



# Audited Results

and cash dividend declaration  
for the year ended 30 June 2025

# Performance overview



Normalised profit  
**+29%**  
to R15 210m

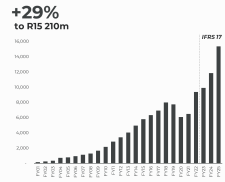
Headline earnings  
**+30%**  
to R9 625m

Normalised headline earnings  
**+30%**  
to R9 781m

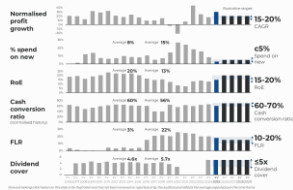
New business<sup>1</sup>  
**-2%** | **+8%**  
excl. Sasolmed  
to R26 486m

Non-insurance income  
**+12%**  
to R6 643m

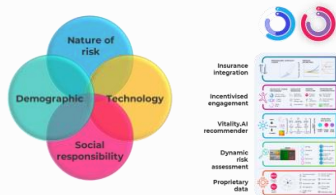
<sup>1</sup> Excluding discontinued products



**1 Robust FY25 operating performance across the Group**



**2 Excellent start to the FY25-FY29 growth corridor**



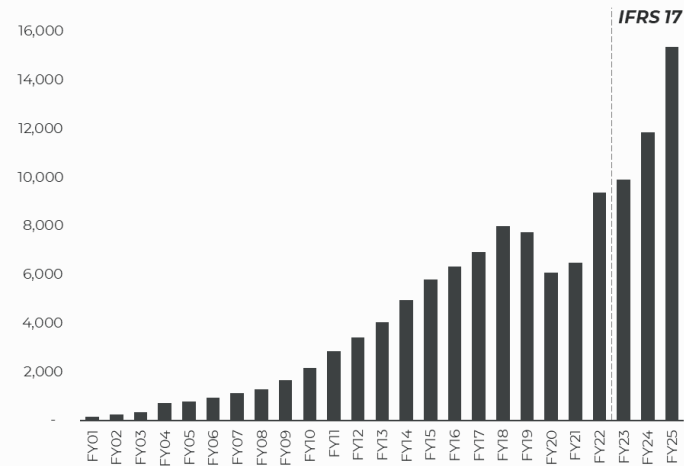
**3 Acceleration of trends underpinning the relevance of the Group's Vitality Shared-value model and unique data**



**4 Clarity of strategy and growth through two business composites**

# FY25 performance

**+29%**  
to R15 210m



# Strong profit performance

Normalised profit, ZARm

Health	4 259	+7%
Life <sup>1</sup>	5 525	+14%
Invest	1 987	+29%
Insure	817	+229%
Bank	-68	-85%
Other SA <sup>2</sup>	-515	+91%
<b>SA</b>	<b>12 005</b>	<b>+22%</b>
Vitality Health	1 188	+173%
Vitality Life	637	+70%
Vitality Network	554	+4%
Ping An Health Insurance	1 206	+7%
VHI - Other	-291	-25%
Other Vitality	-89	-54%
<b>Vitality (UK and VG)</b>	<b>3 205</b>	<b>+70%</b>

## Strong normalised profit growth

FY25

**+29%**  
to R15 210m



FY25 profit growth:

**+22%**

**+70%**

<sup>1</sup> Includes Umbrella Funds  
<sup>2</sup> Vitality and Group initiatives and central costs

# Supportive below-the-line performance



R million	Actual 2025	Actual 2024	%
<b>Normalised profit from operations</b>	<b>15 210</b>	<b>11 761</b>	<b>29%</b>
Forex gains/(losses)	-36	-87	
1 DP finance lease impact	-72	-105	
Finance charges excl. 1DP finance lease	-1 810	-1 750	
Investment income and fair value gains on financial instruments	457	480	
Other	-254	-131	
<b>Profit before tax</b>	<b>13 495</b>	<b>10 168</b>	<b>33%</b>
Taxation <sup>1</sup>	-3 937	-2 619	
<b>Profit after tax</b>	<b>9 558</b>	<b>7 549</b>	<b>27%</b>
Profit not attributable to ordinary shareholders	-231	-209	
Loss on derecognition of intangible assets	112	35	
Impairment- Held for sale	79	-	
Impairment of intangible assets	55	6	
Other headline earnings adjustments	52	3	
<b>Headline earnings</b>	<b>9 625</b>	<b>7 384</b>	<b>30%</b>
Amortisation of intangibles from business combinations	104	90	
Restructuring costs	61	37	
Other normalised headline earnings adjustment	-9	-	
<b>Normalised headline earnings</b>	<b>9 781</b>	<b>7 511</b>	<b>30%</b>

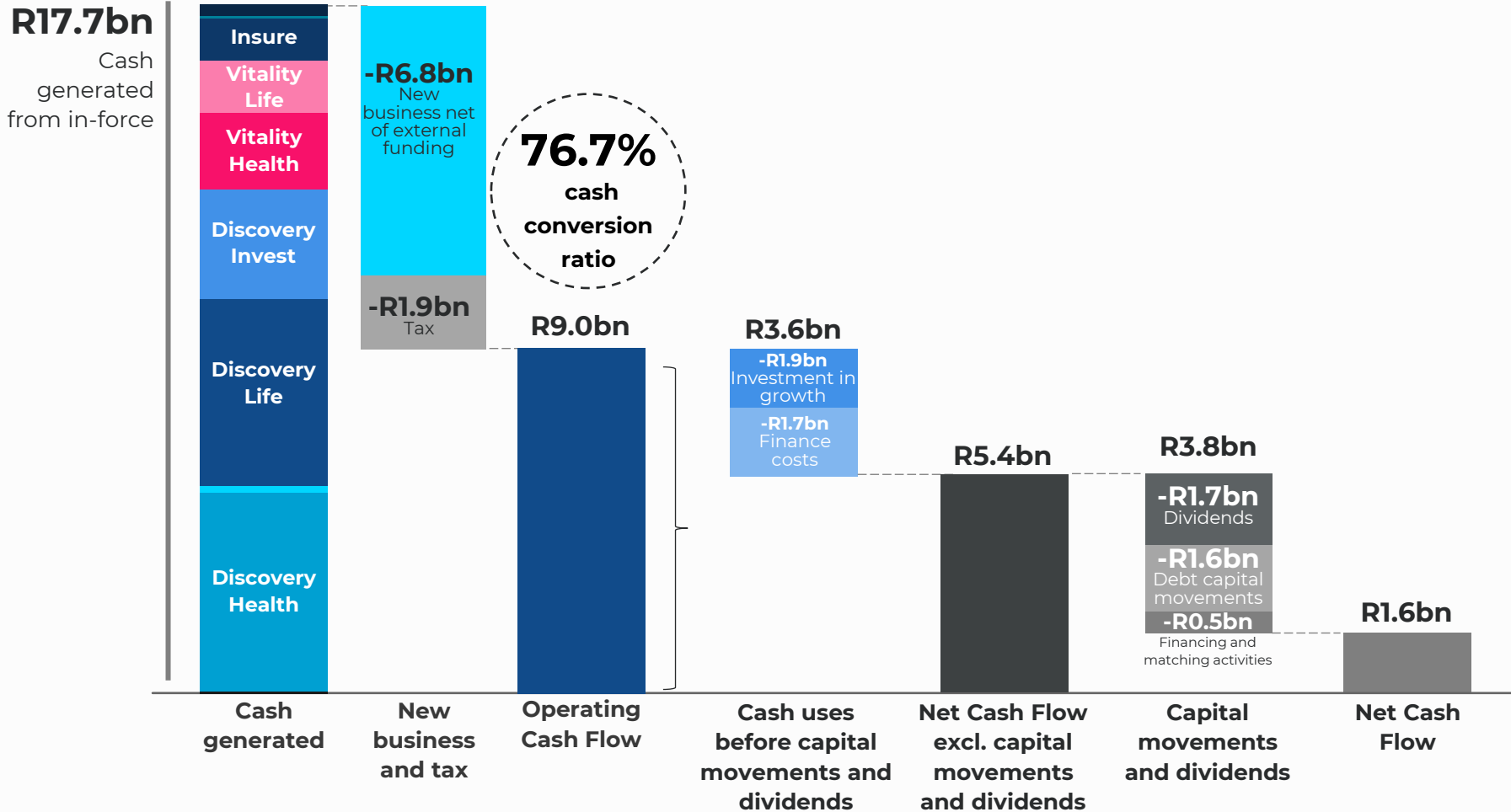
Final dividend declared 201 cps

Full-year dividend 288 cps,  
**33% growth**

**5x dividend cover**

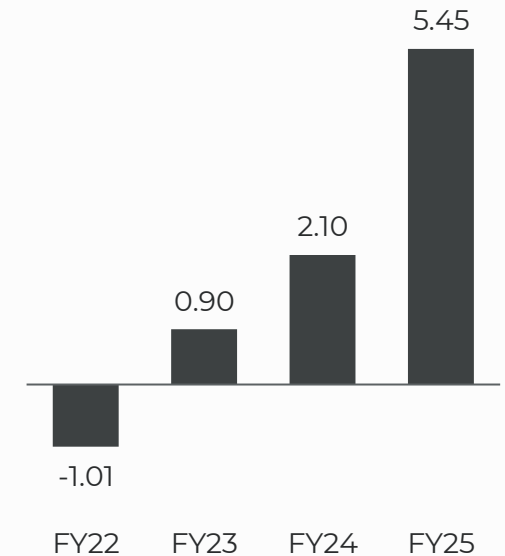
<sup>1</sup> The effective tax rate in the prior year was c.2% lower than the current rate as a result of a deferred tax asset raised on losses in the individual policyholder fund

# Robust cash generation lifts cash conversion ratio



## Adjusted Net Cash Flow (Rbn)

Before ordinary dividends, capital movements and one-offs

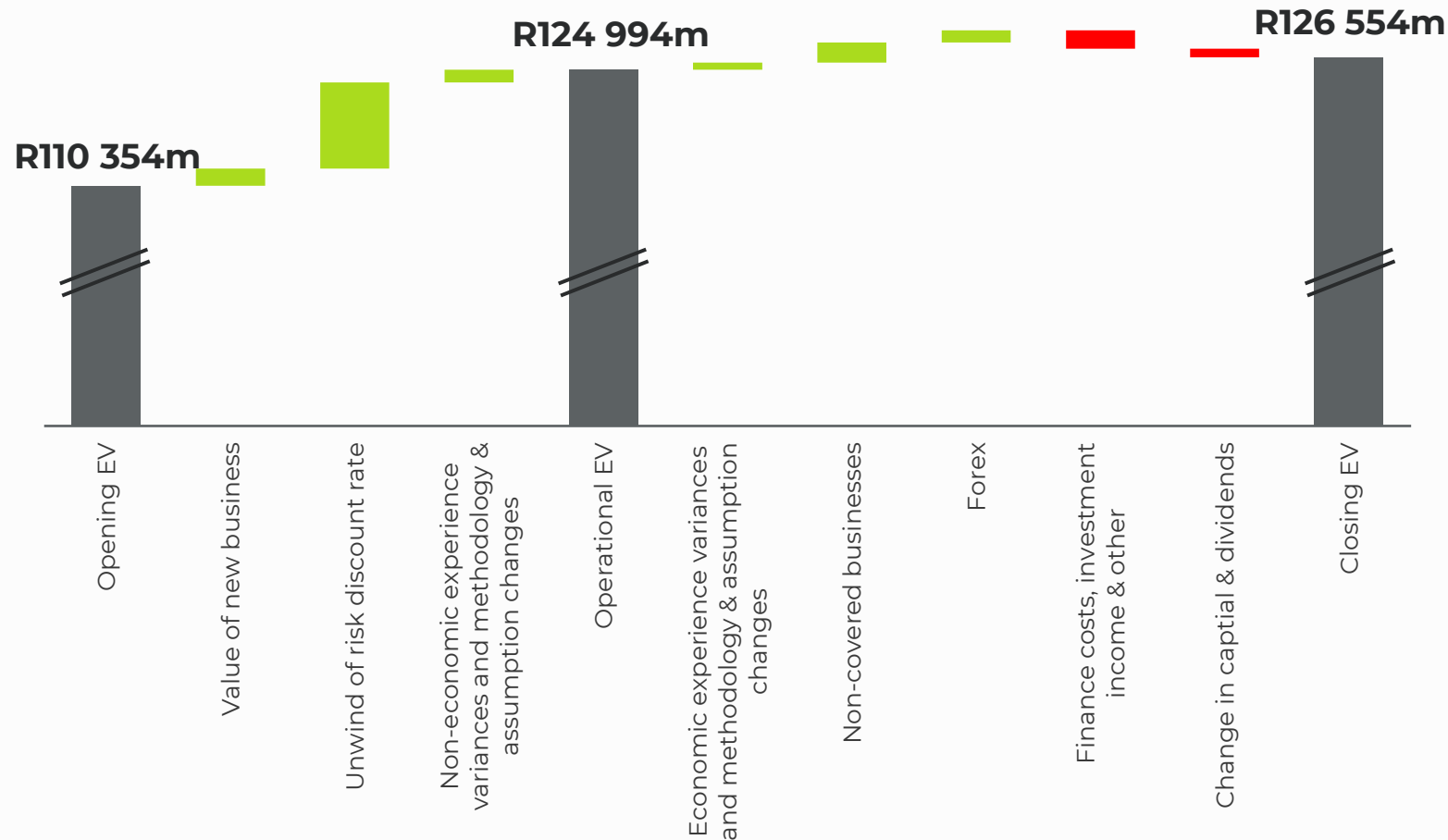


Cash conversion ratio is calculated as Operating Cash Flow (R8 997m at 30 June 2025, from the 'Additional Analyst Information' document) over the IFRS normalised profit/(loss) from operations (R15 822m at 30 June 2025, from section A.1 Segment Information of the 'Audited Results') net of IFRS income tax expense (R4 089m at 30 June 2025, from section A.1 Segment Information of the 'Audited Results')

# Robust growth in Group Embedded Value (EV)



**15.7%** Return on EV



- **Non-economic experience variances** contributed positively to the Group EV, offsetting a **strengthening to the basis**
- **Non-covered businesses:** Positive contributions from PAHI and Insure, in line with profit, and the break-even of the Bank, further supported growth
- Additional uplift from **economic impacts**, including **forex movements**

# Focus on quality new business



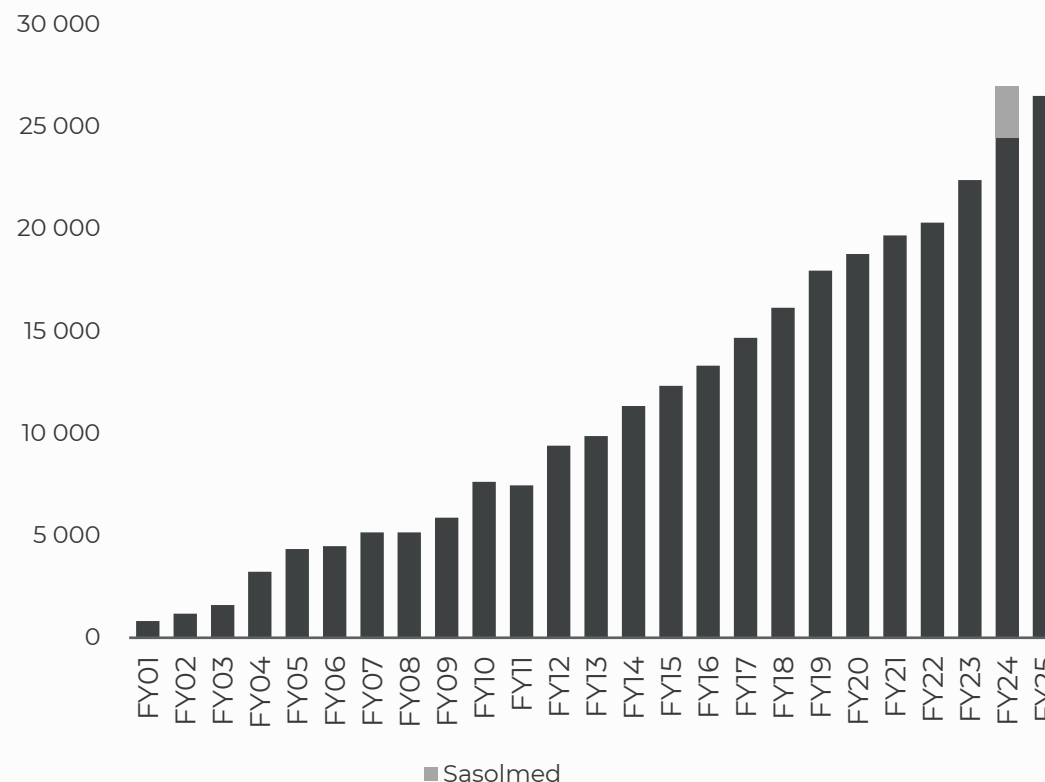
ZARm	New business		Non-insurance income	
Health <sup>1</sup>	9 573	+12%	1 343	+7%
Life	3 203	-10%		
<i>Individual Life</i>	2 733	-2%		
<i>Group Life and UF</i>	470	-41%		
Invest	3 430	+4%		
Insure	1 361	-2%		
Bank			2 338	+29%
Vitality	546	+33%		
<b>SA<sup>1</sup></b>	<b>18 113</b>	<b>+5%</b>	<b>3 681</b>	<b>+20%</b>
Vitality Health	2 851	+3%		
Vitality Life	2 499	+28%		
Vitality Network			1 977	+4%
Ping An Health Insurance	3 023	+22%		
VHI - Other			985	+5%
Other Vitality				
<b>Vitality (UK and VG)</b>	<b>8 373</b>	<b>+16%</b>	<b>2 962</b>	<b>+5%</b>
<b>Total excl. Sasolmed</b>	<b>26bn</b>	<b>+8%</b>	<b>7bn</b>	<b>+12%</b>
<b>Total</b>	<b>26bn</b>	<b>-2%</b>	<b>7bn</b>	<b>+12%</b>

