65	3	7.49	2
PPS Conservative FoF A2	****	11.10	1	8.49	1	8.16	1	7.36	1	7.72	1
PPS Moderate FoF A2	****	15.40	1	9.46	1	7.96	1	7.36	1	7.54	1
PPS Balanced FoF A2	***	14.43	3	8.74	2	7.48	2	6.68	2	6.80	2
PPS Equity A2	****	36.52	1	12.96	1	6.35	2	8.24	1	6.00	2
PPS Worldwide Flexible FoF A2	****	27.67	1	17.11	1	14.35	1	9.87	1	9.47	2
PPS Global Balanced FoF A2	*****	12.89	3	16.32	2	17.72	1	9.71	1	N/A	

PPS Partnership Fund Range	Morning-star rating	1 Year		2 Years		3 Years		5 Years		7 Years	
		Return %	Quartile	Return %	Quartile	Return %	Quartile	Return %	Quartile	Return %	Quartile
PPS Enhanced Yield A2	****	5.56	2	6.96	2	7.45	2	7.96	2	7.55	2
PPS Defensive A2	N/A	9.29	3	6.65	3	N/A		N/A		N/A	
PPS Stable Growth A2	N/A	14.49	2	7.64	2	N/A		N/A		N/A	
PPS Balanced Index Tracker A2	***	17.25	2	7.61	3	5.11	3	6.20	2	N/A	
PPS Managed A2	N/A	19.23	1	14.44	1	N/A		N/A		N/A	
PPS Global Equity Fund [ZAR]*	N/A	37.77	1	N/A		N/A		N/A		N/A	