## New business

FY25

**+8%**  
to **R26 486m**

Excl. Sasolmed in prior period



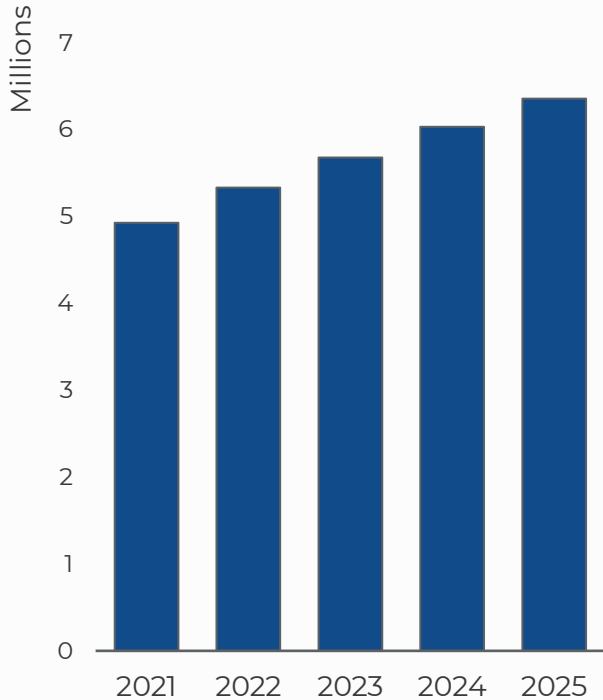
<sup>1</sup> Excl. Sasolmed

# Strong client growth



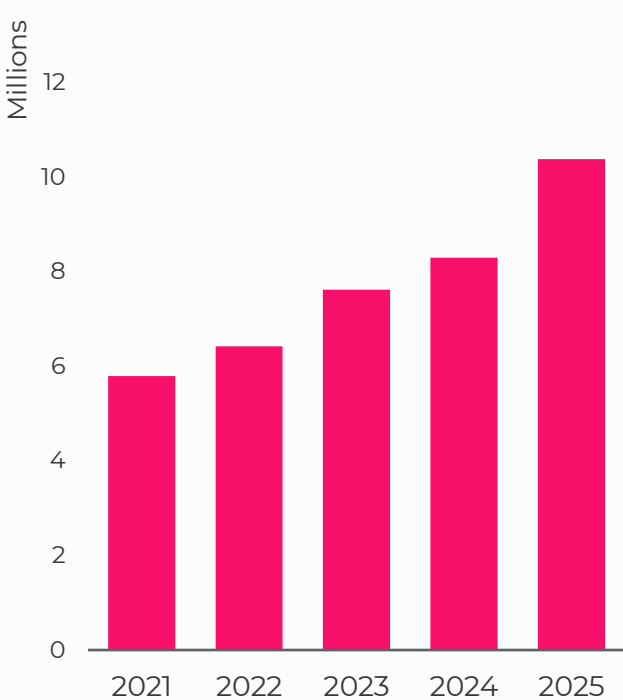
## SA

**+6%**  
to 6.4m



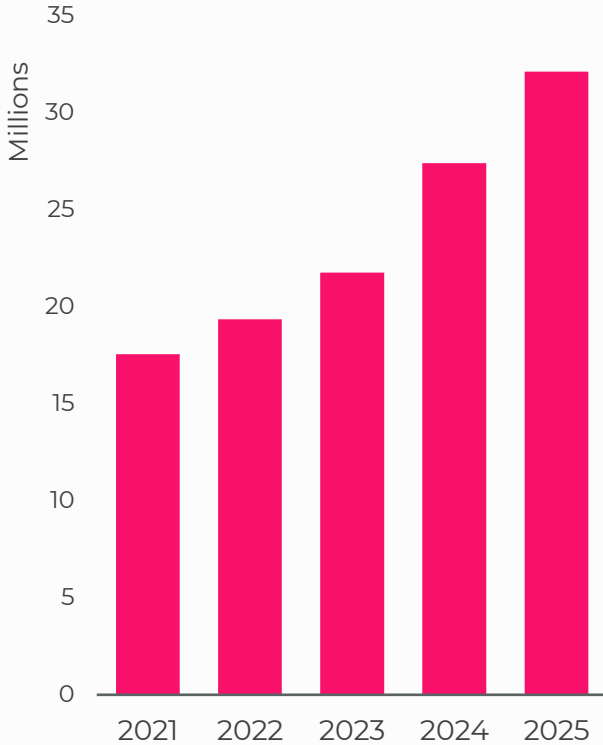
## Vitality excl. PAHI

**+25%**  
to 10.4m

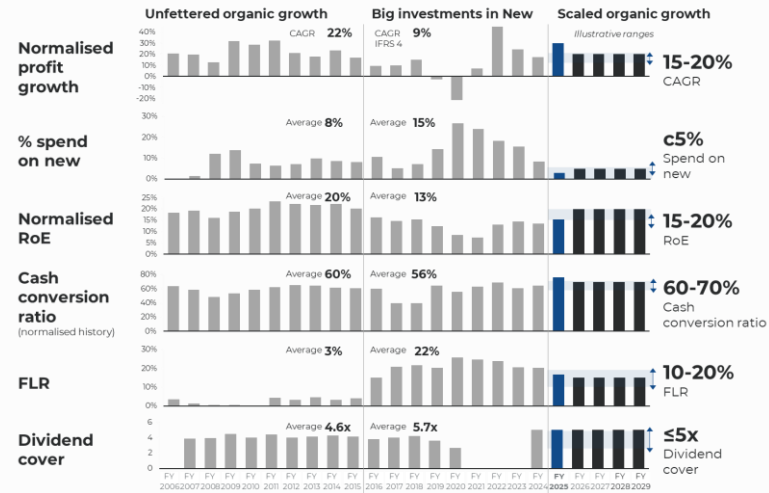


## PAHI

**+17%**  
to 32.1m



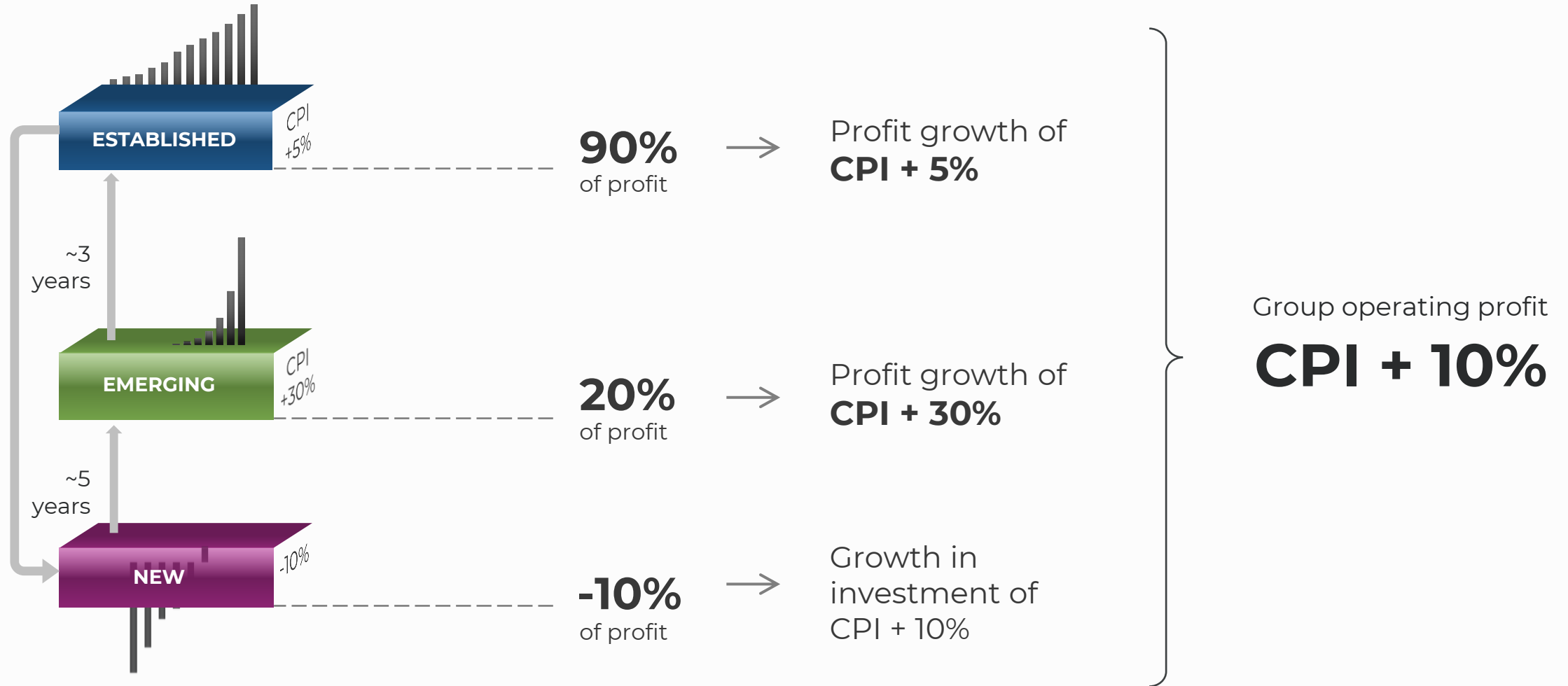
# FY25-FY29 growth corridor



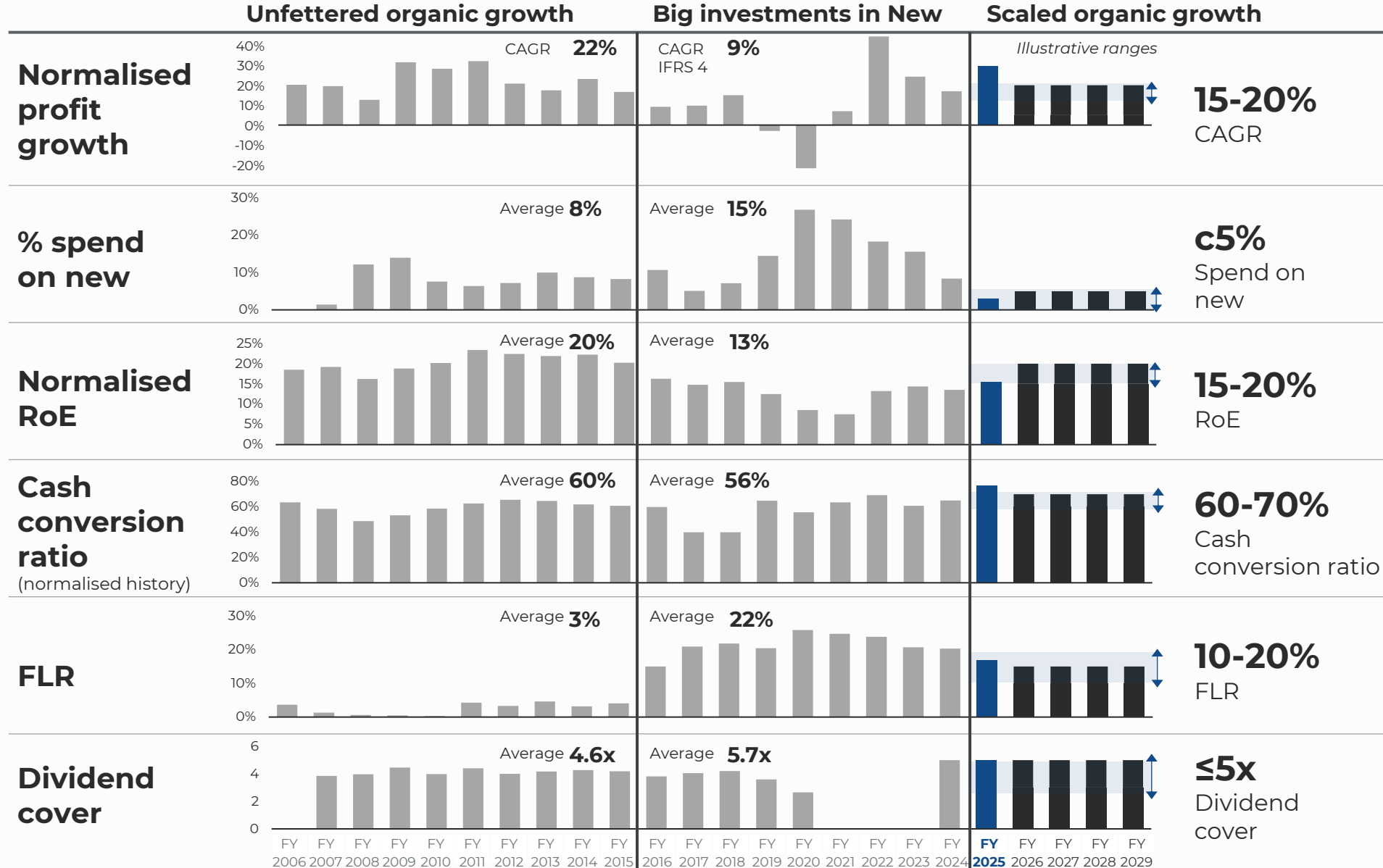
# Discovery businesses have been built organically



## Previous Organic Growth Model



# The result is different phases of growth

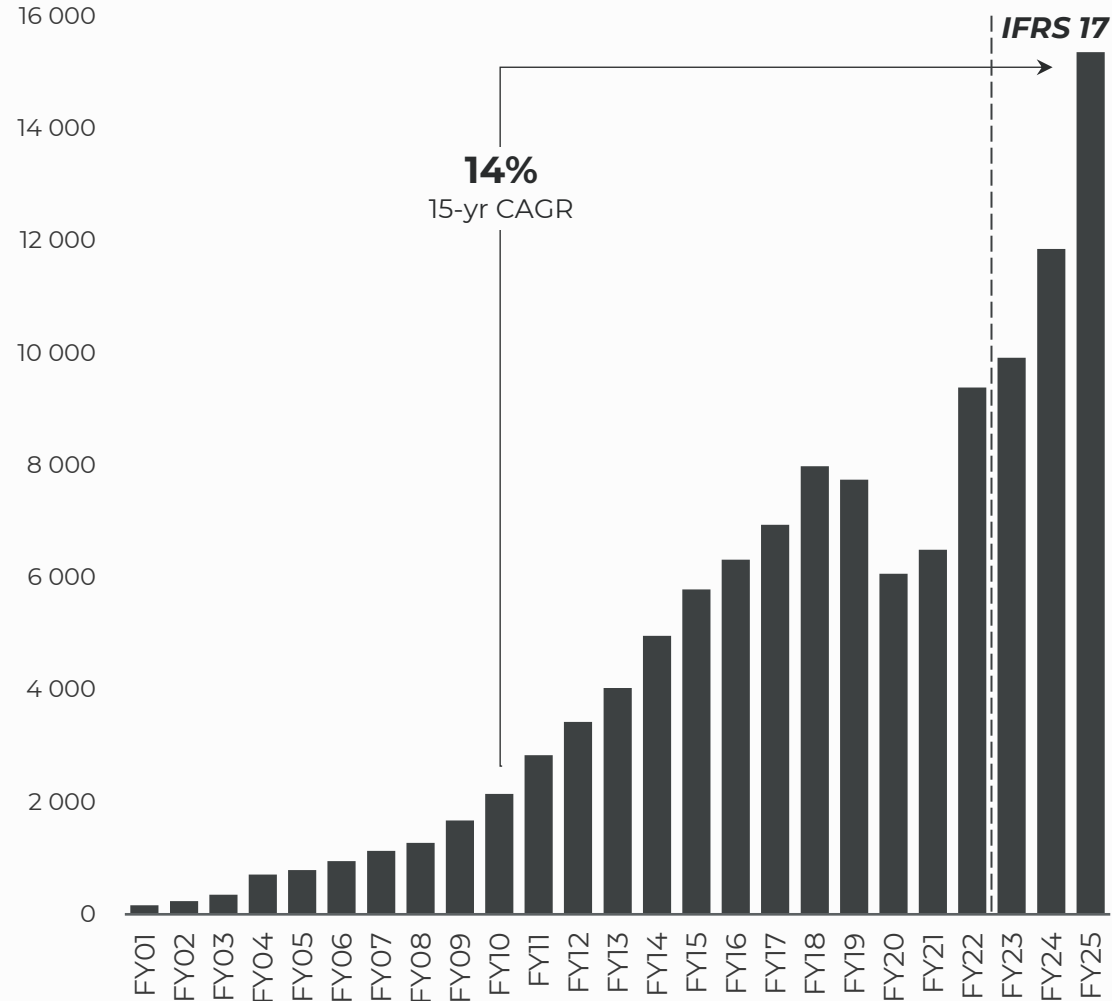


Forward looking information on this slide is for illustration and has not been reviewed or reported on by the auditors and reflects the average expected over the time frame

# Strong delivery in the first year of the five-year growth corridor

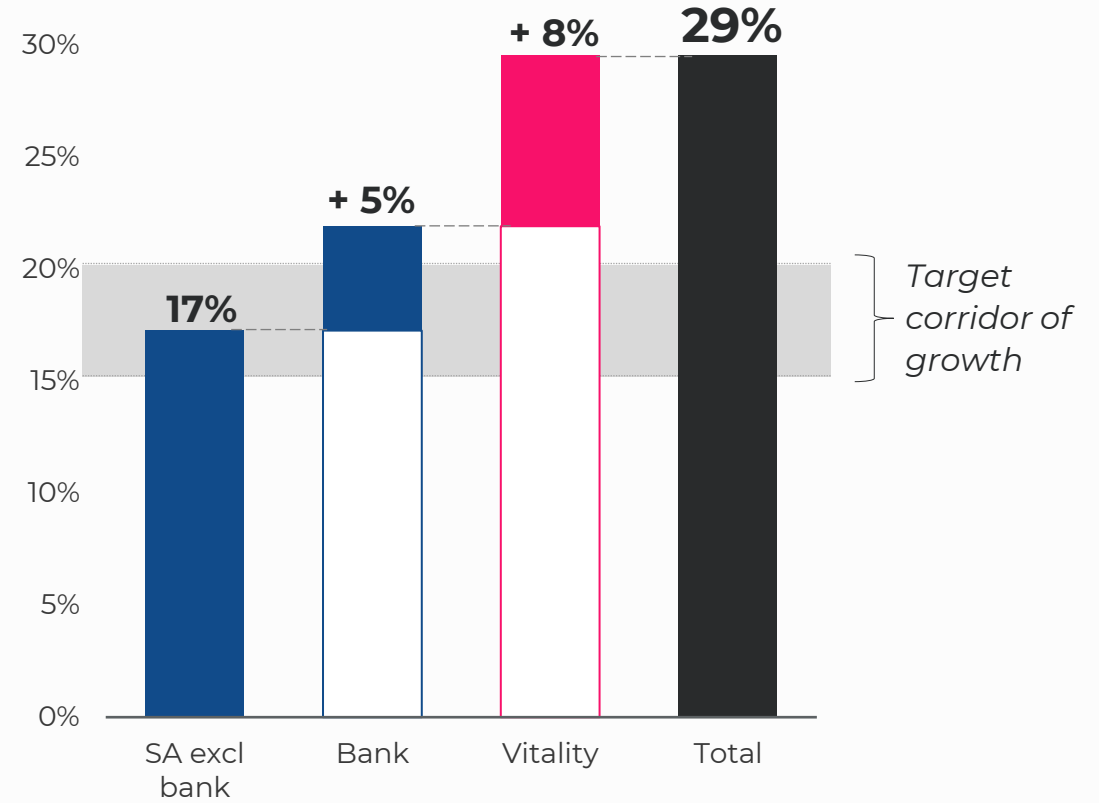


## Strong normalised profit growth



## Outperformance in FY25

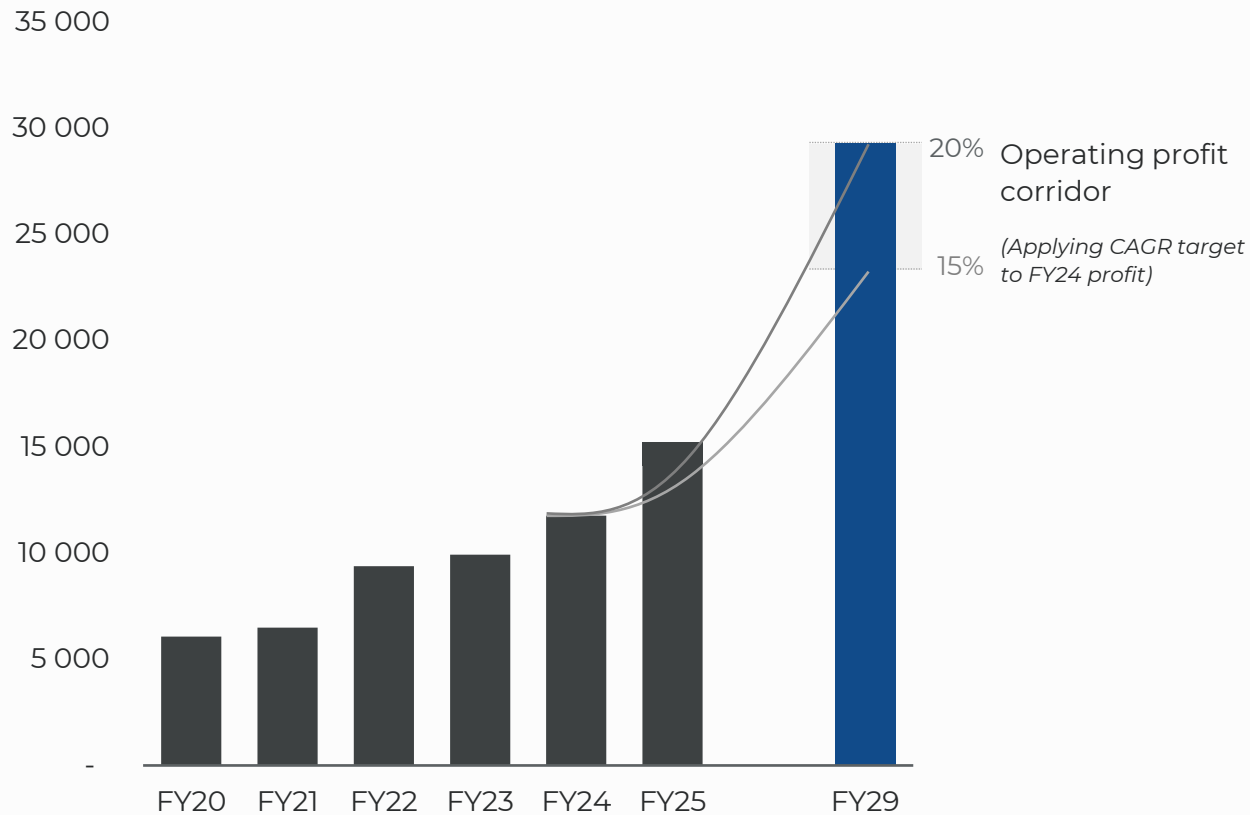
FY25 cumulative profit growth contribution



# On track to achieve five-year CAGR ambition



Strong performance in the first year of delivery has increased confidence in achieving this ambition over the period



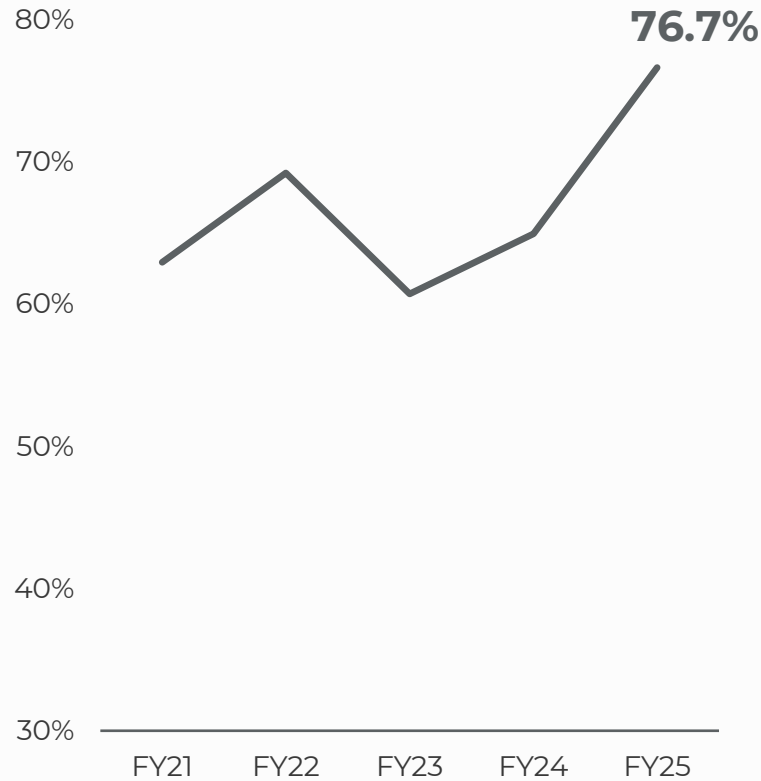
	Guidance	FY25
<b>Normalised profit growth</b>	<b>15-20%</b> CAGR	<b>29%</b> FY25
<b>% spend on new</b>	<b>c5%</b> Spend on new	<b>3%</b> FY25
<b>Normalised RoE</b>	<b>15-20%</b> RoE	<b>15.4%</b> FY25
<b>Cash conversion ratio</b>	<b>60-70%</b> Cash conversion ratio	<b>76.7%</b> FY25
<b>FLR</b>	<b>10-20%</b> FLR	<b>16.8%</b> FY25
<b>Dividend cover</b>	<b>≤5x</b> Dividend cover	<b>5x</b> FY25

# Group is financially strong



## Improving cash conversion

Group cash conversion ratio<sup>1</sup>



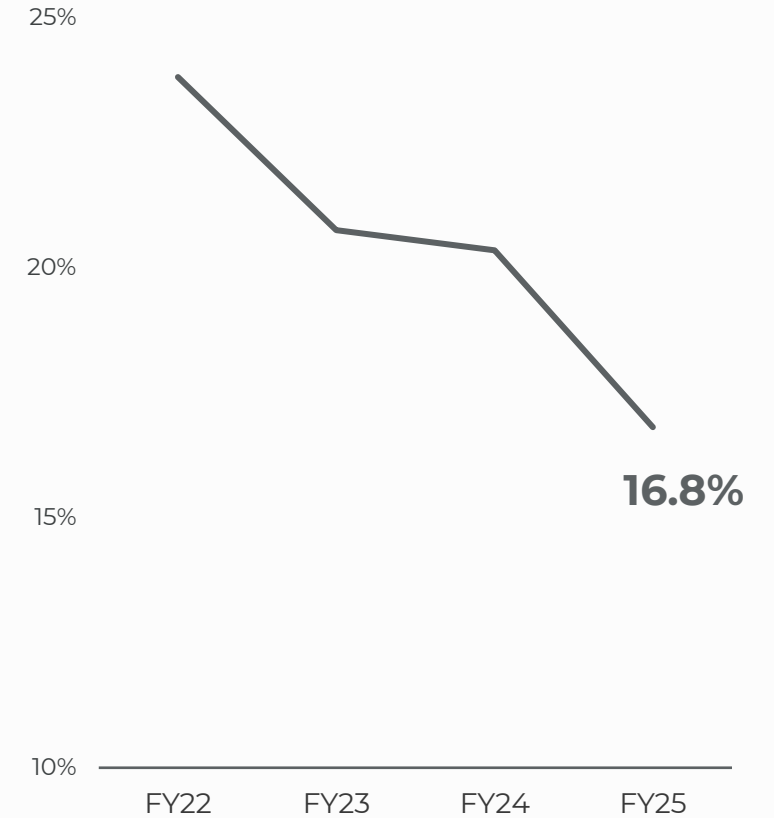
## Strongly capitalised

Solvency cover

	Jun 24 Cover	Jun 25 Cover
Life	1.8x	<b>1.9x</b>
Insure	1.6x	<b>2.1x</b>
VH	1.6x	<b>1.8x</b>
VL	2.0x	<b>2.0x</b>
Bank <sup>2</sup>	1.3x	<b>1.2x</b>
PAHI <sup>3</sup>	3.2x	<b>3.3x</b>
DHMS solvency (unaudited)		<b>31.7%</b>

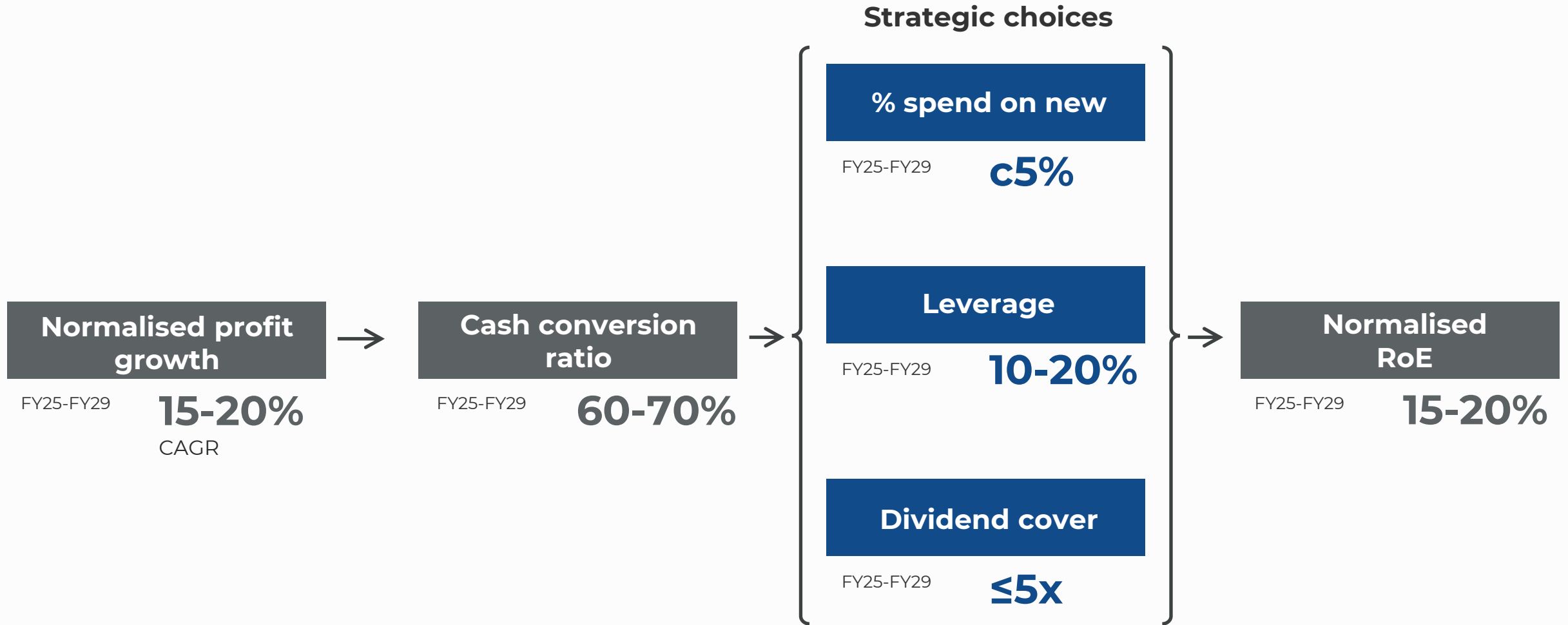
## FLR decreasing

Financial leverage ratio

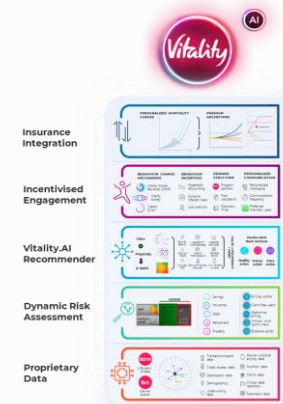
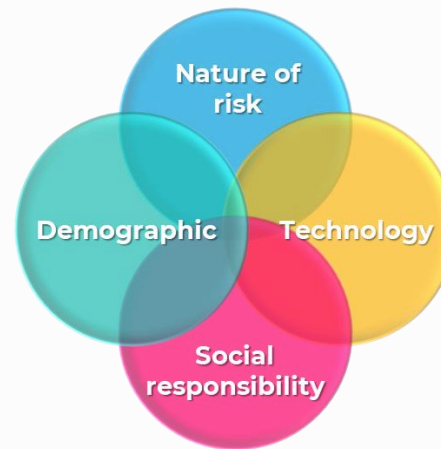


<sup>1</sup> Normalised for COVID-19 reserve impact, refer to Annexure A; <sup>2</sup> Capital Adequacy Ratio; <sup>3</sup> Comprehensive Solvency Ratio, definition set by China Banking and Insurance Regulatory Commission

# Capital allocation framework



# Strong growth platforms



# Acceleration of disruptive environmental trends



## Nature of risk

- **Risk due to modifiable behaviours:** 37% of healthcare expenses are due to modifiable behaviours
- **Causality of behaviour change:** mortality, sickness and healthcare costs are significantly impacted by behaviour change. This impact is universal; it holds across age, gender, and health status; and is elastic - so even more significant for people who are older and sicker

**~75%**  
of global deaths due to NCDs

**-58%**  
Mortality risk from no to high exercise (45-65 yrs)

**Requires a deep understanding of risk and how to manage it**

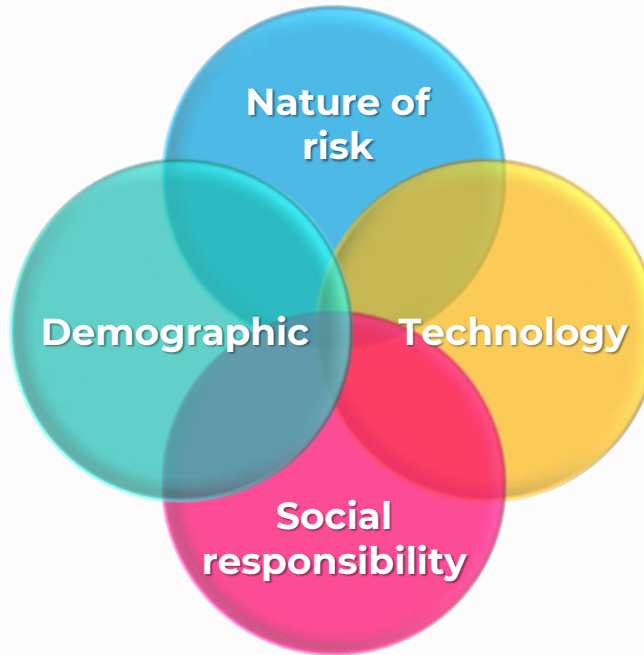
## Demographic

- **Ageing populations impact on healthcare:** there is a corresponding rise in the incidence of chronic diseases as populations age, leading to a surge in healthcare expenses. Ageing demographics also contribute to a growing demand for long-term care services, further straining financial resources
- **Heightened obesity levels:** obesity rates are increasing and the impact on healthcare costs is substantial

**25-35%**  
of the population will be 60+ by 2030

**\$60k**  
Per person retirement gap in the US (2023)

**Requires preventative interventions and disease management programmes to improve population health**



## Technology

- **AI and machine learning advances:** Agentic AI is emerging as a transformative force, with autonomous systems reshaping industries, workforces, and competitive dynamic
- **Benefits and costs of drug innovations:** The rise of GLP-1 treatments is altering consumer behaviour, and softening demand in the food and beverage sector

**~\$400bn**  
AI infrastructure planned spend by US tech firms in 2025

**~\$18bn**  
Potential medical cost savings by year 10 due to GLP-1s

**Requires sophisticated analytics to deliver hyper-personalised solutions**

## Social responsibility

- **Stakeholder needs are more widely defined:** businesses face pressure to create value for all stakeholders through their products, services and client journeys
- **Evolution of value-based care:** accelerated pressure on stakeholders to improve quality of care and decrease costs, through a patient-centric approach

**\$3.5tr**  
global sustainable AUM

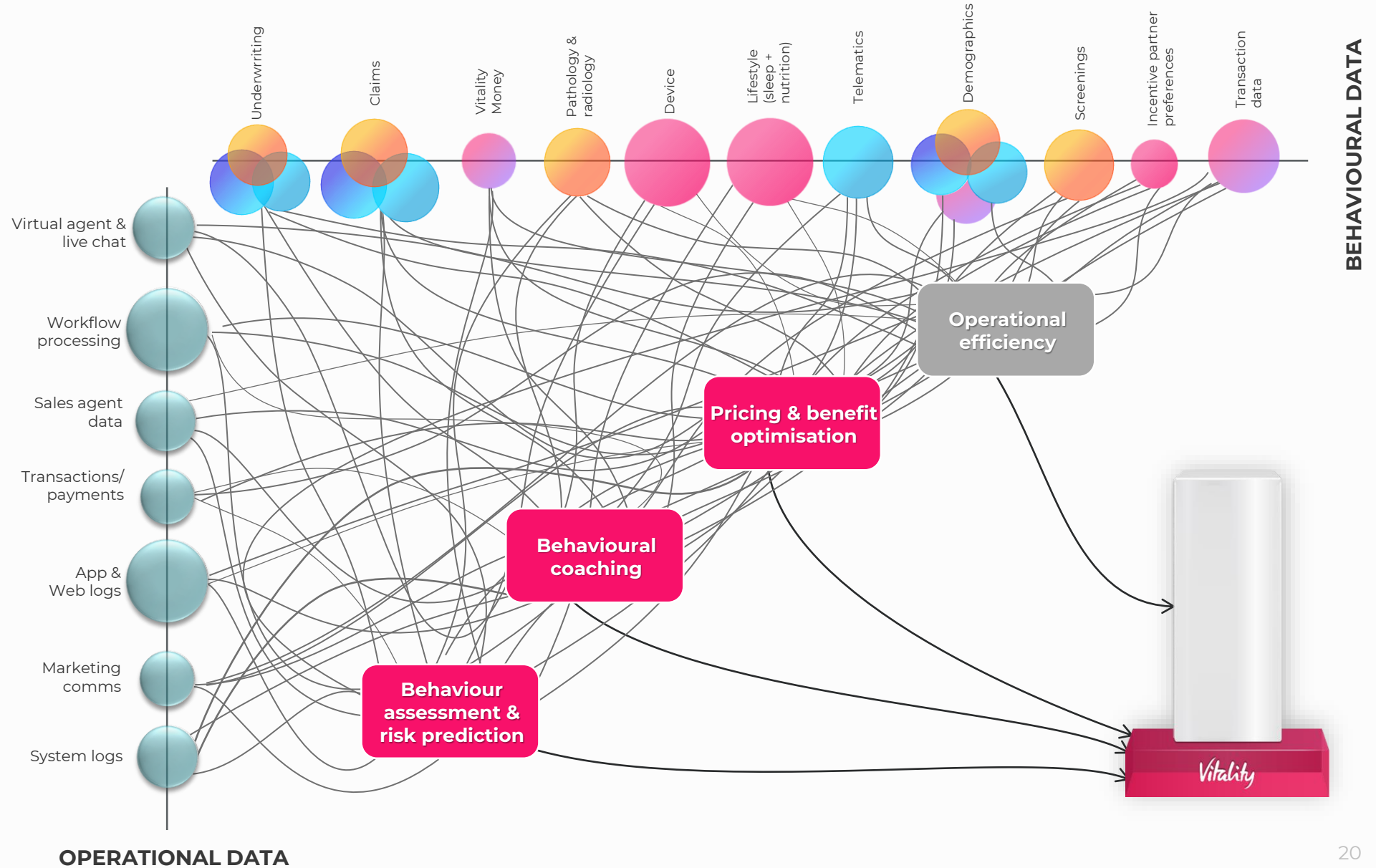
**53.4%**  
of traditional Medicare patients in an accountable care relationship with a provider

**Requires a shared-value business model**

# Rich multi-market dataset that integrates behavioural and operational data



- >1.4 petabytes**  
Structured data (health, wellness, and mortality) & unstructured data (images, emails, and voice recordings)
- >25 years** of historical structured & unstructured data captured and retained
- >72** individual databases housing structured data across the business
- >150** internal data pipelines integrating data into big data environments, with built-in privacy protections
- >100** AI models and initiatives developed, leveraging advanced AI techniques and tools



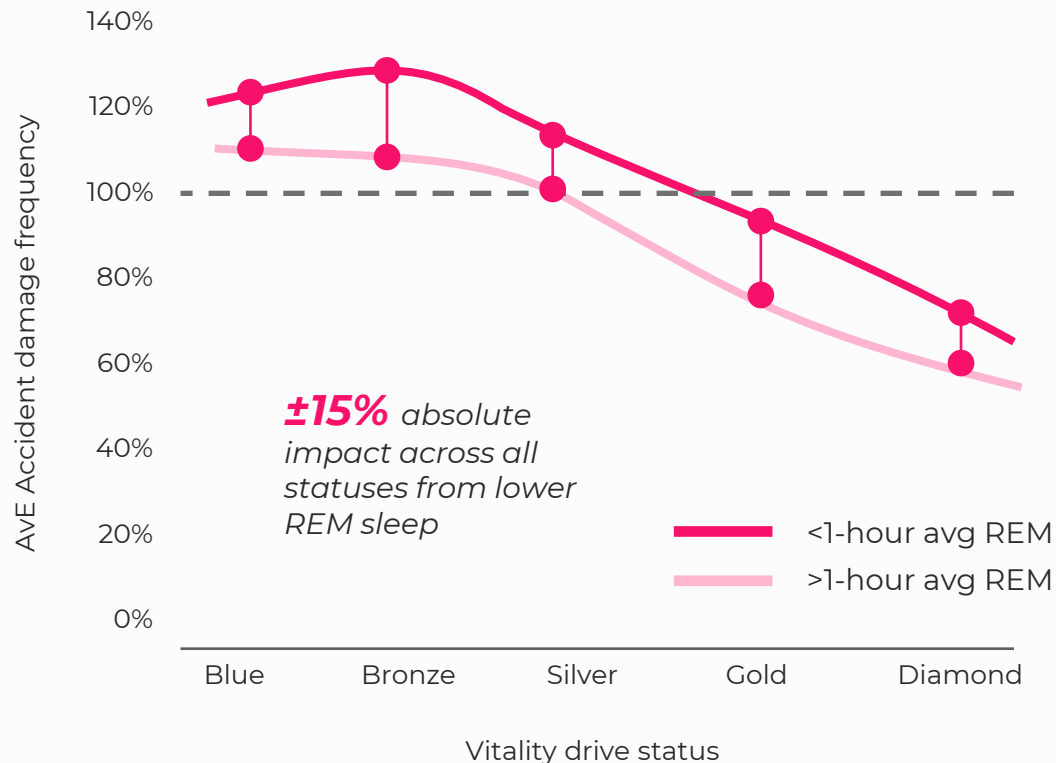
# Data is structured in a way that enables cross-domain insights linking behaviour and risk



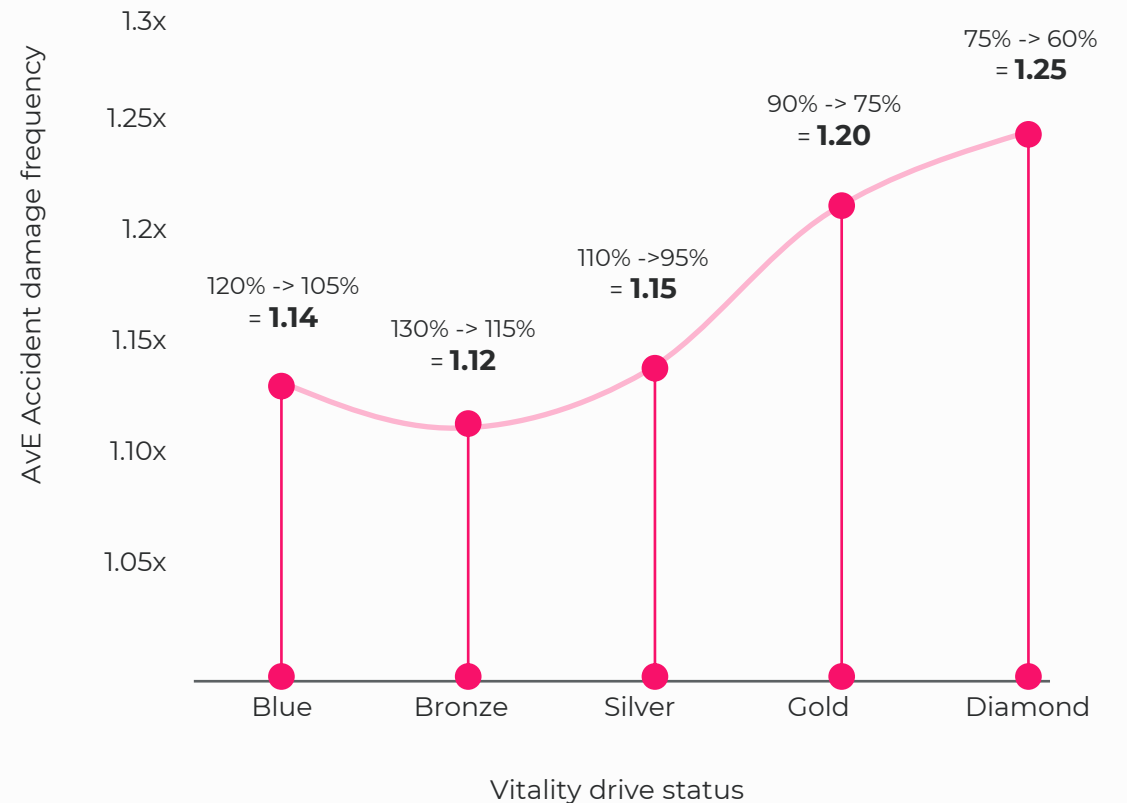
Example: Understanding the link between REM sleep and risk of car accidents

## REM sleep has a significant impact on driving risk across all statuses

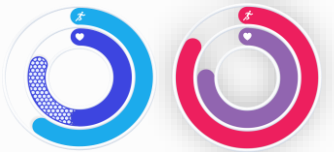
Absolute impact of REM sleep on insure AvE of damage frequency



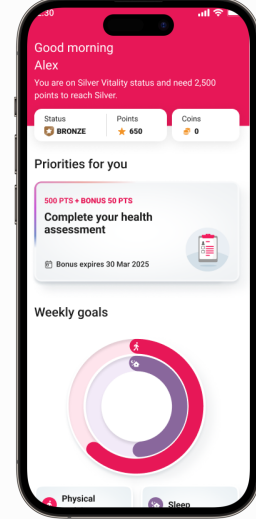
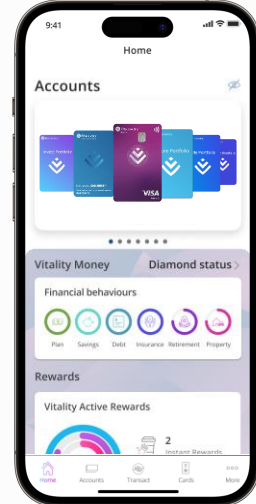
Relative impact of REM sleep on insure AvE of damage frequency



# This has enabled the evolution of the Vitality Shared-value Insurance model driven by hyper-personalisation



- Insurance integration
- Incentivised engagement
- Vitality.AI recommender
- Dynamic risk assessment
- Proprietary data





FY25 profit growth:

**+22%**

**+70%**



# Discovery SA

# Strong focus and ambition for Discovery South Africa



1

Scale Discovery Bank with an ambition to achieve 2m clients and R3bn in profits in FY29



2

Ensuring each business is a market leader in terms of market share, margin, product innovation and enhanced customer value

- 
**Discovery Health** #1 market share

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- 
**Discovery Life** #1 market share<sup>1</sup>

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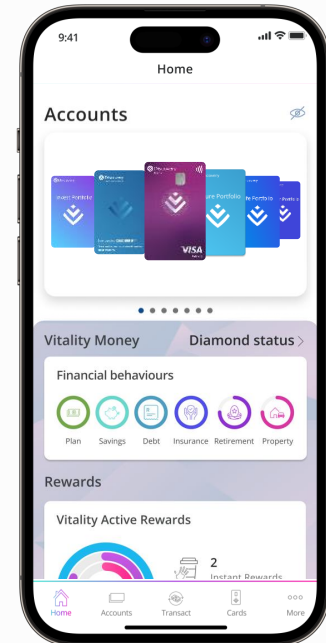
- 
**Discovery Invest** 3<sup>rd</sup> largest in net flows<sup>2</sup>

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- 
**Discovery Insure** #1 fastest growing short-term insurer by GWP

3

Each product sits on the Bank, with a consistent architecture, and the **Bank Operating System as the single interface** for the Discovery SA Composite

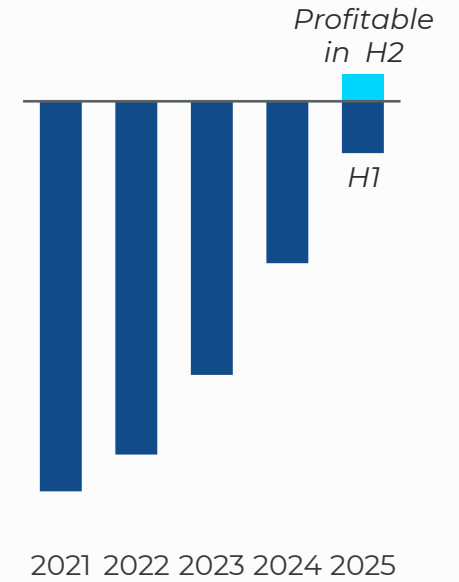
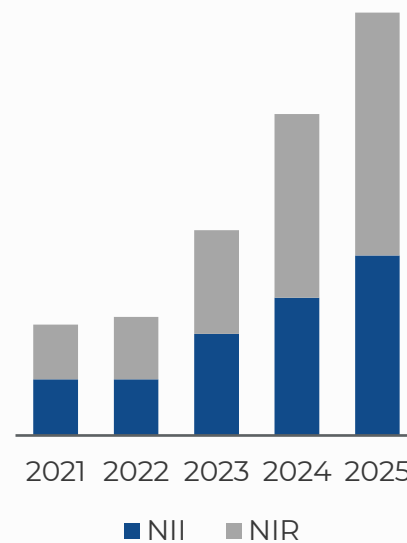
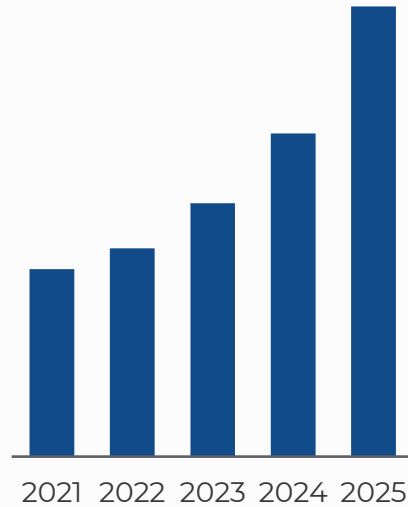
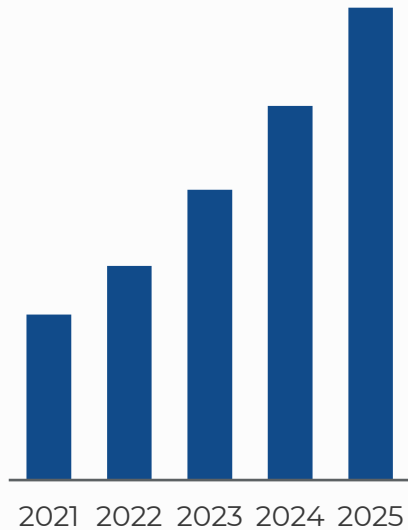
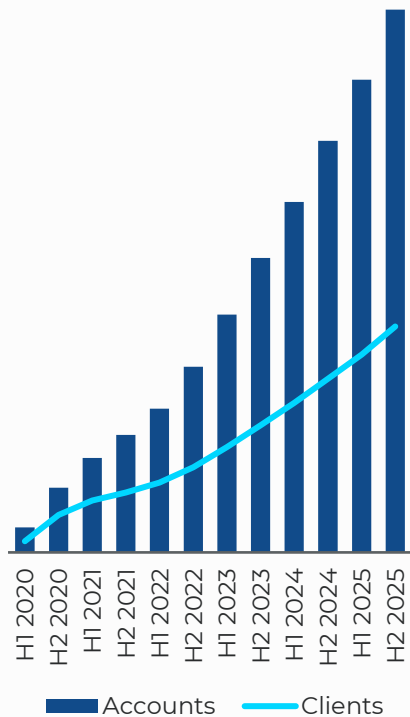


<sup>1</sup> Retail affluent market share  
<sup>2</sup> Excluding white labelled funds

# Discovery Bank



<b>Total clients</b>	<b>Total accounts</b>	<b>Deposits</b>	<b>Advances</b>	<b>Revenue (NII+NIR)</b>	<b>Normalised profit</b>
<b>+30%</b>	<b>+32%</b>	<b>+26%</b>	<b>+39%</b>	<b>+31%</b>	<b>-85%</b>
to 1.2m	to 3.0m	to R23.3bn	to R9.2bn	to R2.4bn	to (R68m)



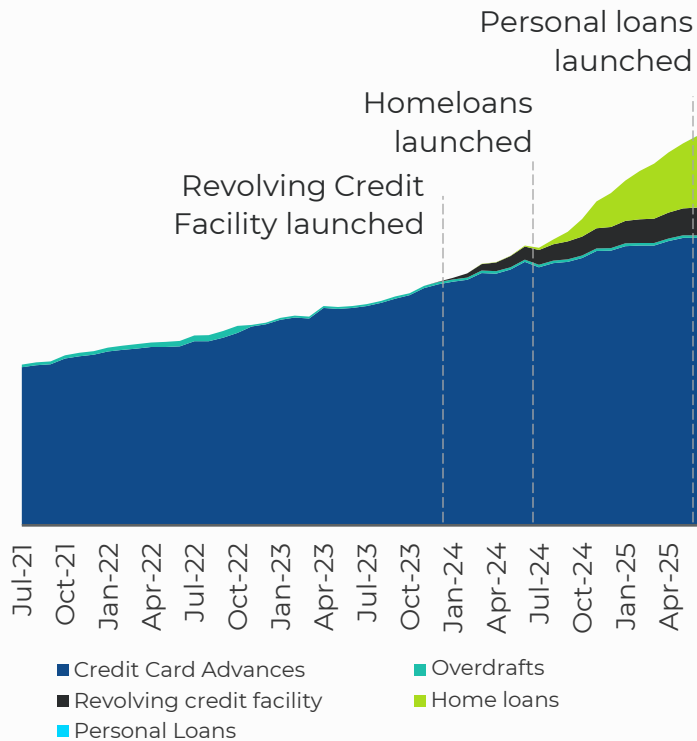
NII includes the allocation of interest earned on the bond trading portfolio (recognised at fair value gains in the income statement)

# Quality lending with engaged clients



## Advances

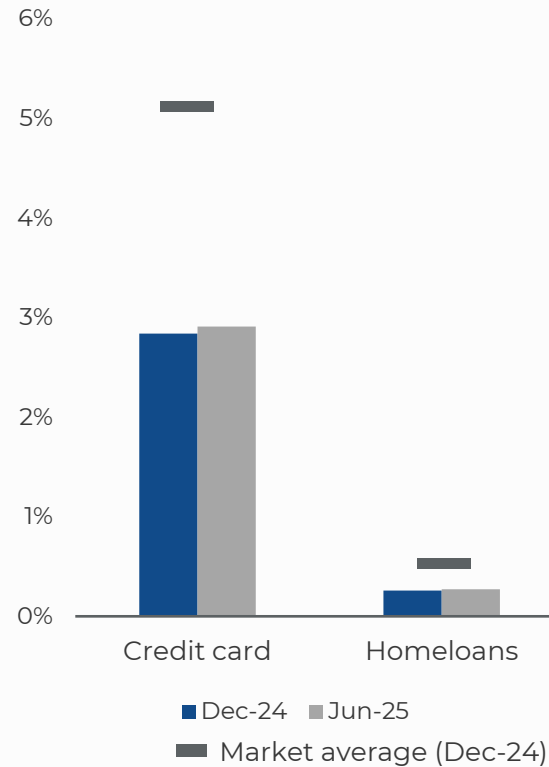
Monthly advances by product (Rm)