Source: Morningstar, end Feb '21



2020 PPS SHORT-TERM INSURANCE HIGHLIGHTS

KEY METRICS END DEC 2020

>15 000
policyholders



R3.8 m
PROFIT
BEFORE TAX



51%
LOSS RATIO



**OPERATING
EXPENSES**



8%
LOWER THAN
BUDGET



PPS HEALTHCARE PROFESSIONS INDEMNITY

**R8.5
MILLION**
DEFICIT BEFORE TAX



1 063
INSURED
PROFESSIONALS



**PROFIT-
SHARING**



**R18.6
MILLION**
CUMULATIVE NEW
ANNUAL PREMIUM



2020 HEALTHCARE ADMINISTRATORS HIGHLIGHTS

195 600
LIVES MANAGED



↑
REVENUE
UP 9%

↑
PROFIT
UP 12%

INCREASED SERVICES TO EXISTING SCHEMES



2020 PPS NAMIBIA HIGHLIGHTS

N\$159 m
PROFIT



NEW CORE PRODUCTS

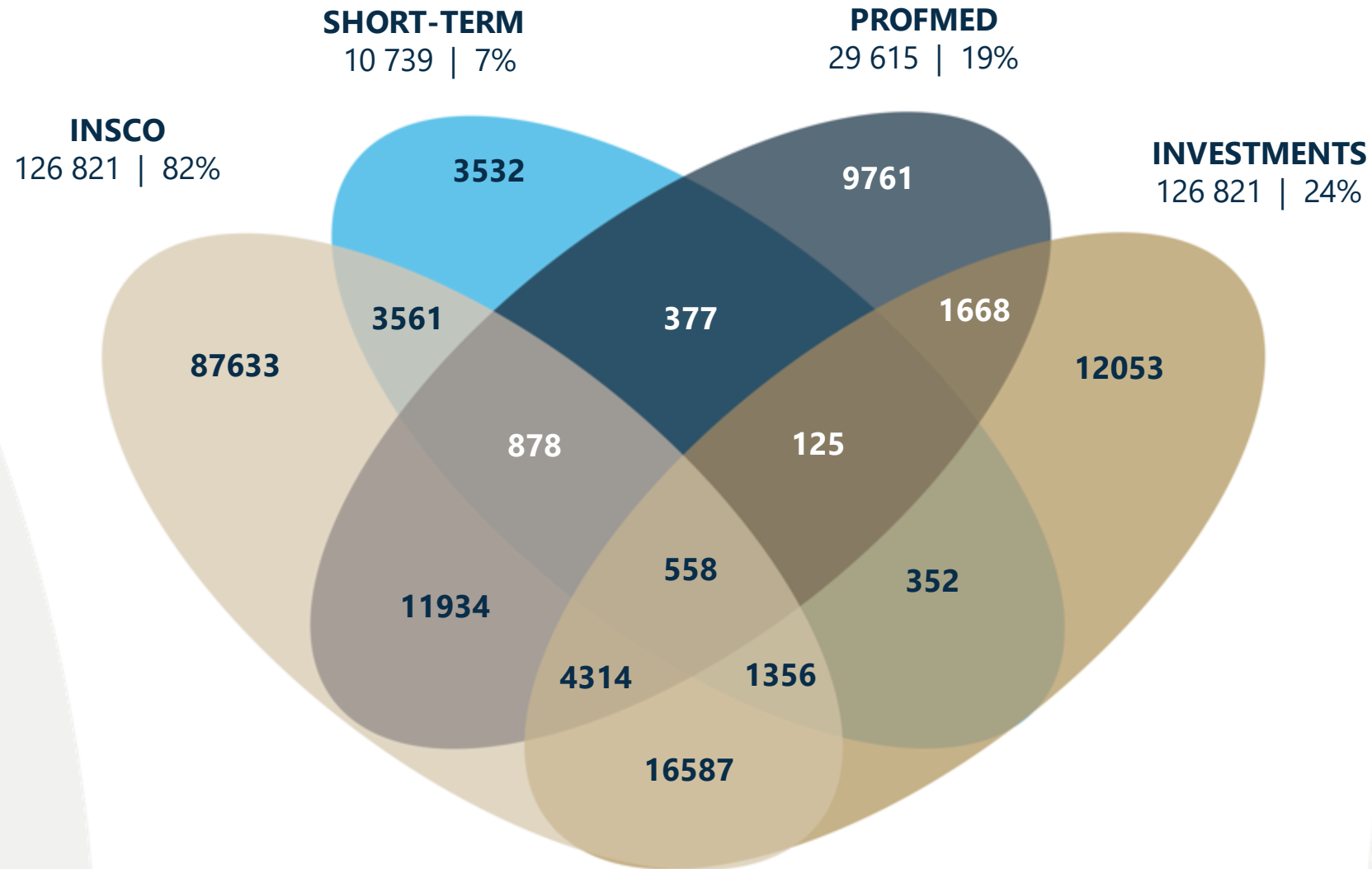


MEMBERSHIP

Life Insurance | Investments | Financial Planning | Short-Term Insurance | Medical Aid