Homeloans >R2bn balance  
as at 8 Sep-25

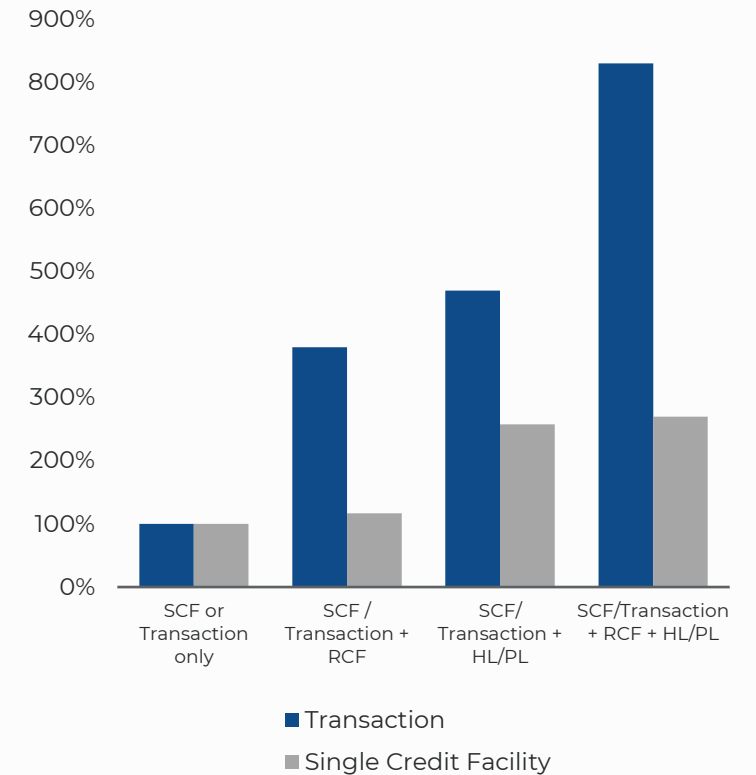
## CLR

Credit loss ratio by product\*



## Engagement

Relative % top of wallet by product suite

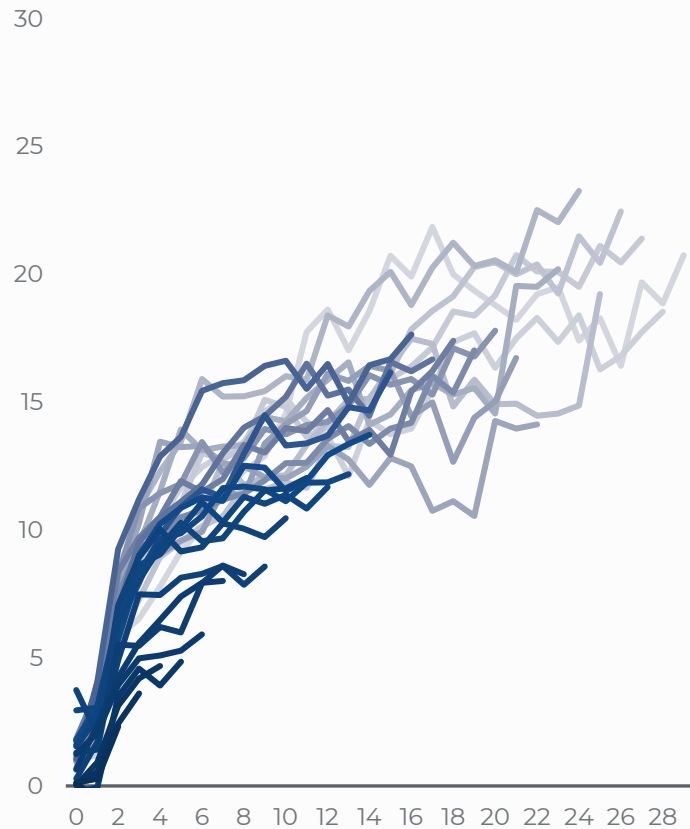


1 Market average source: Annual Financial statements of the top 5 SA banks per product category, 2 % top of wallet refers to the proportion of clients that are estimated use Discovery Bank as their primary bank account for spending, based on breadth of spend, value of spend relative to income, and type of spend. Rebased to SCF or transaction only

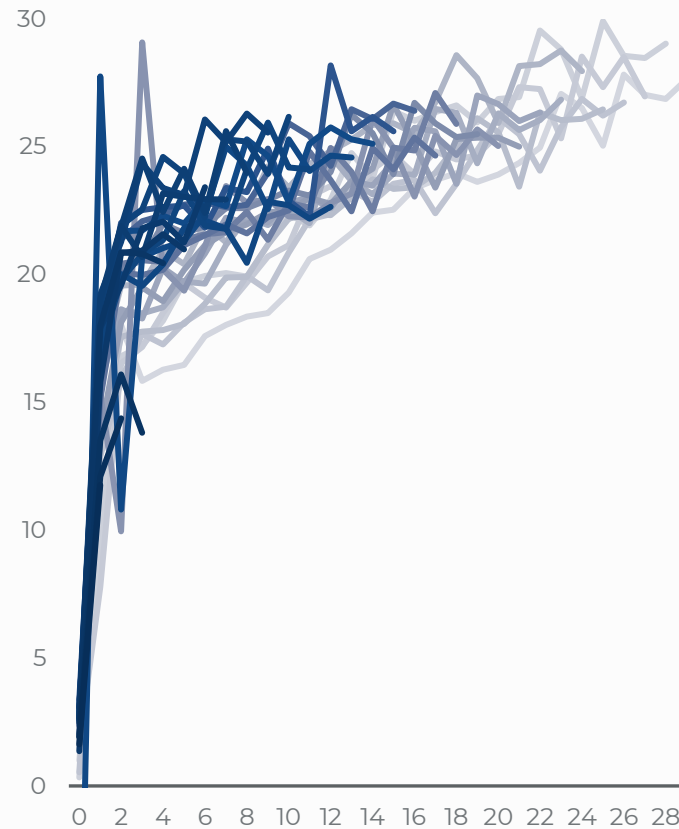
# NII and NIR cohort analysis



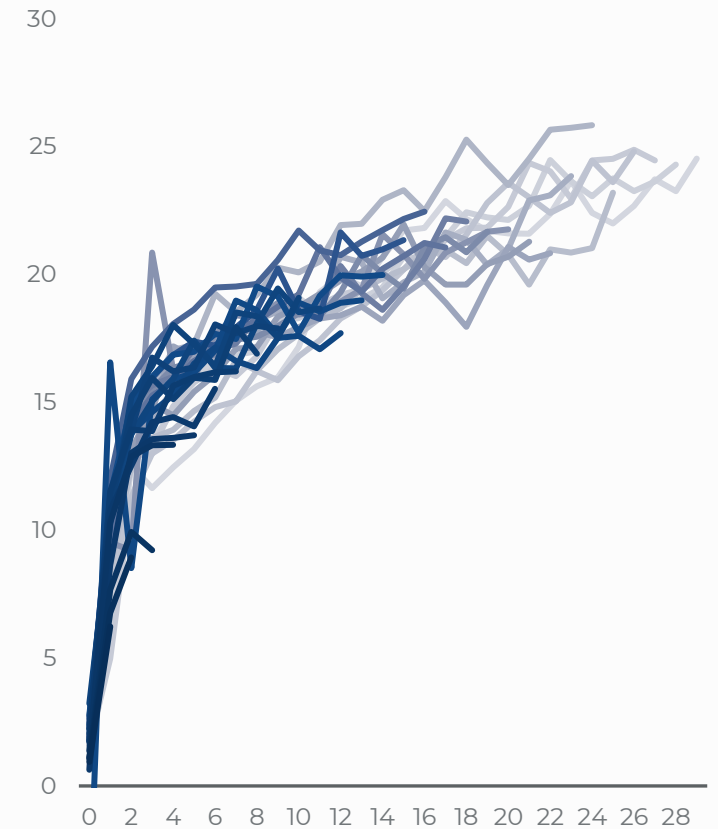
## NII PCPM by months on book



## NIR PCPM by months on book

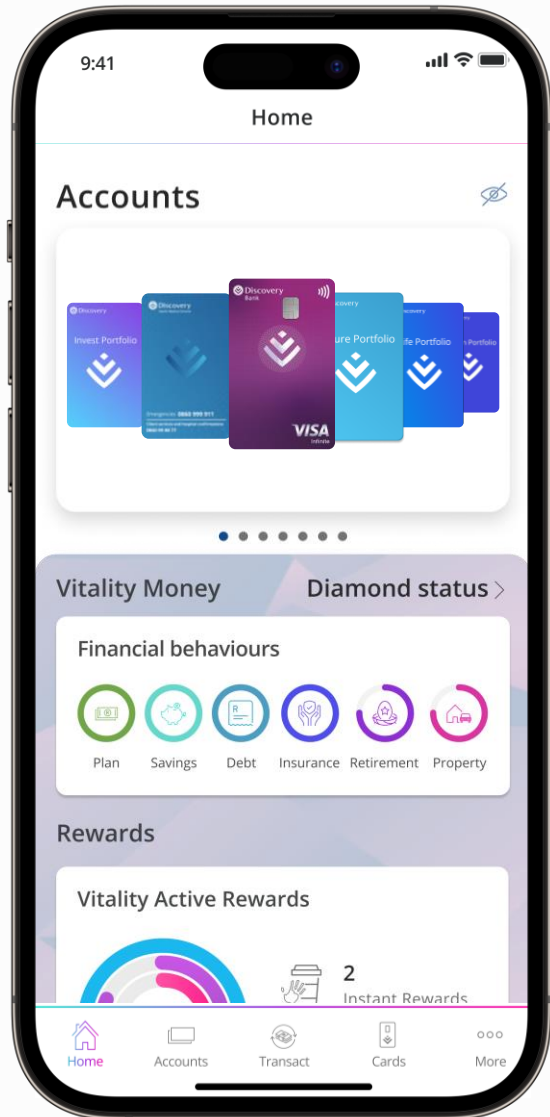


## Profit PCPM by months on book



2023-01 cohort  2025-06 cohort

# A full-service, digital shared value retail Bank



## Four key hypotheses

- 1 | Full retail banking product suite
- 2 | Shared-value banking model
- 3 | Digital-first with advanced AI capabilities
- 4 | Operating system of the composite

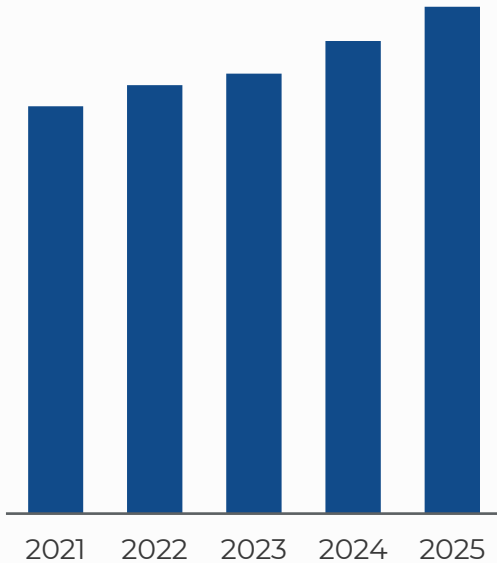
**Fastest growing<sup>1</sup> retail Bank in South Africa with market-leading digital capabilities**

# Discovery Health



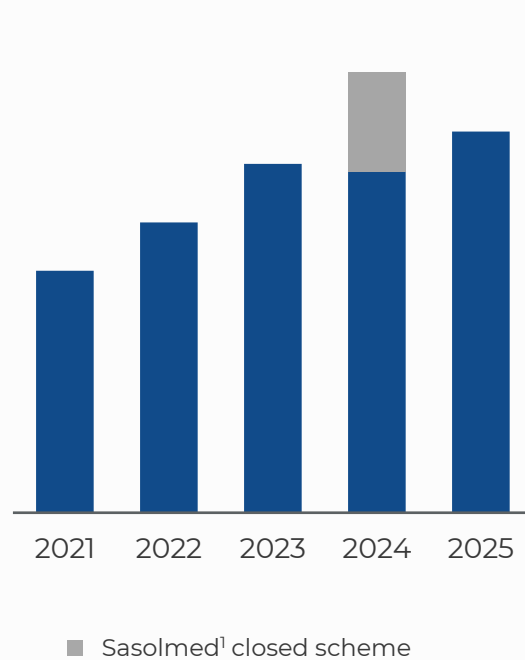
## Normalised profit

**+7%**  
to R4 259m



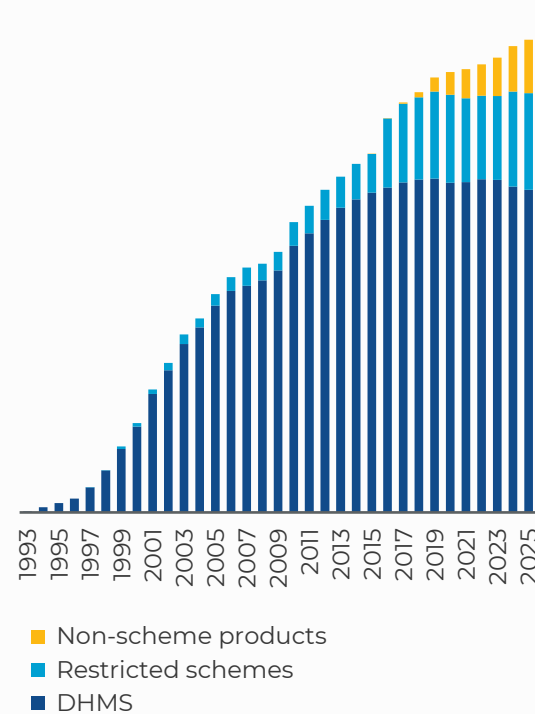
## New business

**-14%** | **+12%**  
to R9 573m (Excl. Sasolmed)



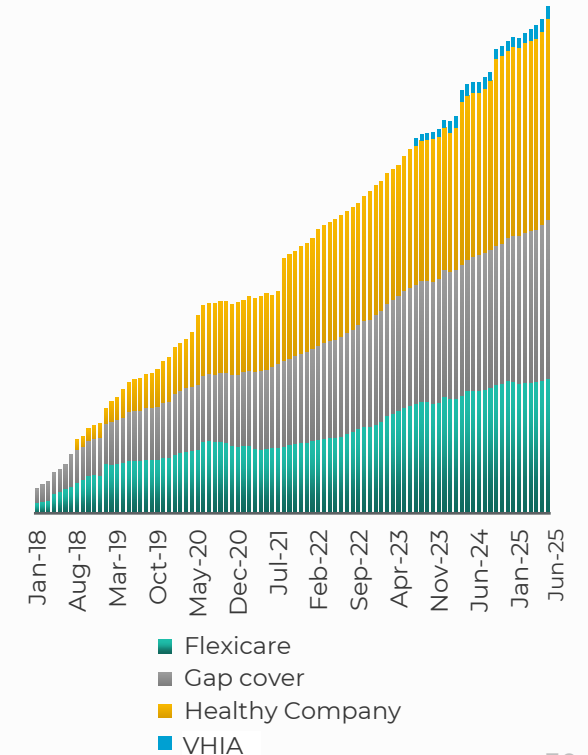
## Membership

**3.98m**  
Lives under administration<sup>2</sup>



## Non-scheme growth

**+18%**  
>448k lives



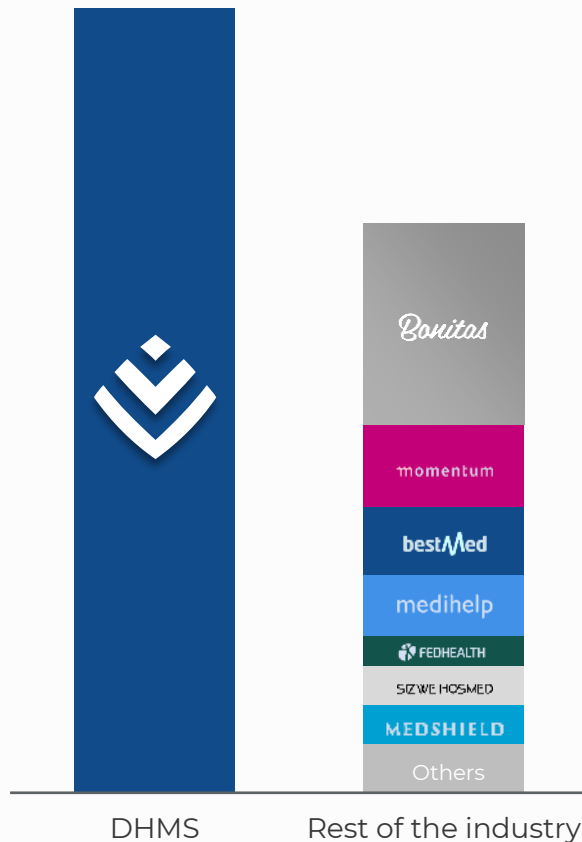
<sup>1</sup> Sasolmed contributed R2 510m to new business for FY2024  
<sup>2</sup> Reported number of lives under administration is not a unique count

# Discovery Health Medical Scheme (DHMS): continued excellent performance in a complex environment



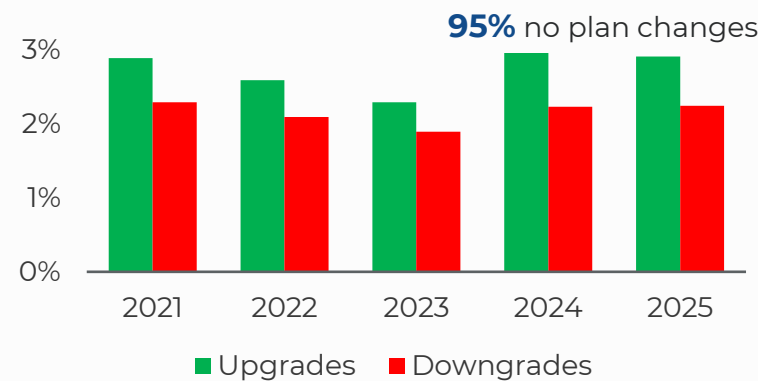
## Membership

**58.0%** market share

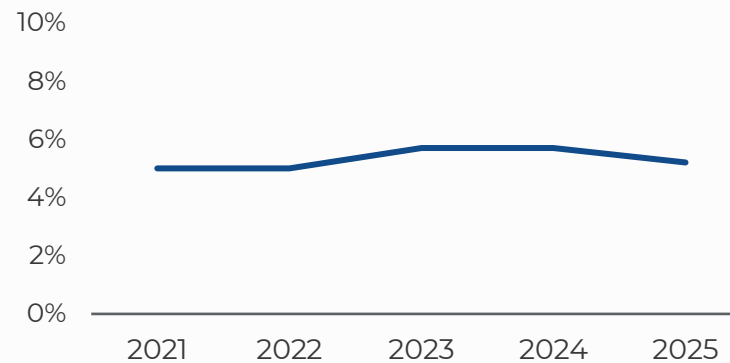


## Customer satisfaction

Low proportions of members change plans, with more members upgrading than downgrading:



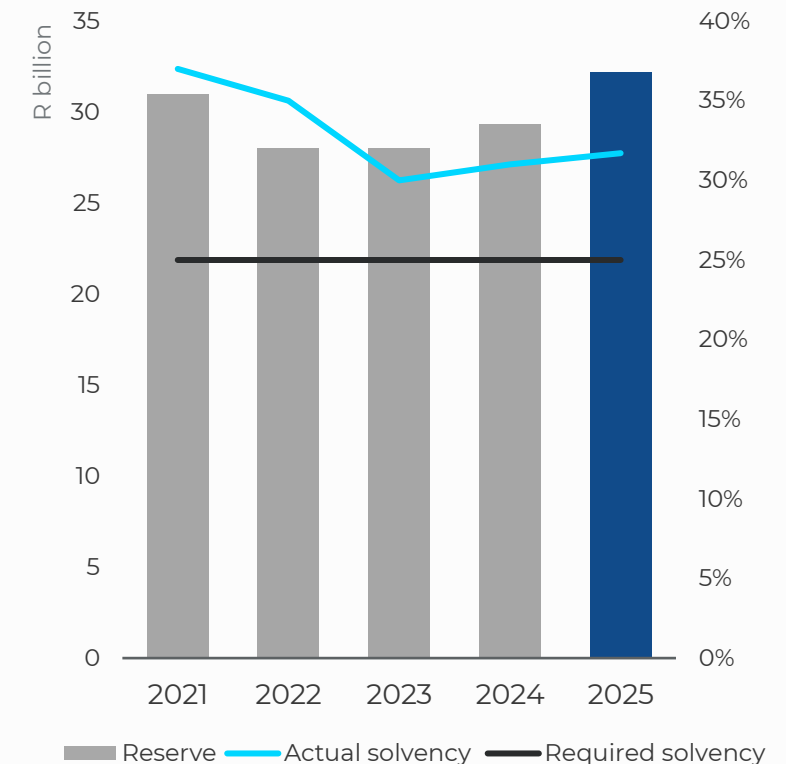
Lapses continue to remain stable



## Solvency

**R32.2bn**  
**31.7%**  
**AAA**

projected unaudited reserves  
projected unaudited solvency  
credit rating



# Personal Health Pathways (PHPs) drives positive behavioural change while delivering positive impact for DHMS



## Member activation and engagement

**361k**

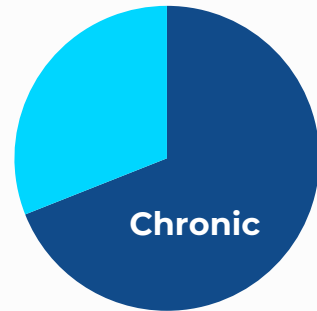
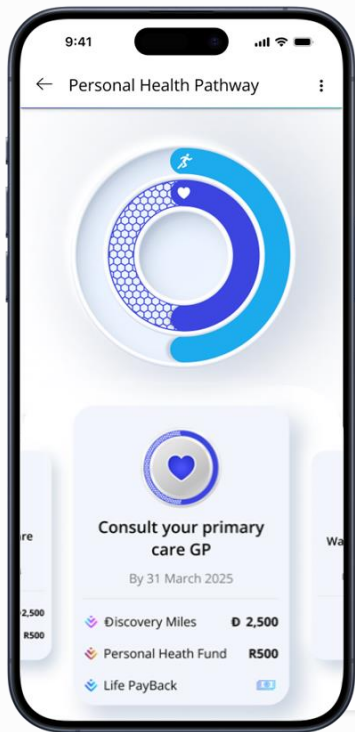
activated lives

**357k**

Health actions completed

**1.95m**

Exercise actions completed



**69%**

of all health and exercise actions completed are from chronic members

**R27.2m**

rewards earned

**R197m**

PHF funds earned

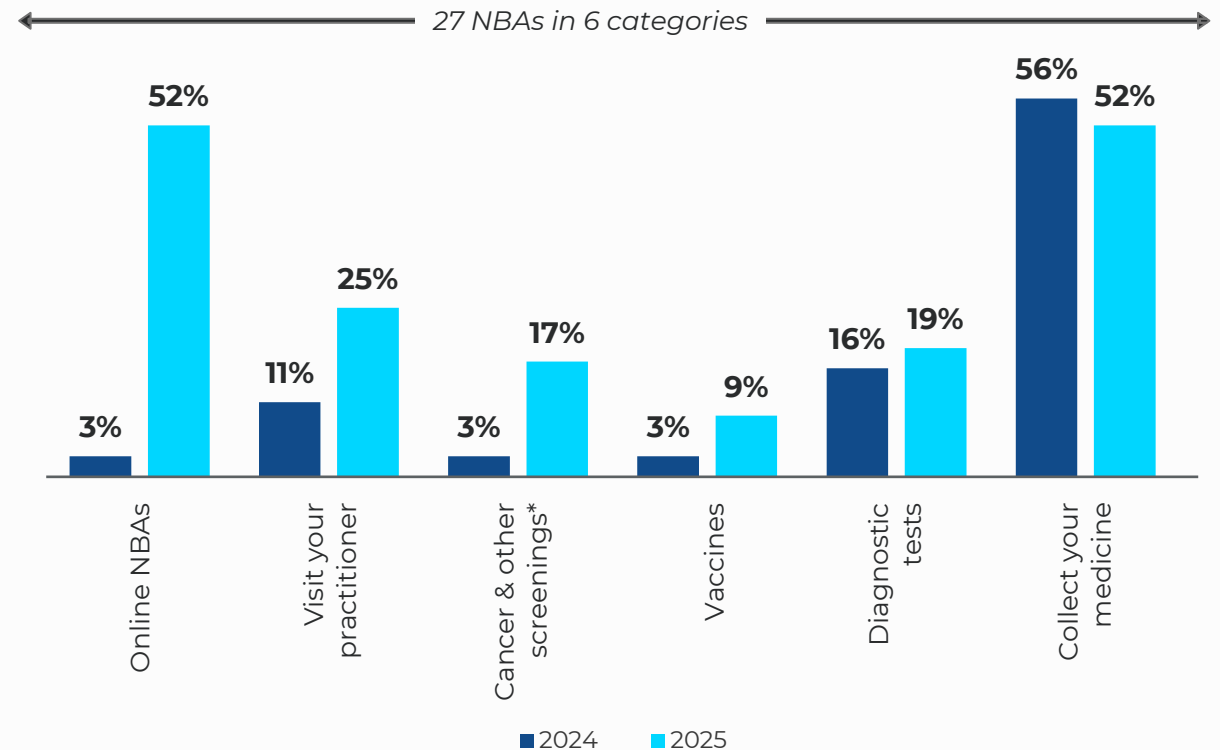
## Driving behaviour change through incentivisation

**383%**

increase in the completion rate from 2024 to 2025

**5.2x**

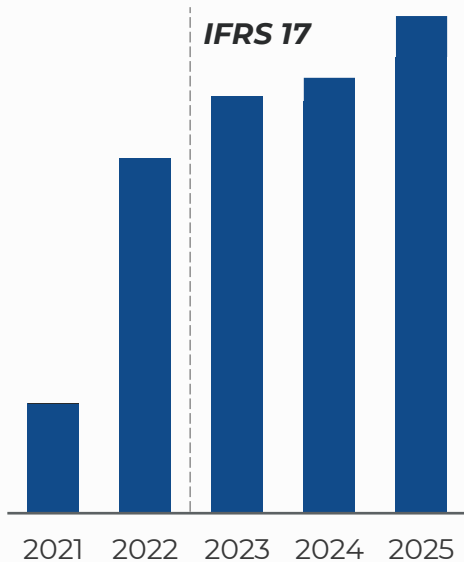
increase in total number of completed actions





## Normalised profit

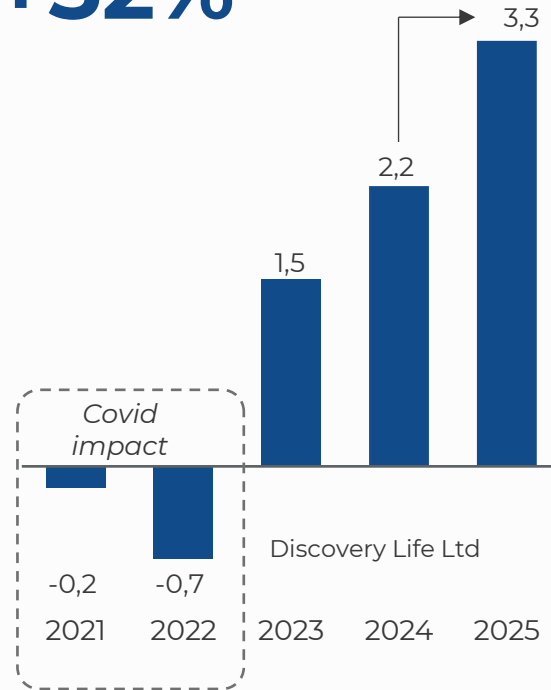
**+14%** | **+11%**  
to R5 525m | (Individual Life)



## Cash generation

Cash flow before financing initiatives and dividends to Group (Rbn)

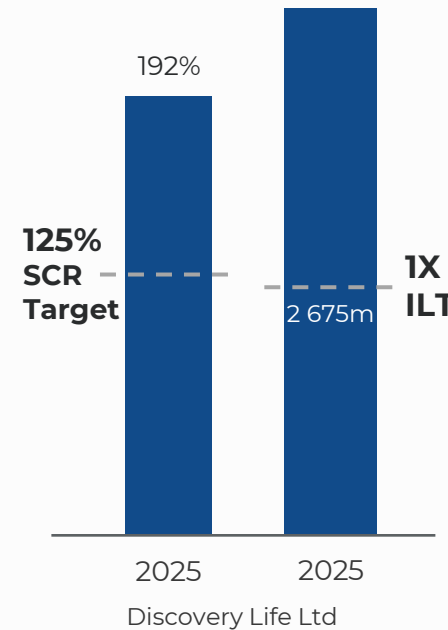
**+52%**



## Capital and liquidity

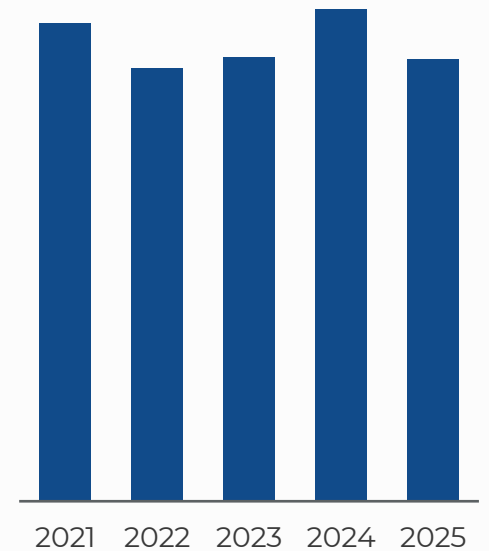
SCR coverage

Total liquidity



## New business

**-10%** | **-2%**  
to R3 203m | (Individual Life)



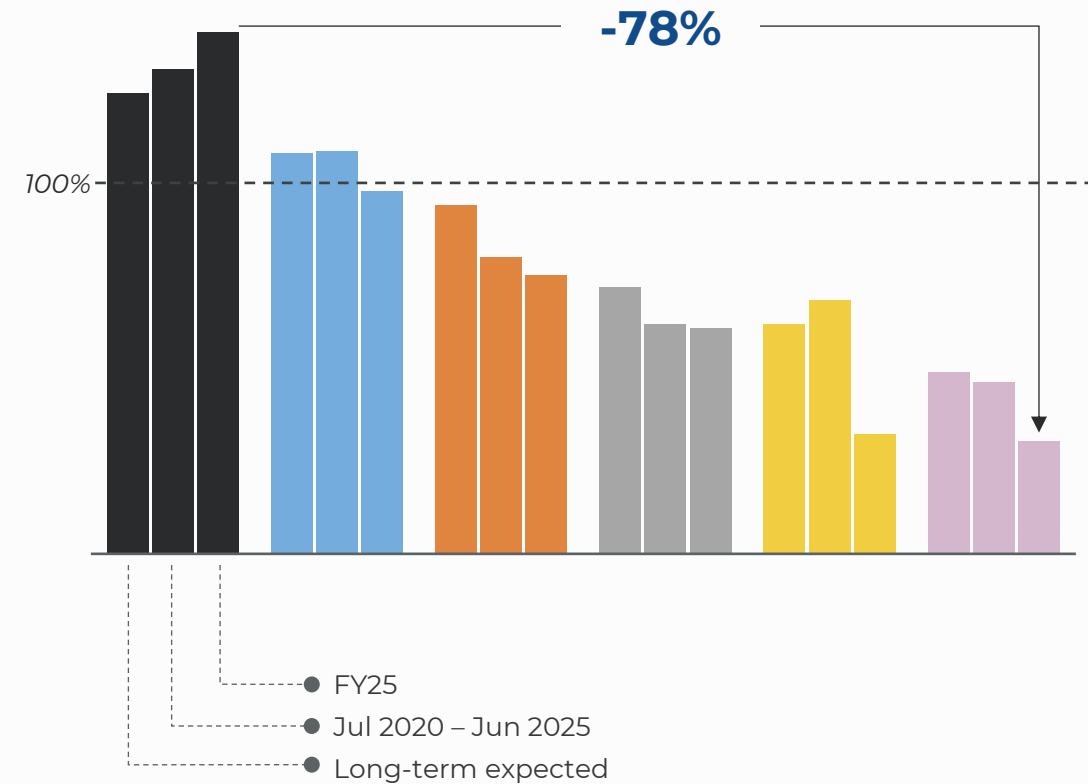
**Maintained 27% market share** of the underwritten retail risk business

# Robust claims performance driving strong cash generation

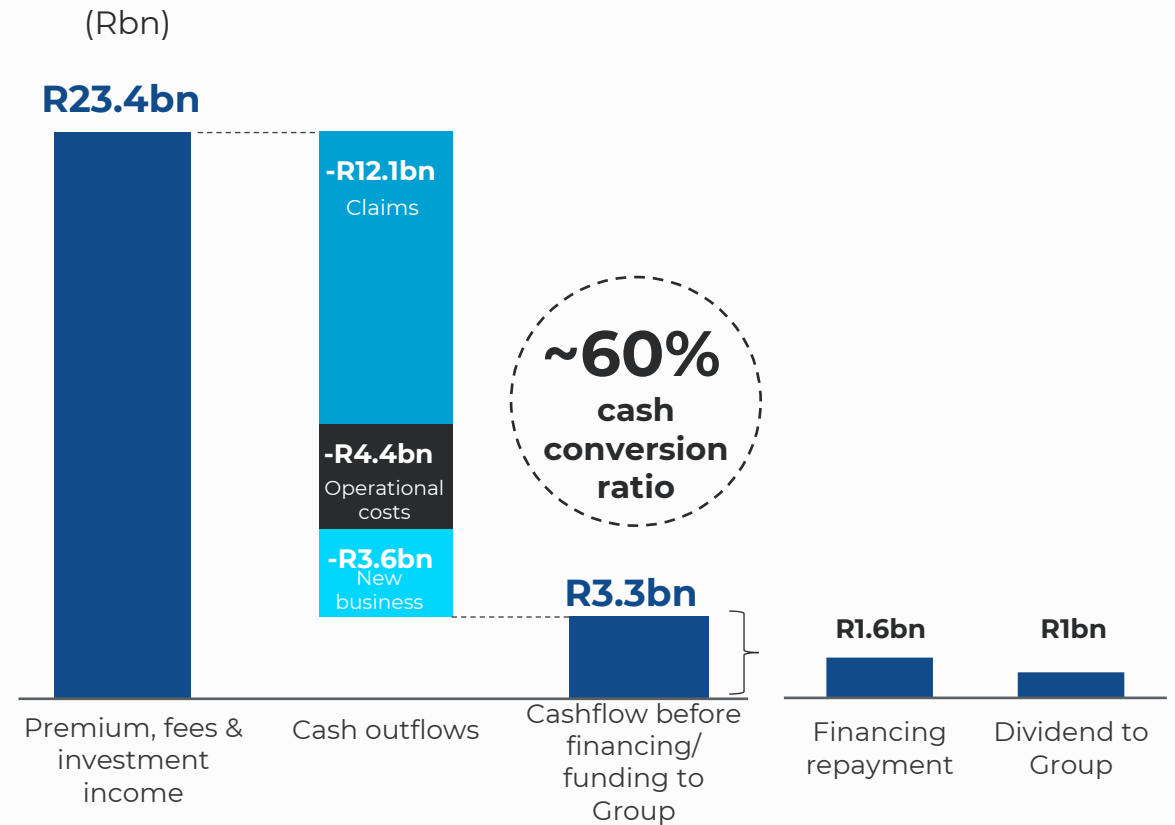


## Excellent claims experience validating the shared value model

Mortality experience by Vitality status relative to expected (AvE)



## Strong cash generation in Life and Invest driven by favourable claims and market growth

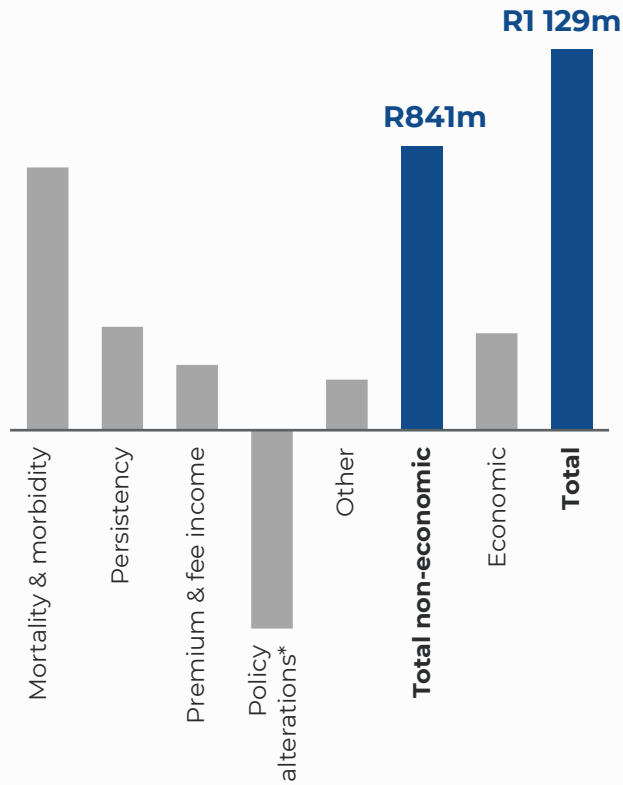


# Positive operating variances and robust EV growth with VNB margin impacted by lower volumes



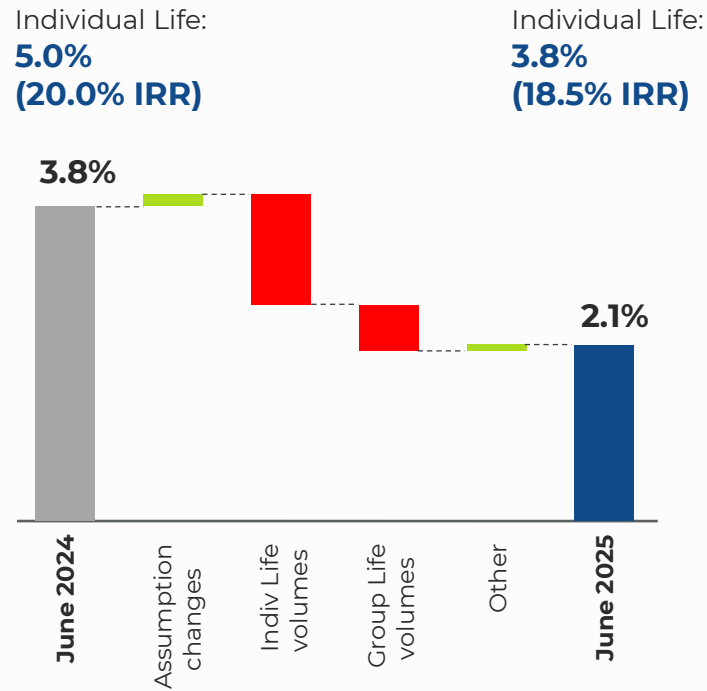
## Positive operating variances

Discovery Life Ltd EV variances (Rm)



## VNB margin impacted by lower NB volumes

Life (excl. Invest) VNB margin (%)

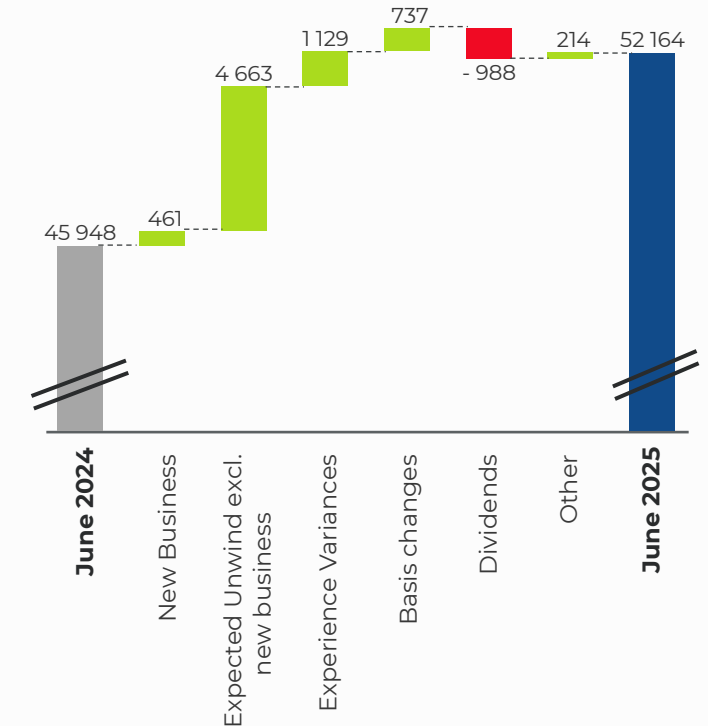


## Growth in Embedded Value

Discovery Life Ltd EV growth (Rm)

**15.7%** Annualised RoEV\*

**13.2%** excl. economic updates



\*Defined action plan being phased in to address policy alterations

\*Before dividend payments.

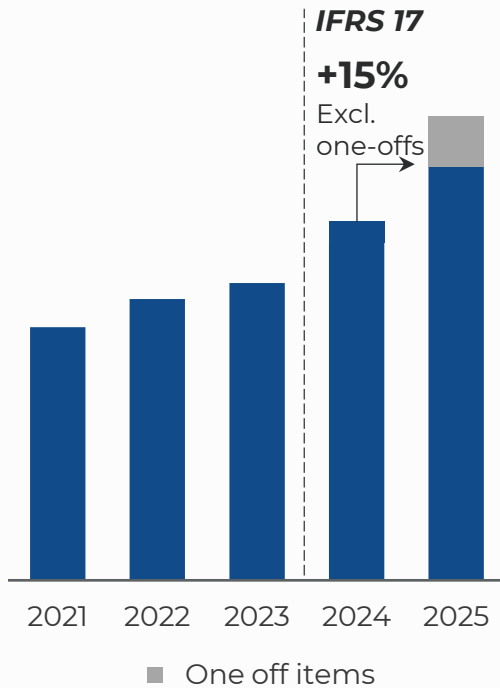
# Discovery Invest



## Normalised profit

**+29%**

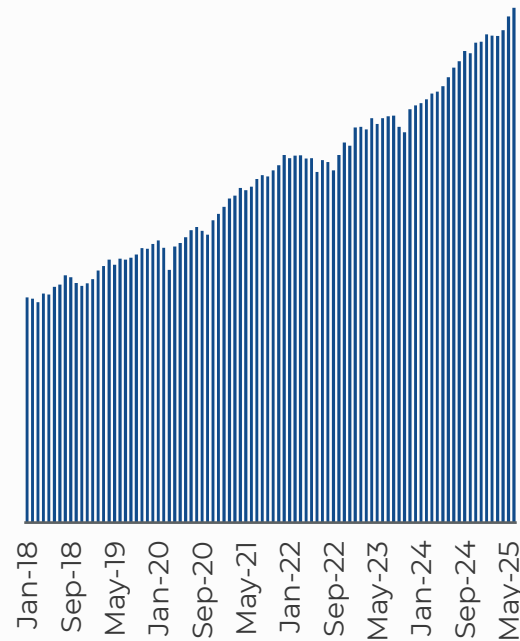
to R1 987m



## Assets under administration

**+15%**

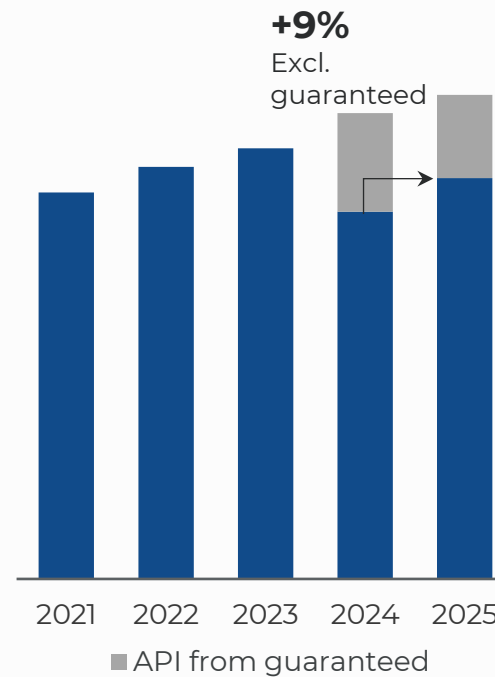
to R179bn



## New business

**+4%**

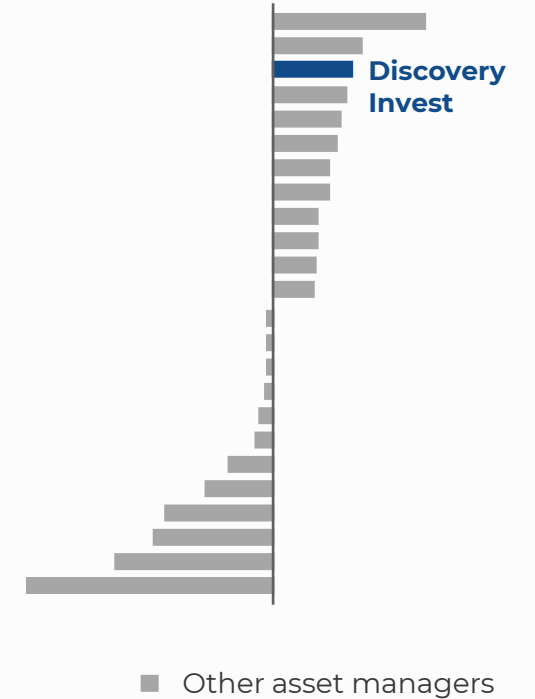
to R3 430m



## Net flows

**14%**

Since 2015



# Well positioned to grow in the current context



## Cogence in partnership with BlackRock

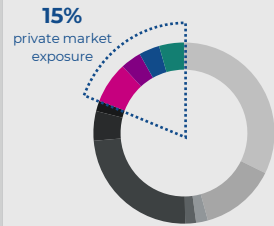
Deep dive analytics



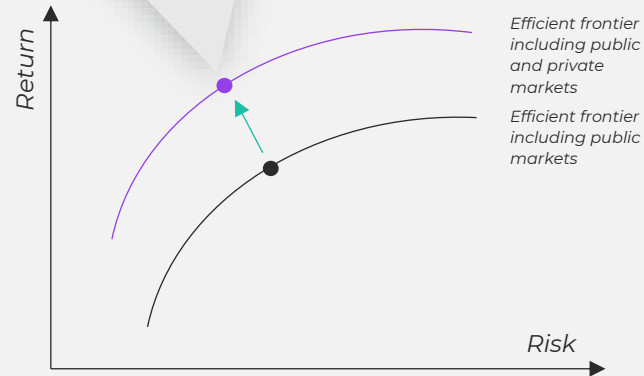
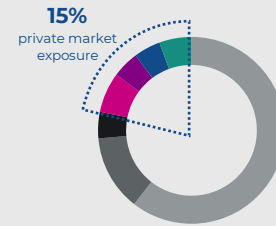
>R28bn assets under management