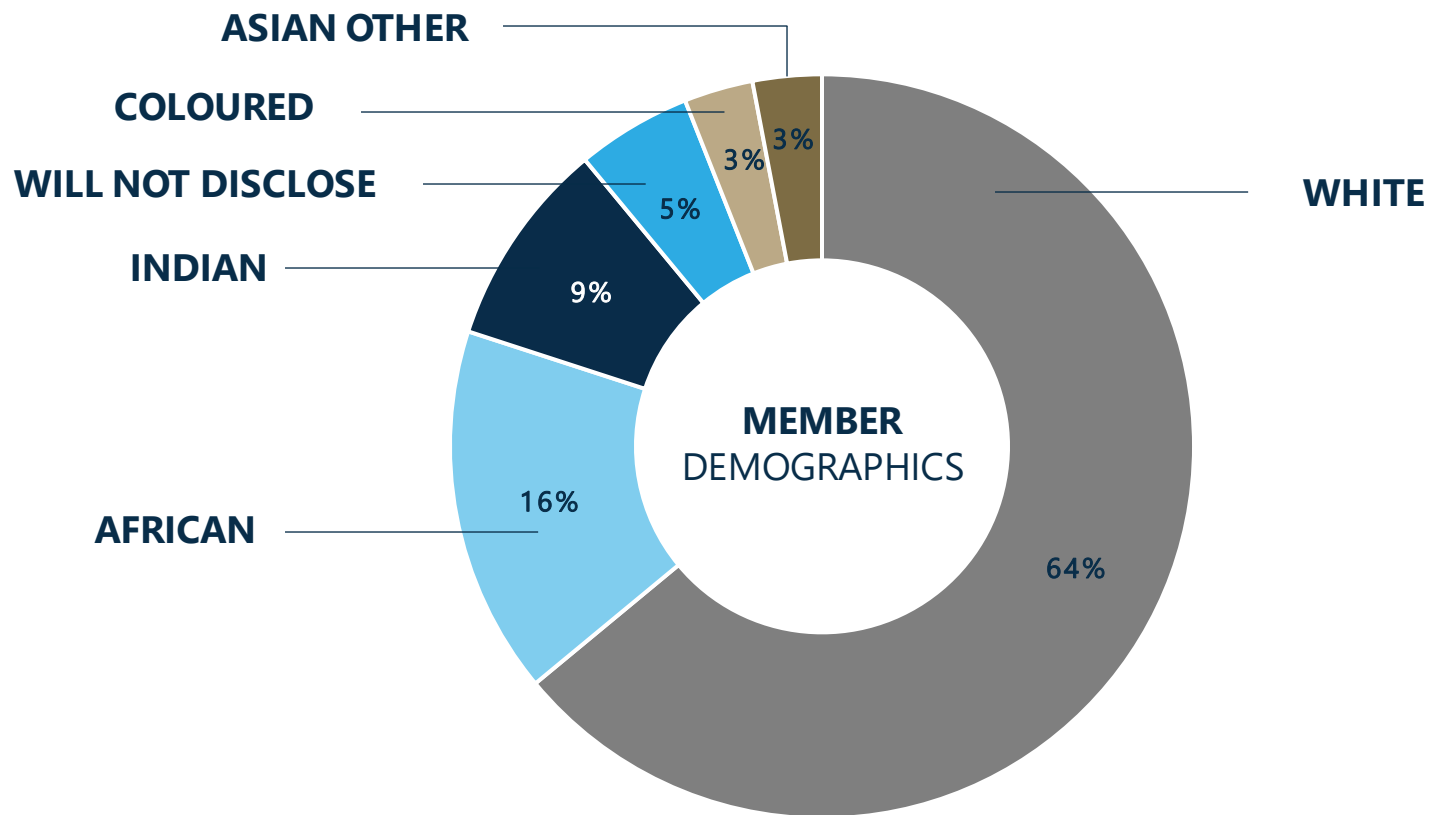


MEMBERSHIP PRODUCT HOLDING



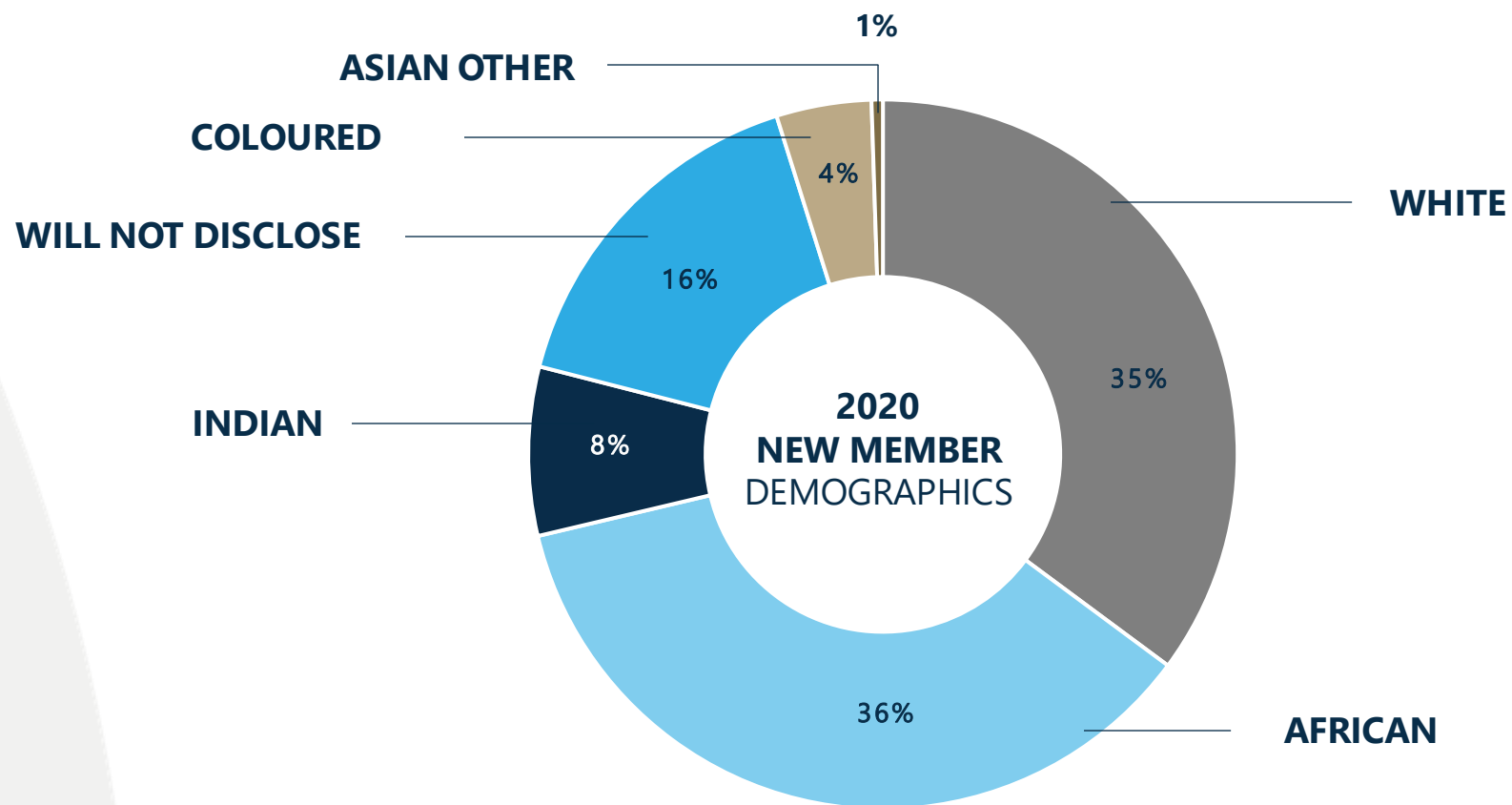


MEMBER DEMOGRAPHICS





NEW MEMBER DEMOGRAPHICS



20

21

22

23

24

25



SUMMARY



2020 REFLECTIONS – WHAT WENT WELL



**INVESTMENT MARKETS
ENDED THE YEAR STRONG**



**WEALTH OFF TO A GOOD START
IN CHALLENGING ENVIRONMENT**

**EFFICIENCY RATIO &
EXPENSES WITHIN BUDGET**