## Introducing private market investments to Discovery clients

### Cogence Diversified Markets Portfolio

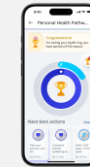


### Cogence Global Diversified Markets Portfolio

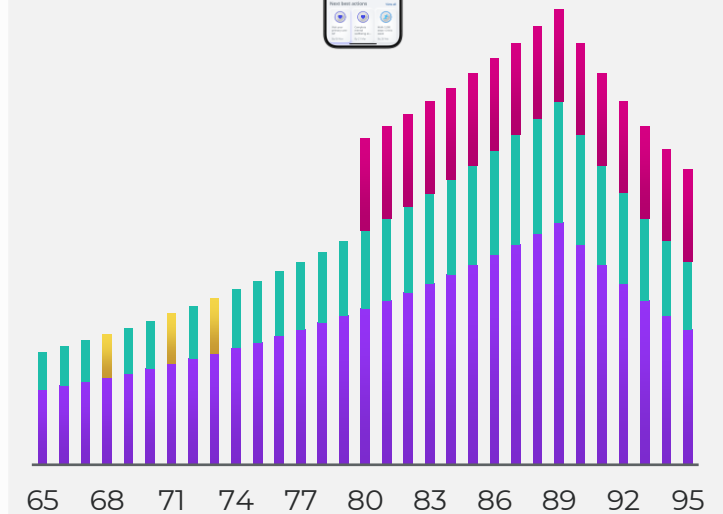


## Leveraging actuarial dynamics to combine shared value with longevity protection

Income boosts of up to 50%



Guaranteed income from age 80



>90% more cost effective than a traditional fixed annuity

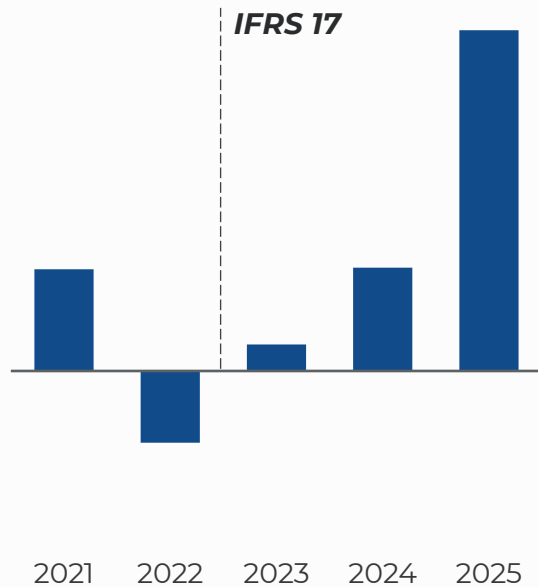
# Discovery Insure



## Normalised profit

**+229%**

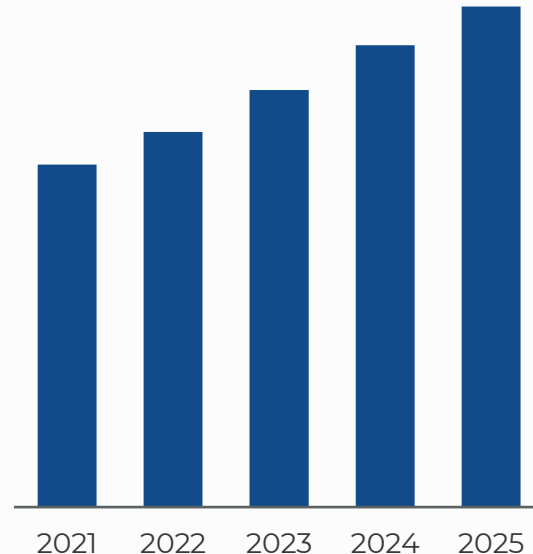
to R817m



## Insurance revenue

**+8%**

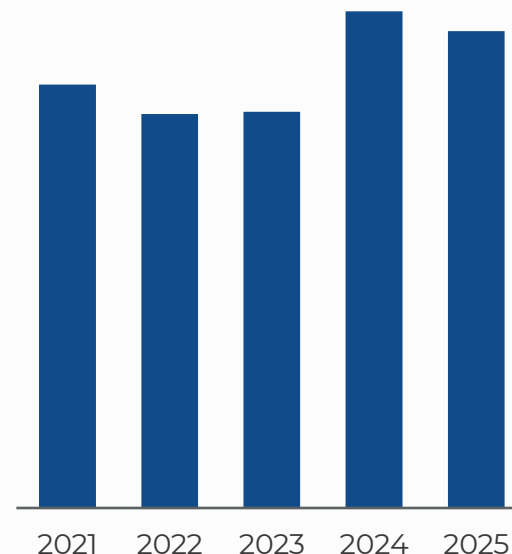
to R6 217m



## Gross new business

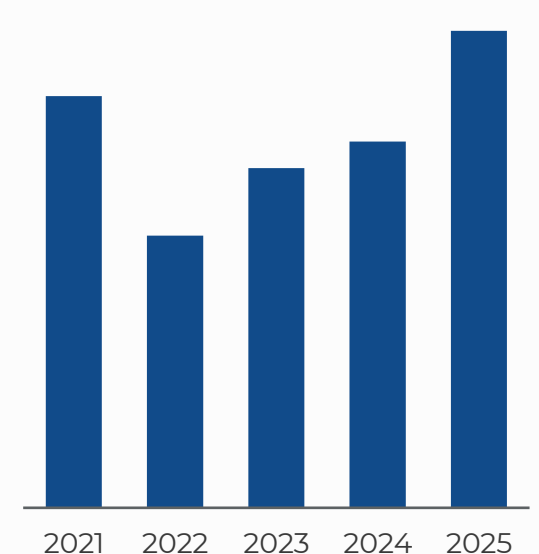
**-2%**

to R1 361m



## Solvency

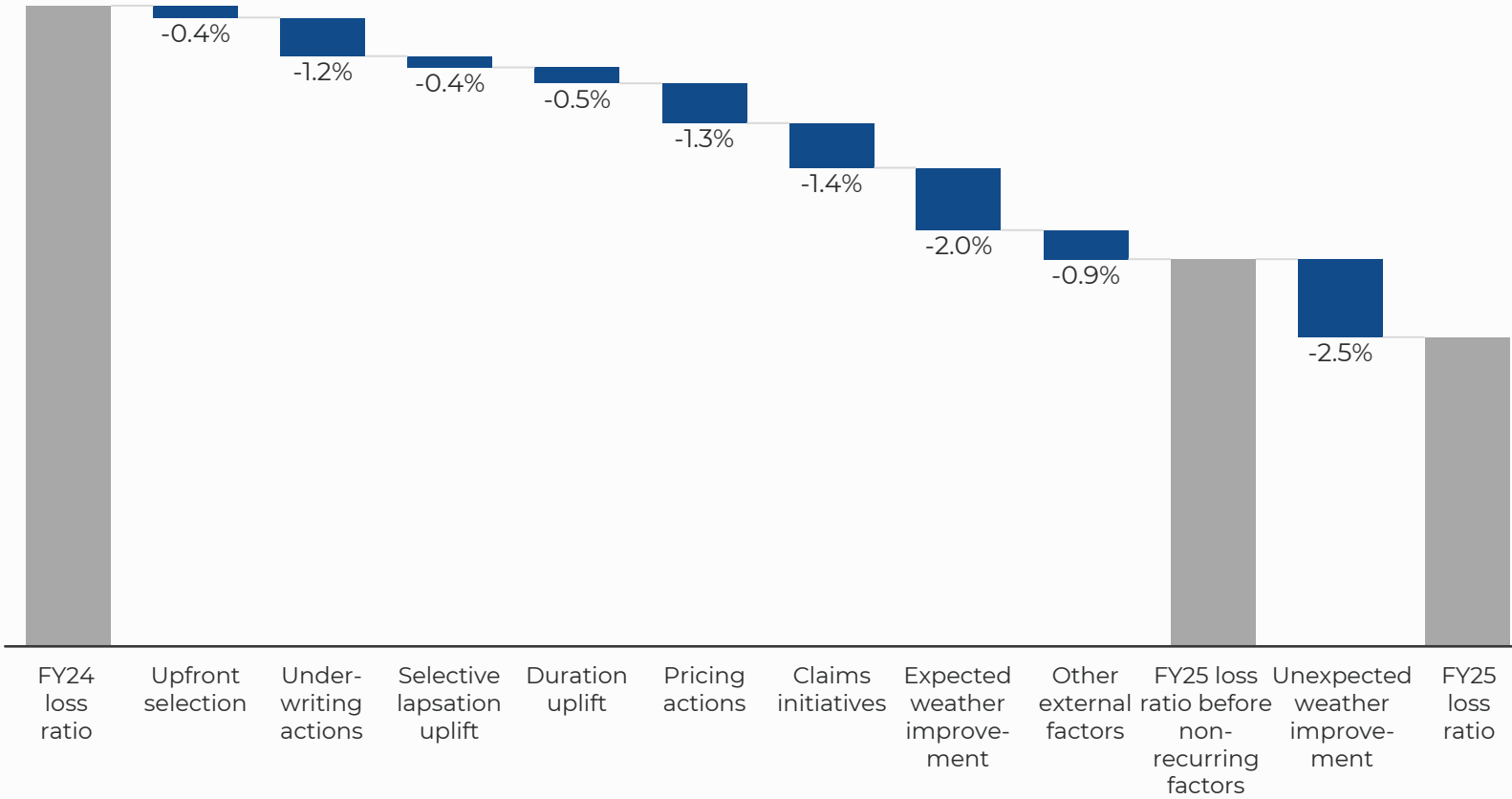
**212%**



# Recovery driven by deliberate structural improvements

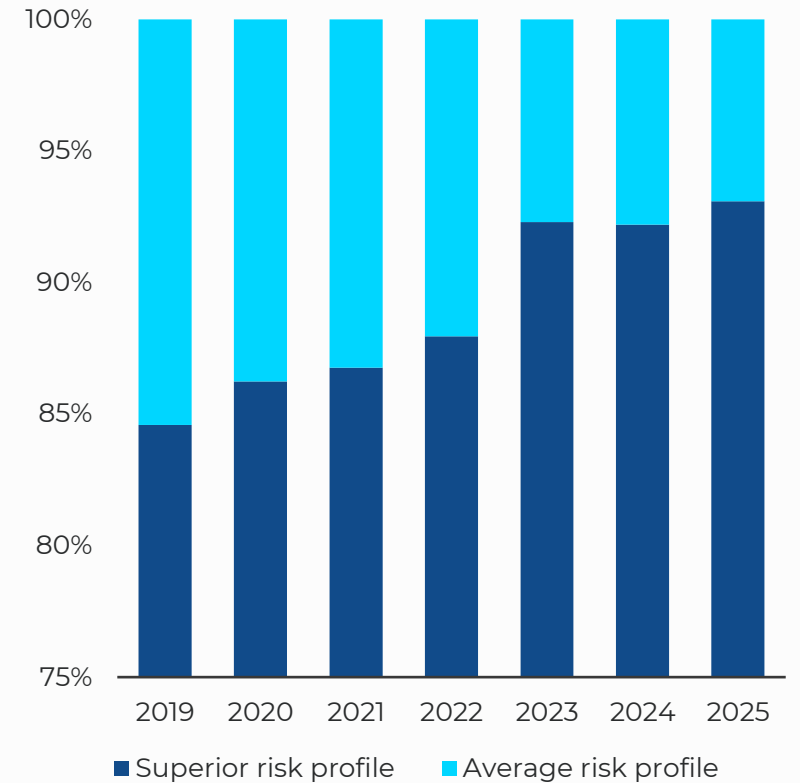


## Improved loss ratio from management actions across the value chain



## Quality of the new business book has strengthened

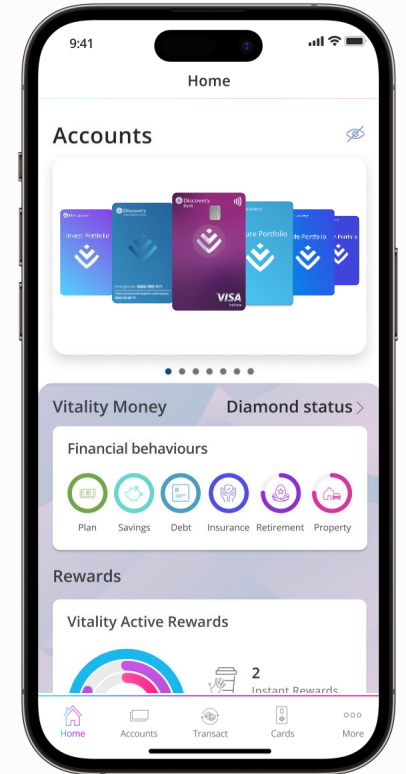
New business book based on insurance risk exposure





- Insurance integration
- Incentivised engagement
- Vitality.AI recommender
- Dynamic risk assessment
- Proprietary data

A vertical stack of five interface components. At the top is a circular logo with a blue and white design. The components are: 1. Insurance integration: 'PERSONALISED MORTALITY CURVES' and 'PREMIUM ARCHITECTURES' with line graphs. 2. Incentivised engagement: 'BEHAVIOUR CHANGE MECHANISMS', 'BEHAVIOUR INCENTIVES', 'REWARD STRUCTURE', and 'PERSONALISED COMMUNICATION' with icons for rewards and communication. 3. Vitality.AI recommender: 'Value', 'Personalised', and 'A habit' with icons for health and action. 4. Dynamic risk assessment: 'LIFESTYLE' and 'Settings' with icons for driving, insurance, debt, retirement, and property. 5. Proprietary data: '60m' and '1bn' with icons for transaction, credit, and demographic data.





# Vitality

# Considerable work done to restructure the business to unlock efficiencies, globalise capabilities and deliver growth



## Phase 1:

### Exploration

Aug – Oct 2024

Announcement of a single global business, Vitality



## Phase 2:

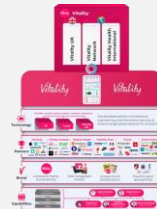
### High-level operating model

Nov 2024 – Feb 2025

Established Global IP hubs to harness best practice



Unified our approach to development, design and delivery of technology assets underpinned by Vitality AI



Created the Vitality Distribution Academy to support sales



## Phase 3:

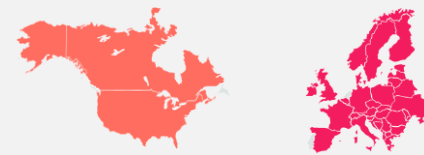
### Growth strategies and efficiencies

Mar – Jun 2025

Efficiencies through rolling off contractors and removing duplicate roles



Clearly identified growth opportunities

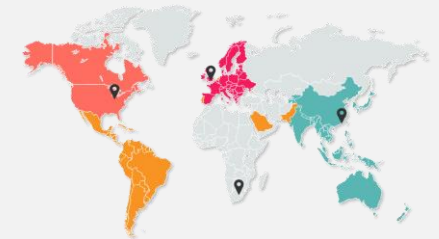


## Phase 4a: Regionalisation

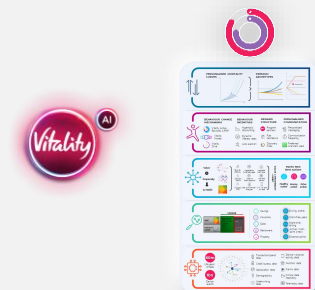
### Phase 4b: Vitality AI

Jul 2025 onwards

Regionalisation



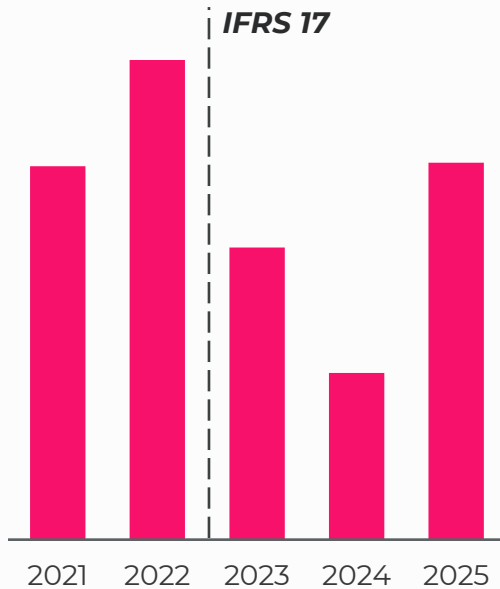
Deliver Vitality AI





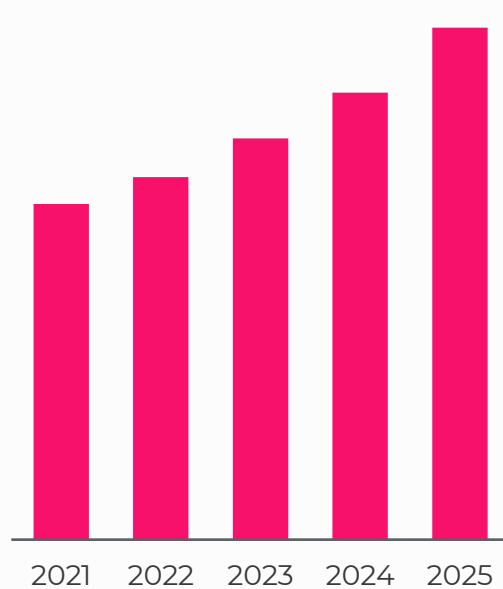
## Operating profit

**+126%**  
to £77.7m



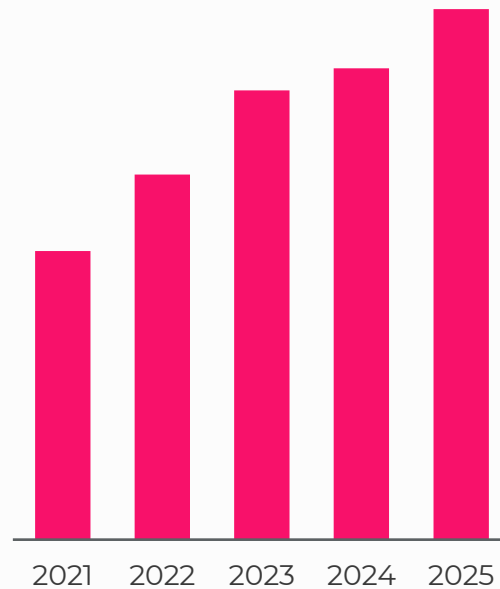
## Premium income

**+15%**  
to £1.3bn



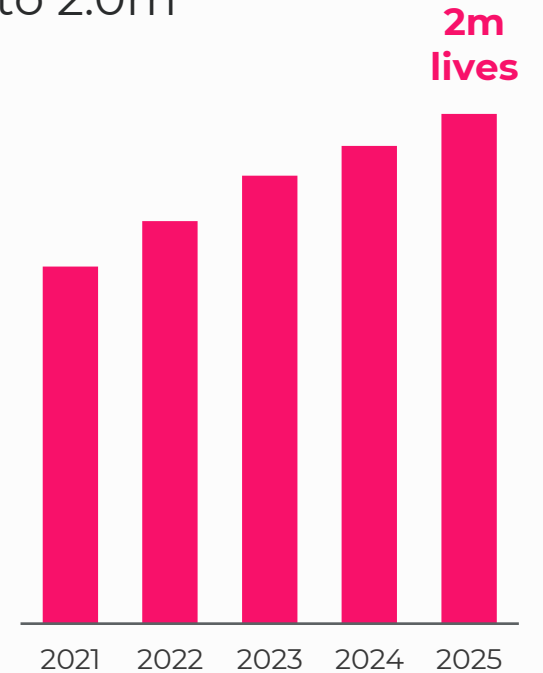
## New business

**+14%**  
to £228m



## Lives covered

**+7%**  
to 2.0m



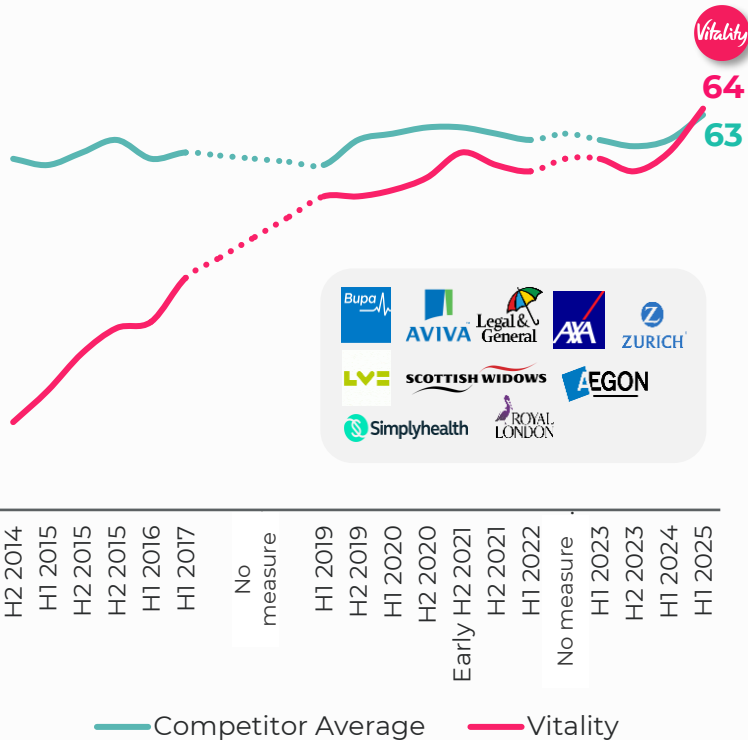
# Vitality UK's differentiated brand is a powerful asset



Brand awareness at all-time high, surpassing competitors

**+357%**

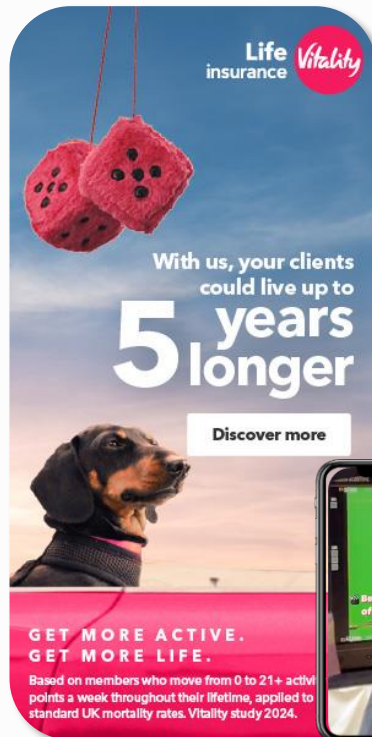
Growth since 2014<sup>1</sup>



Elevated brand messaging that highlights shared value

Up to **5 years longer**

by engaging with the Vitality Programme



**LSE** THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE  
Peer reviewed by LSE

## CLEARCAST

Reviewed and verified to meet the requirements of the UK Code of Broadcast Advertising

UK at the centre of building a global brand

Iconic core brand assets



Roundel  
Vitality Pink



Stanley

New global tagline



*Your* health's **best friend**



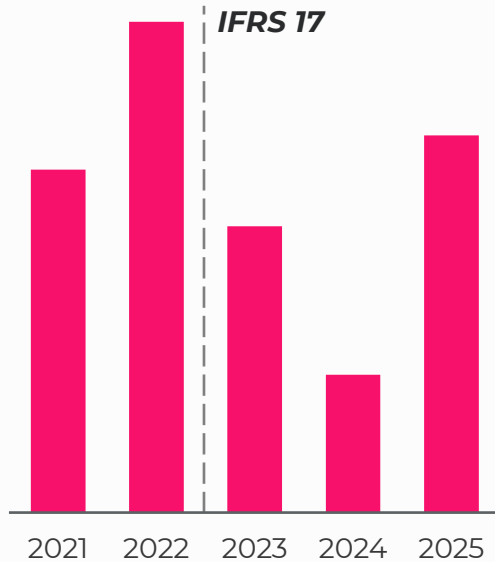
Unique brand campaigns



## Normalised profit

**+174%**

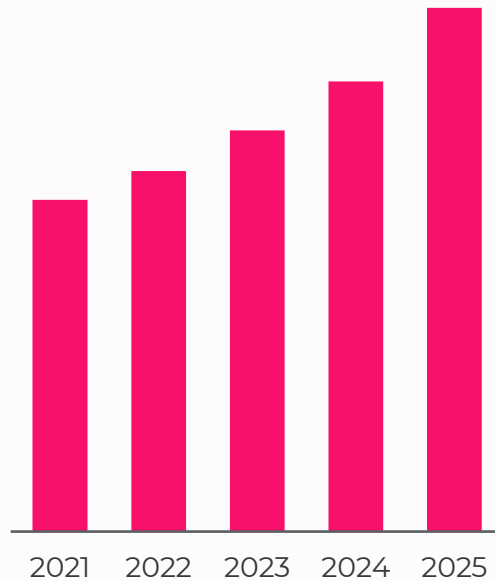
to £50.6m



## Premium income<sup>1</sup>

**+16%**

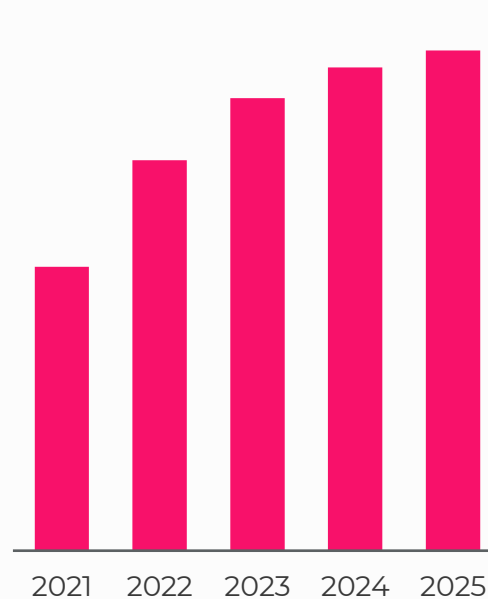
to £814.5m



## New business

**+3%**

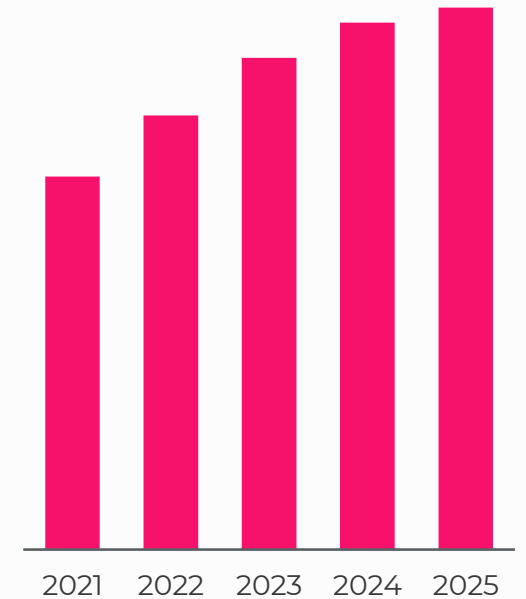
to £121.4m



## Lives covered

**+3%**

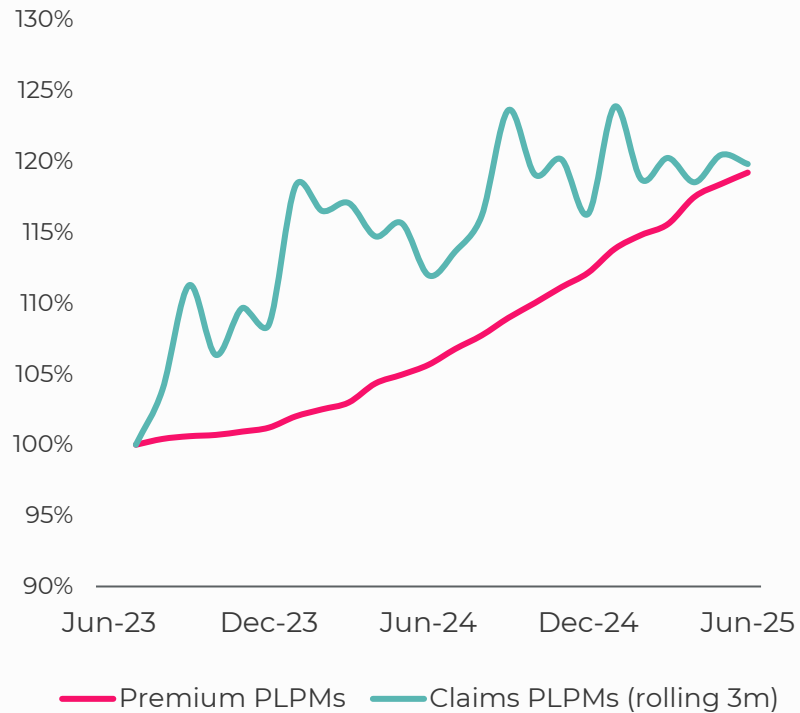
to 1.1m



# Pricing actions and stabilising claims experience have restored margins

## 1. Premiums rebased successfully to claims experience

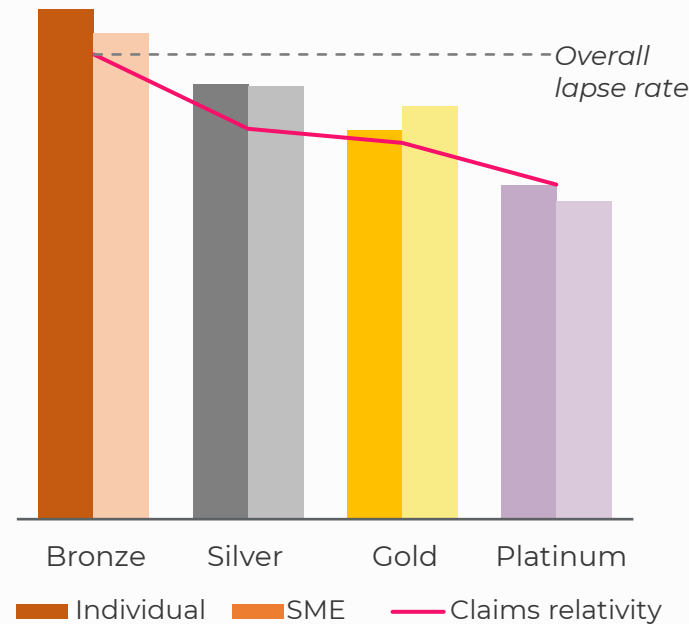
Premiums vs claims PLPM (3-month average, rebased to Jul-23)



**Claims and premium PLPMs back in line**

## 2. Robust and selective retention

Lapse rates and claims relativity by Vitality status

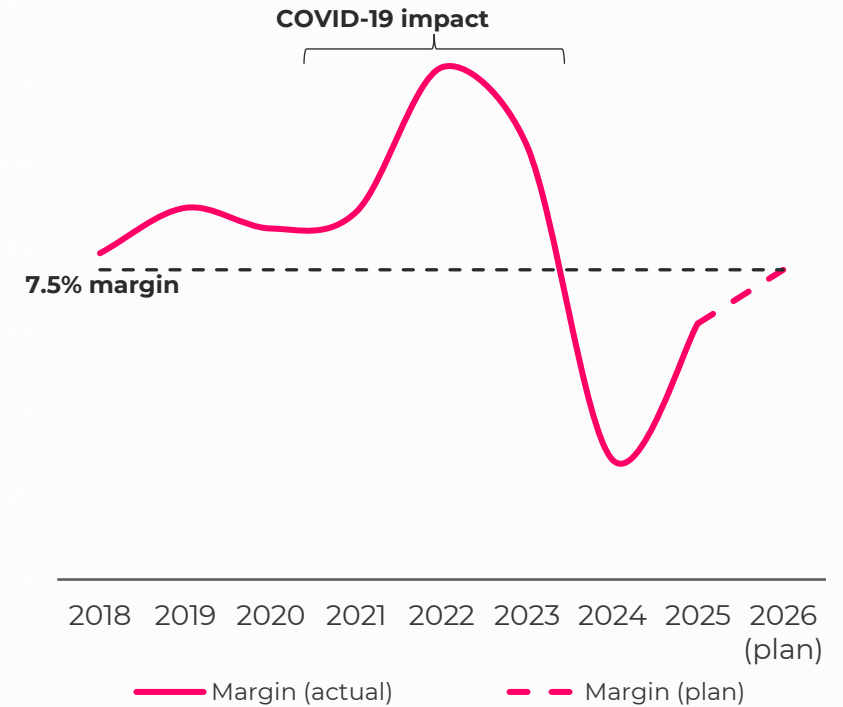


**c.15%** Renewal lapse rate lower than plan (FY 2025)



## 3. Margin recovery combined with revenue growth

Operating margin vs earned premiums

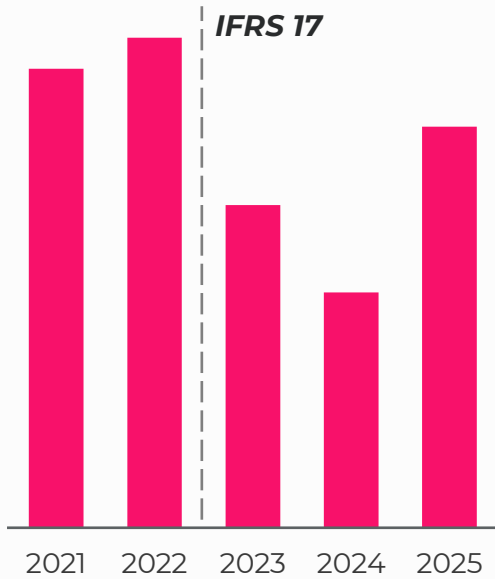


**7.5%** Expected margin (FY 2026)

## Normalised profit

**+70%**

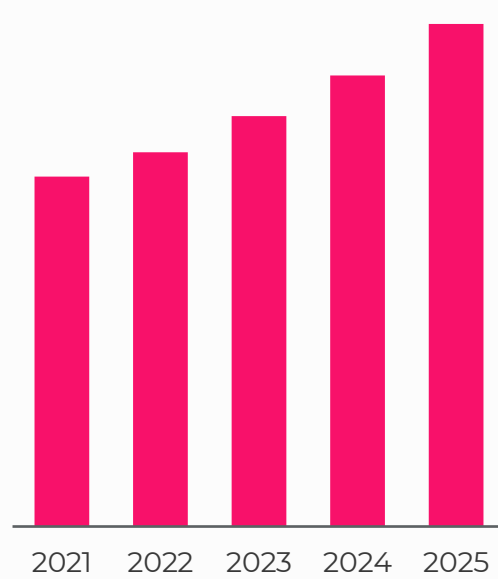
to £27.1m



## Premium income

**+11%**

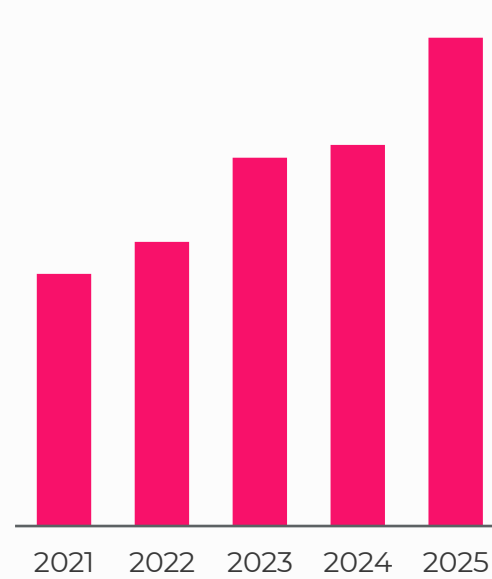
to £447.8m



## New business

**+28%**

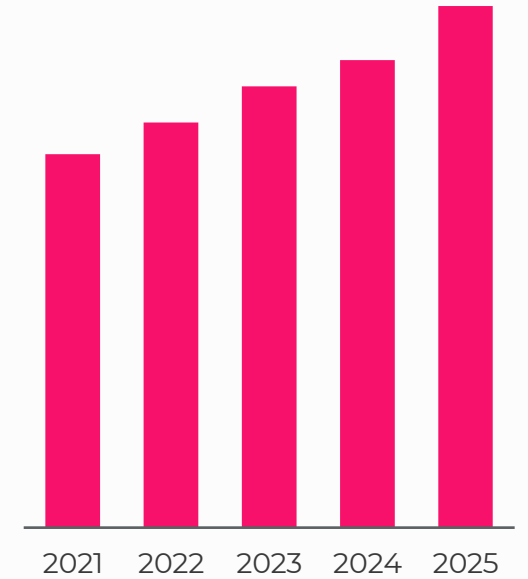
to £106.4m



## Lives covered

**+12%**

to 904k lives

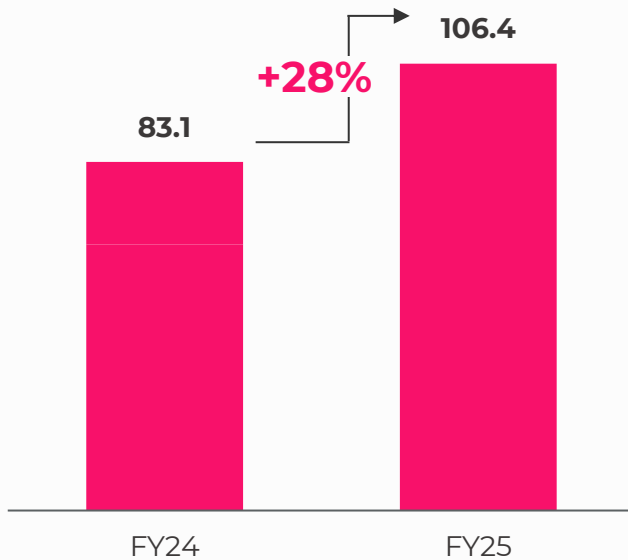


# Momentum in new business performance has continued, driven by Vitality Shared-value Insurance



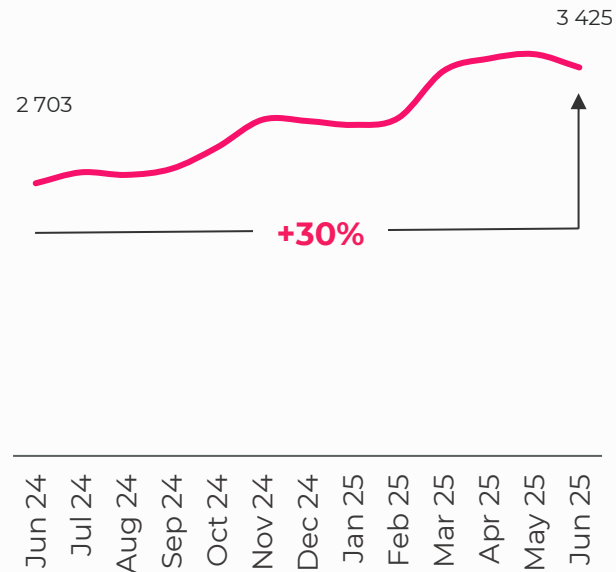
## Step change in new business

New business API (£'m)



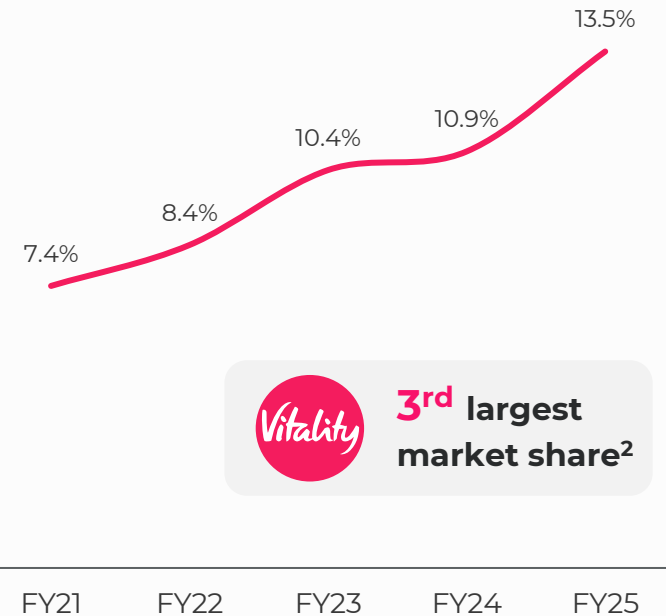
## Increased footprint to unlock future growth

Advisers writing (rolling 3 months)



## Establishing solid market share

VitalityLife market share<sup>1</sup>



**Vitality** 3<sup>rd</sup> largest market share<sup>2</sup>



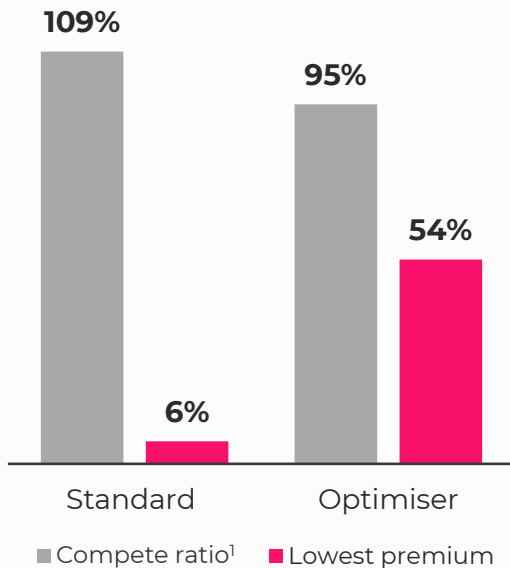
<sup>1</sup>GenRe Protection Pulse  
<sup>2</sup>Swiss Re Term & Health Watch 2025 Report. 3<sup>rd</sup> in 'New Term APE (with and without CI)', 'New IP policies', 'New CI APE' in 2024 calendar year.

# Growth is focused on writing quality new business with no compromise to new business profitability



## Competing selectively – priced at a premium and not buying share

VL quote competitiveness on portals



**Optimiser premium lowest for 54% of quotes**

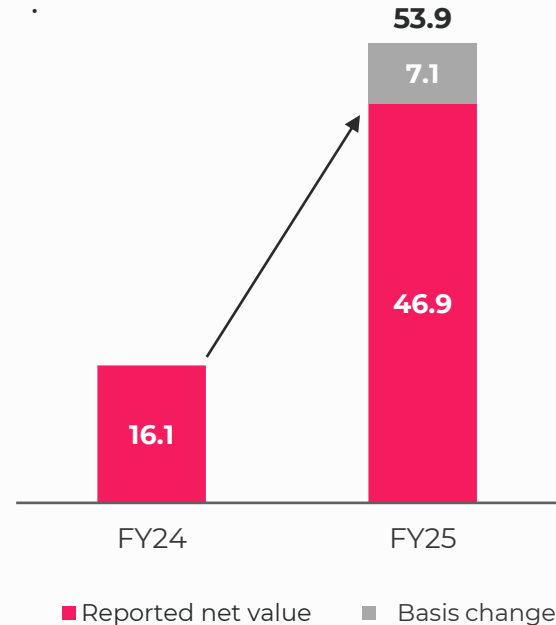
## Benefiting from scale and expense efficiencies

Drivers of new business value (rebased to FY24 H1)



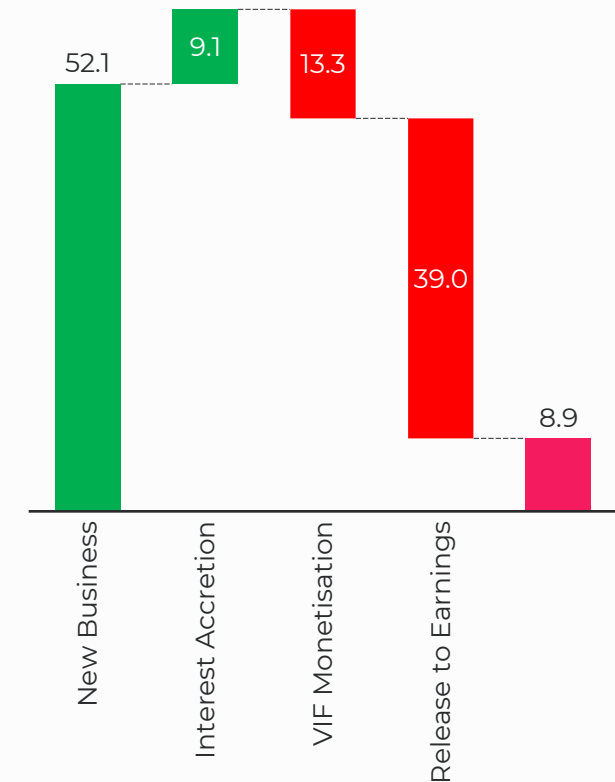
## Resulting in significant change in new business value generated

New business net value (£m) (CSM and RA, less onerous new business)



## Net change in margins (CSM and RA)

Change in margin (£m) (CSM and RA)



1. VL's premium relative to average of cheapest 5 providers on a quote (an indicator of premium competitiveness)  
 2. Underlying profitability defined as the % of PV of premiums available to cover initial expenses and profit. FY25 shown before basis changes for consistency with the previous periods



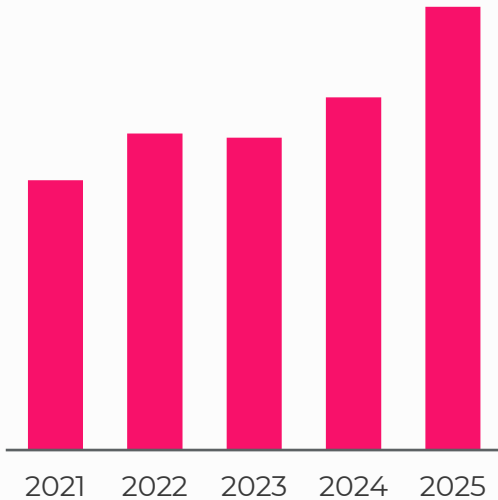
# Validity Network



## Integrated API by insurance partners

**+24%**

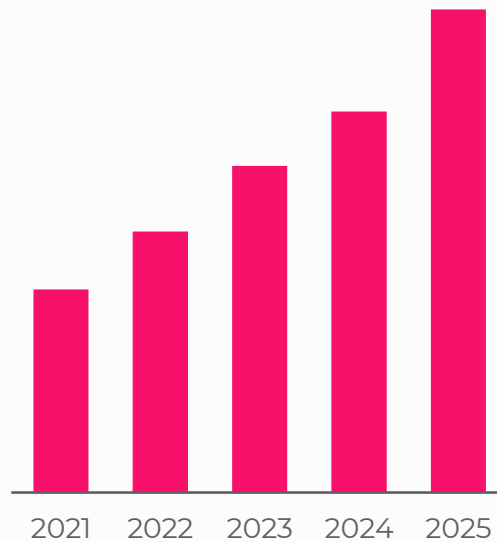
to \$1 951m



## Insurance partners membership

**+27%**

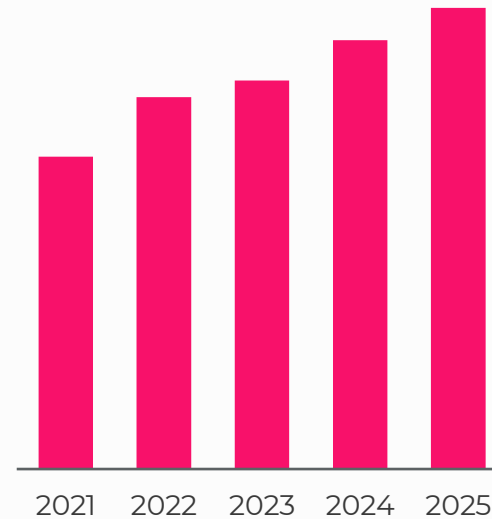
to 6.7m



## Revenue

**+8%**

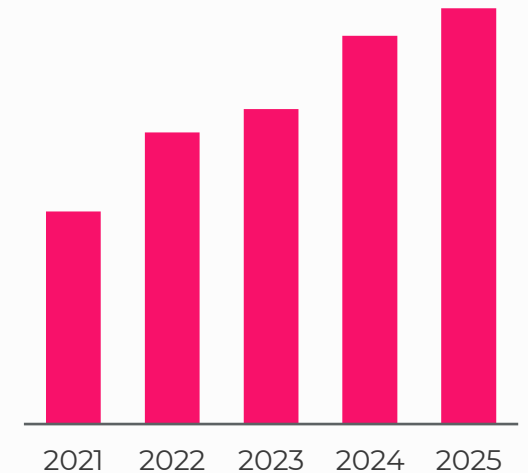
to \$109m



## Normalised profit

**+7%**

to \$30.5m



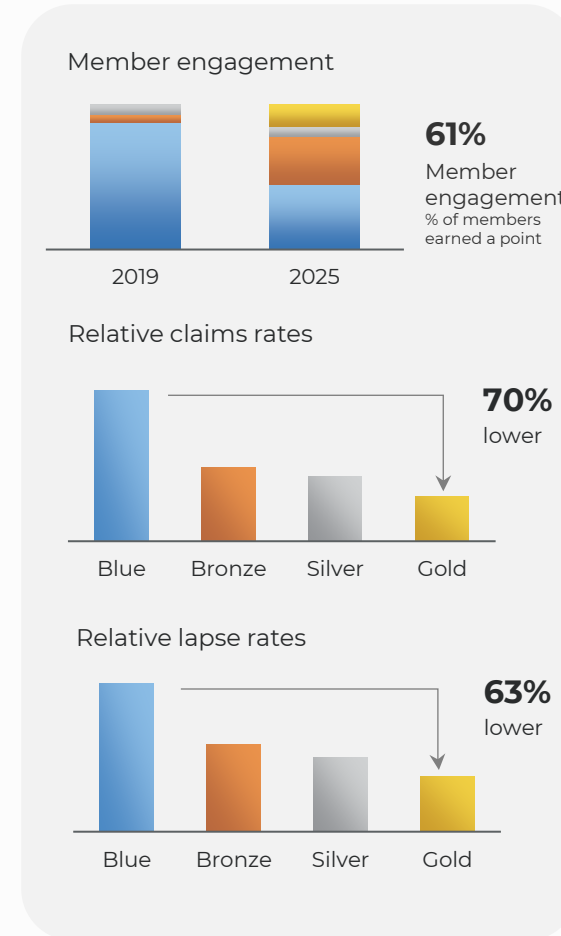
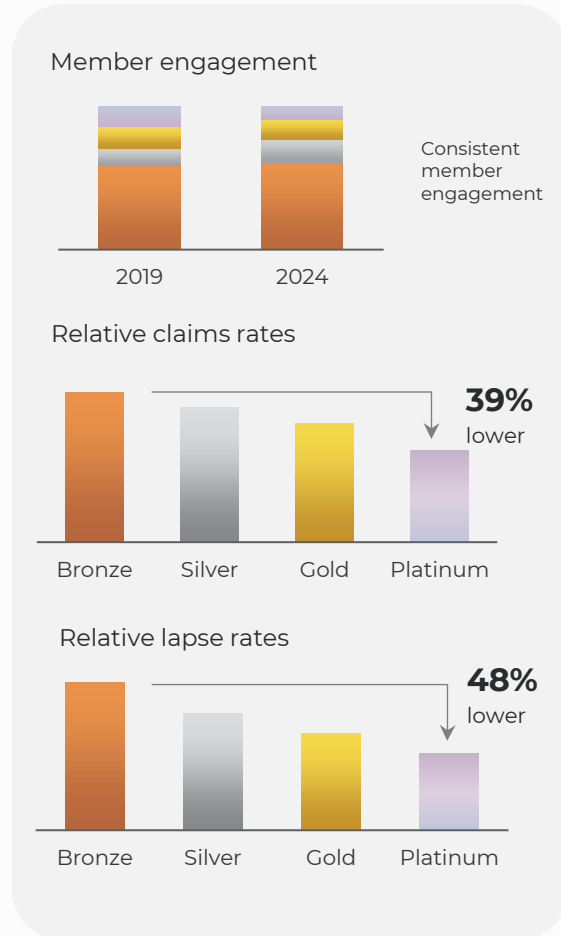
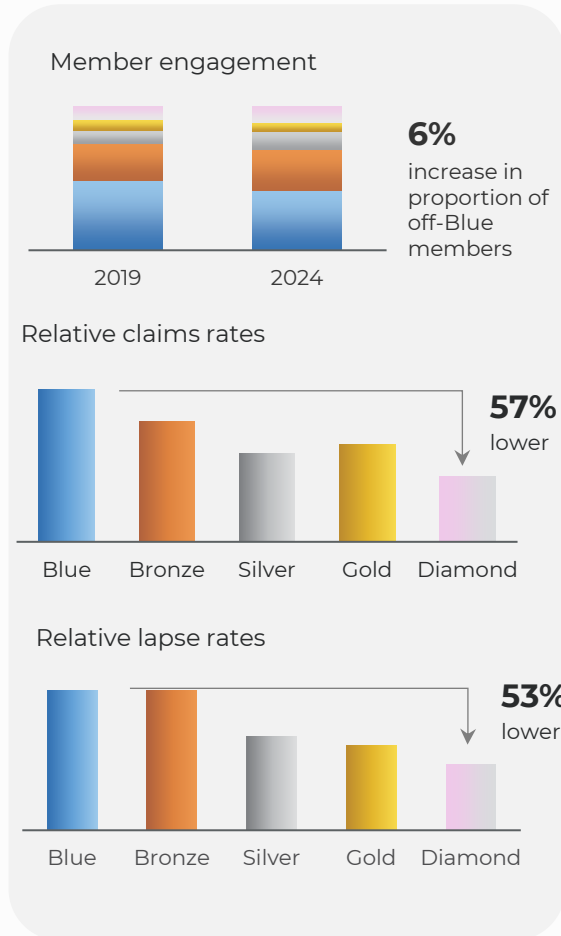
# Positive impact of shared value observed across markets