**ALL SUBSIDIARIES'
BOTTOM-LINES
BETTER THAN PLAN**





2020 REFLECTIONS – WHAT WENT WELL



**LIFE LAPSES BETTER
THAN EXPECTED**



**VERY GOOD NEW BUSINESS
NUMBERS IN PPSI**

**PEER- AND BENCHMARK
RELATIVE PERFORMANCE
IN PPSI PORTFOLIOS**

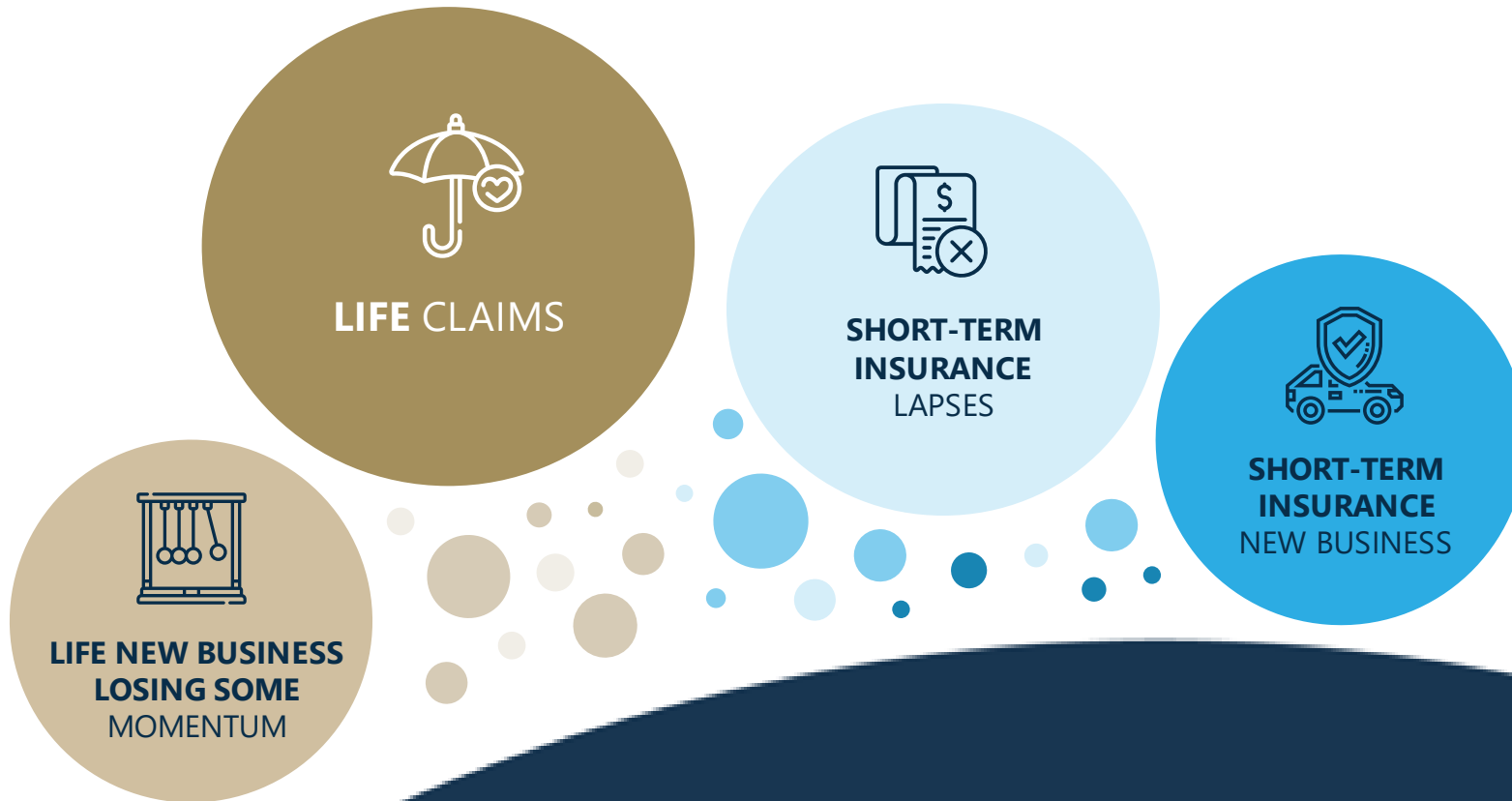


**FIDUCIARY CONTINUES
TO GROW AND UNLOCK VALUE**





2020 REFLECTION – WHAT DID NOT GO SO WELL





CEO'S MESSAGE TO MEMBERS

// A crisis is a gateway from one world to the next. The transition is tough, painful. But during and after the discomfort comes a second chance at things such as creativity and revival. In the words of Winston Churchill, we should never waste a good crisis. We could well come out stronger than ever before.

//



THANK YOU

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