4<sup>th</sup> largest life insurance market

3<sup>rd</sup> largest life insurance market

1<sup>st</sup> largest life insurance market



**The Shared-value model is creating value for both John Hancock Vitality customers and John Hancock**

**66%**  
of John Hancock customers use Vitality

**80%**  
of Vitality members reported similar or better health YoY

**50%**  
of Vitality members with high blood pressure or high cholesterol readings are now in-range

**45%**  
of Vitality members reported a reduction in BMI

**60%** Reduction in lapse rates for Vitality Plus members on higher status levels relative to Non-Vitality Plus members

# Positioning the business for future scale and growth



1

**Restructuring of existing partnerships**



Collectively committed to **5m lives by 2030**, with restructured economics to **simplify and capture the emergence of value**

**AIA Vitality**

**Enhancing Shared-value outcomes** by investing back into the AIA Vitality partnership, alongside AIA



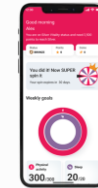
**Termination of the partnership** due to strategic misalignments

2

**Launching the next evolution of Vitality products through Vitality AI**



**Vitality AI launch in November 2025**



**Leveraging Vitality AI to drive engagement**

3

**Rapid pursuit of new opportunities across Europe and North America**



Opportunity to establish optimal, **long-term partnerships in Europe**, following the Generali partnership termination



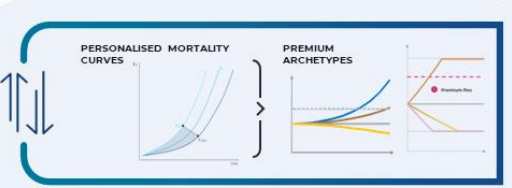
Leveraging the launch of Vitality AI to drive **growth in North America**



# Vitality AI is the future of behavioural insurance in a hyper-personalised world



## Insurance Integration



Device-led    
 Dynamic pricing    
 Wedge funding    
 Reinsurer panel\*    
 Vitality Product

## Incentivised Engagement

**BEHAVIOUR CHANGE MECHANISMS**  
 Vitality Active Rewards & PHP  
 Vitality Money  
 Vitality Drive

**BEHAVIOUR INCENTIVES**  
 Hyperbolic discounting  
 Dynamic interest rates  
 Loss aversion

**REWARD STRUCTURE**  
 Program partners  
 Fuel cashbacks  
 Discovery Miles

**PERSONALISED COMMUNICATION**  
 Personalised messaging  
 Communication frequency  
 Preferred channels used

Personalised communication    
 Habit laddering & gamification    
 Vitality engagement toolkit    
 Vitality Global Partner and Rewards Network

## Vitality.AI Recommender

**Value**     **Propensity**     **Value x Propensity**  
 Upgrade to Gold package     Upgrade to Silver package     Upgrade to Gold package  
 Get your mobile     Open a new account     Adjust your plan  
 Vitality Set up Financial     Link VO and on app     Link VO and on app

**Ranks Next Best Actions**  
 Healthy action     Money action     Drive action

Propensity model    
 Reward elasticity model    
 Next best action model

## Dynamic Risk Assessment

**LIFESPAN**  
 Savings     Insurance     Debt     Retirement     Property  
 Driving profile     Claim-free years     Night-time driving     Annual multi-point check     Distance points

Causal inference model    
 Habit index    
 Value model    
 HealthyFutures algorithm

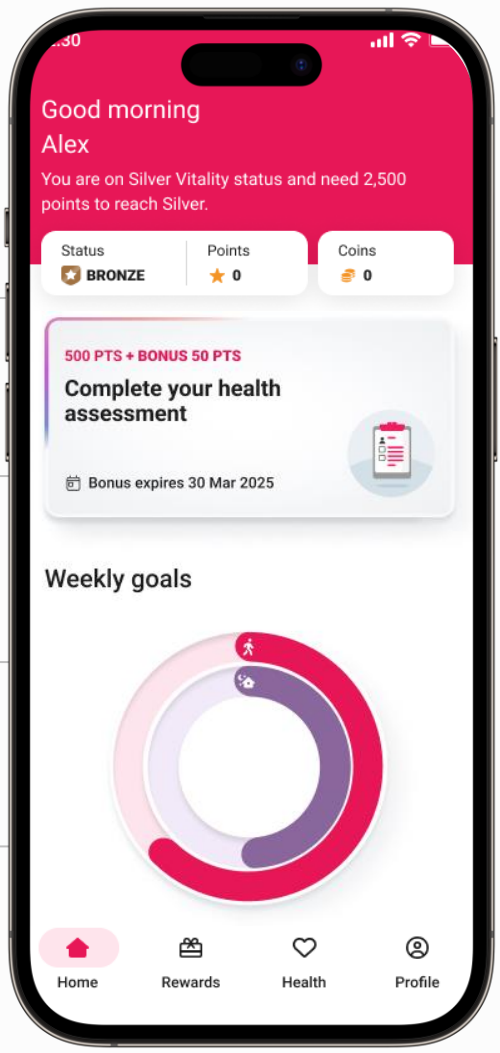
## Proprietary Data

**60m** Life years of data     **1bn** Device events

Transaction/spend data     Credit bureau data     Geolocation data     Demographics     Underwriting data  
 Device + physical activity data     Nutrition data     Claims data     Clinical data repository     Telematics data

Global data engineering    
 World-class technology platform

**>60m** Life years of behavioural linked insurance data    
 quantum HEALTH     CAMBRIDGE MOBILE TELEMATICS



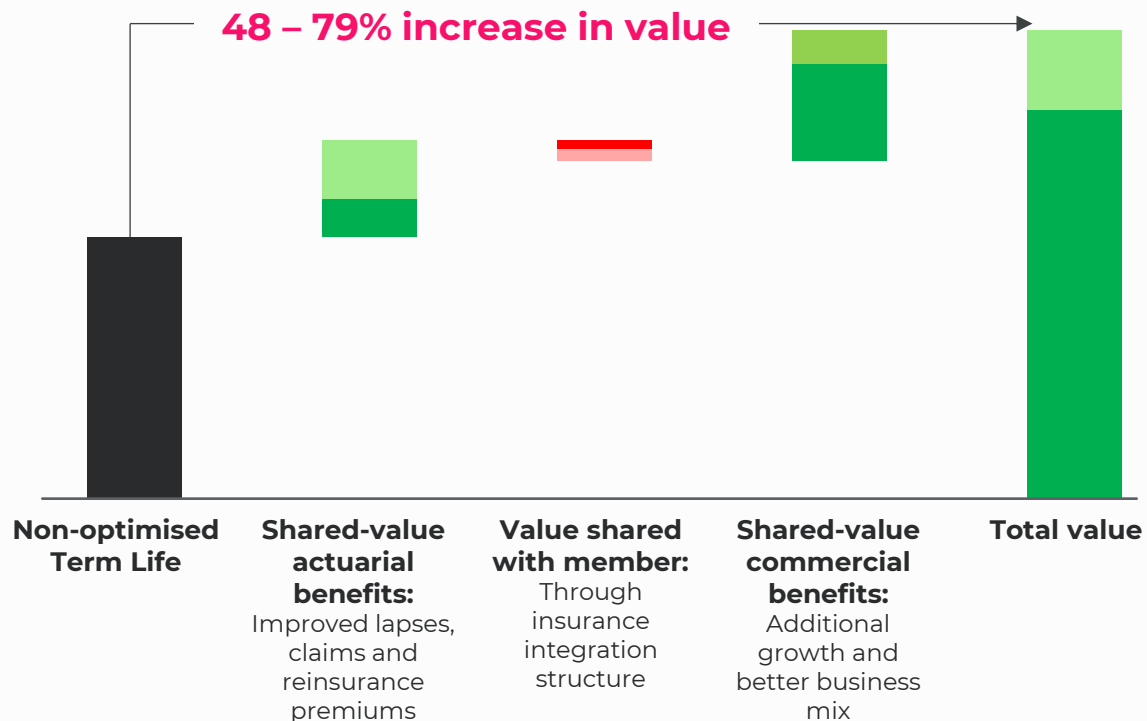
\*Underwritten by the global reinsurance market – with a panel of the big six reinsurers participating

# Case study of the value to a life insurer and life insurance member driven by the shared-value model



## Value to the insurer

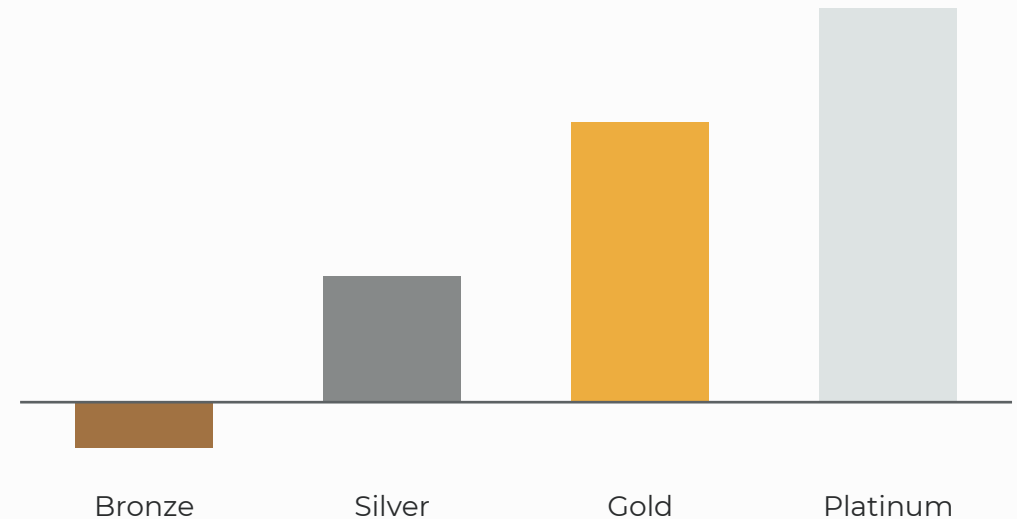
Relative VNB margin uplift



## Value to the member

Case study: lifetime member uplift

**-1.3 to 11.5 times year 1 premium**



Case study based on initial internal modelling of a Term Life portfolio with European market dynamics. Range provides an indication of value based on underlying market dynamics and engagement with Vitality, with engagement ranging between 20 – 40%

Member value derived from their Vitality term life policy over the lifetime of the policy. Case study based on a 40-year-old male who purchases an indexed term life policy with a 20-year term and £500k sum assured

# Ping An Health Insurance

## PAHI's operating results pre-tax

**+22%**

to RMB2.5bn  
(RMB636m DSY's share)

## Discovery's operating result after tax

**+10%**

to RMB479m

## PAHI licence earned premium<sup>1</sup>

**+21%**

to RMB17.8bn

## PAHI licence new business<sup>1</sup>

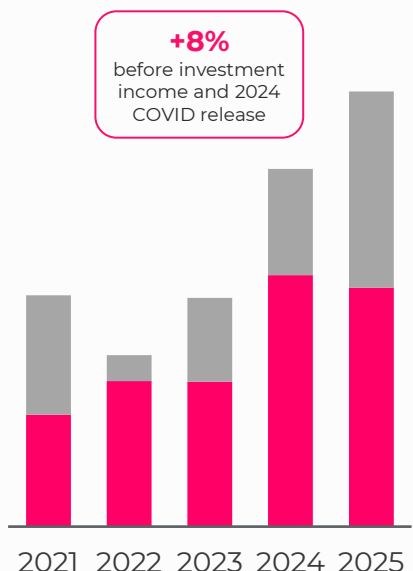
**+25%**

to RMB4.8bn

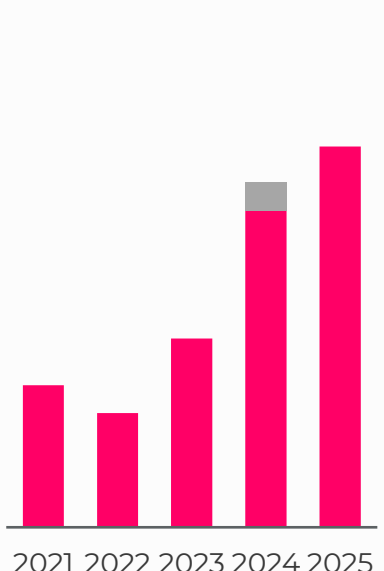
## Lives

**+17%**

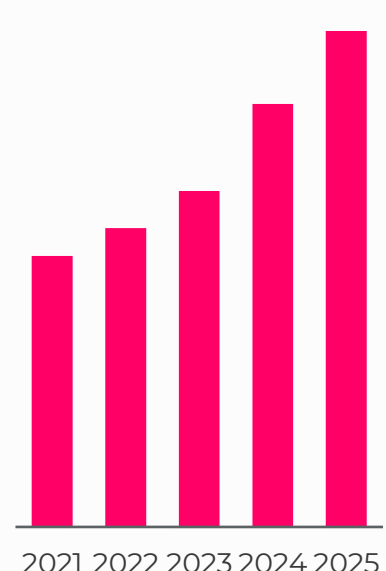
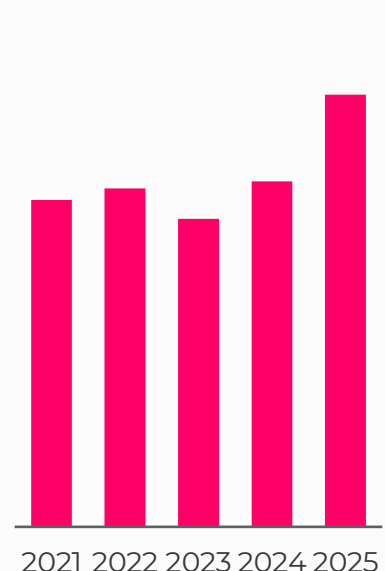
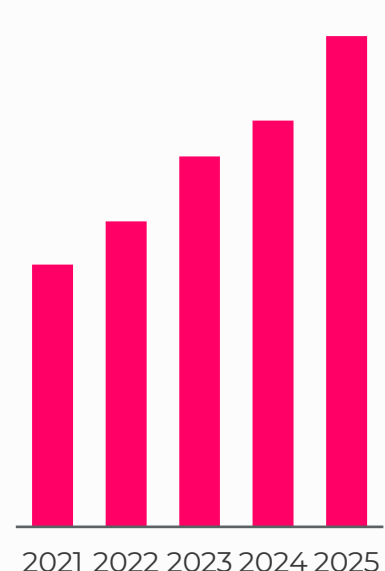
to 32.1m PAHI licence lives



**+8%**  
before investment income and 2024 COVID release



■ Tax benefit  
■ DSY Profit After Costs

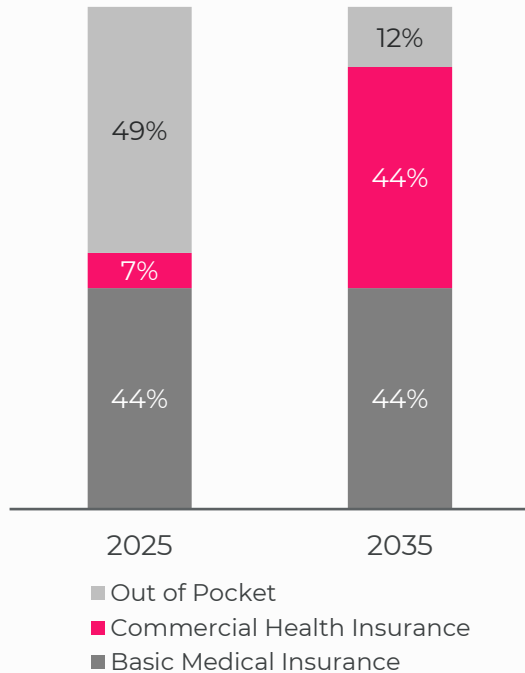


# Strong market fundamentals continue to support high quality, sustainable earnings



## Private health sector well positioned for growth

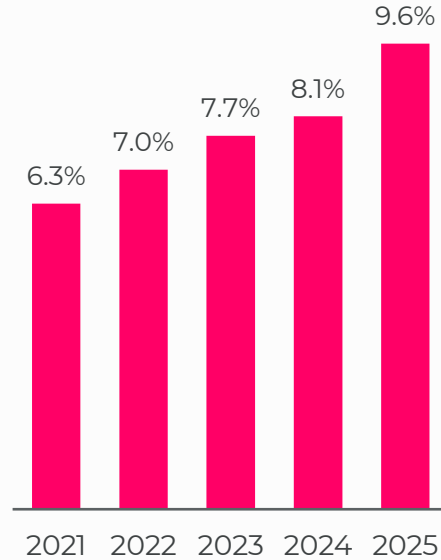
Commercial health insurance share of innovative drug coverage (%)<sup>1</sup>



**Supportive government systematic medical and health reforms**

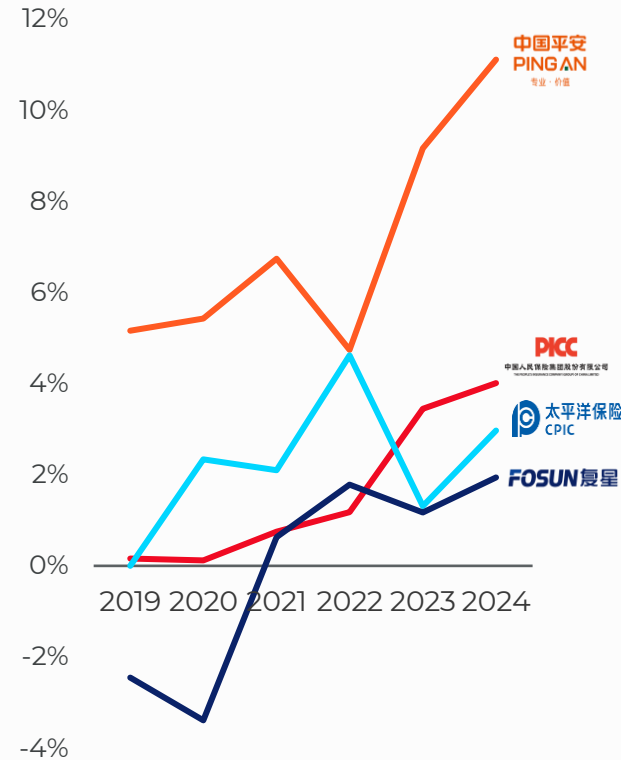
## Continued growth in market share

PAHI market share (%)<sup>2</sup>



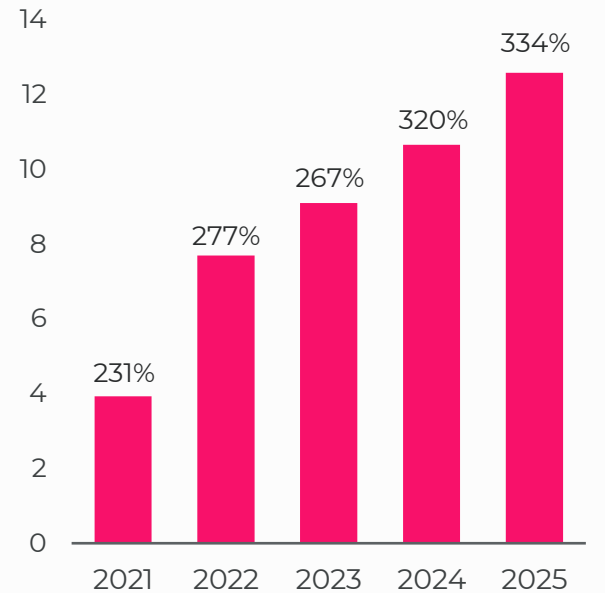
## Superior operational margin

Net profit margin<sup>3</sup>



## Balance sheet strength enabling dividends

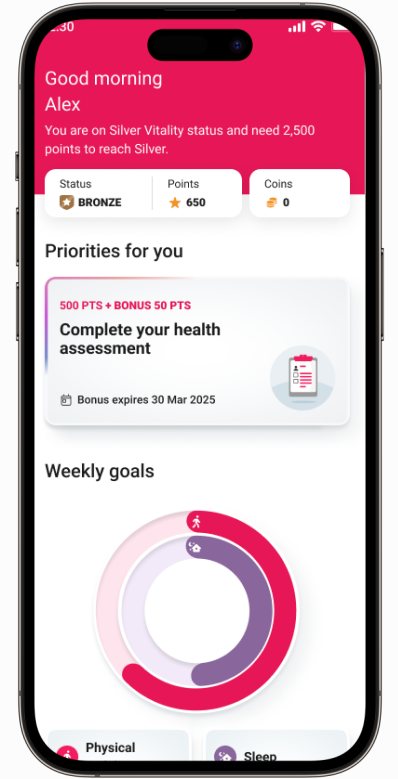
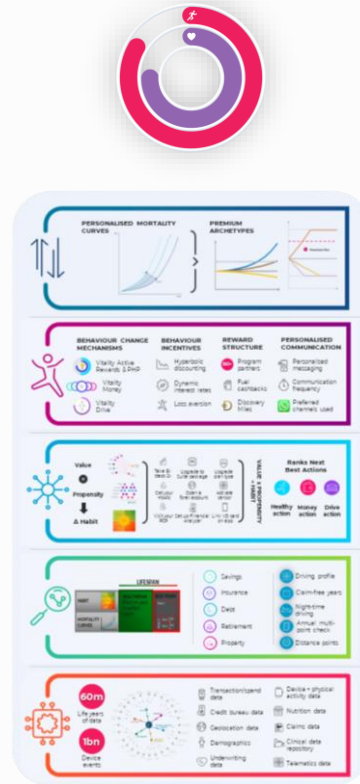
Solvency (RMB billion) and Comprehensive SCR (%)



**PAHI cash dividend: RMB 699 million (ZAR 1.8 billion)<sup>4</sup>**



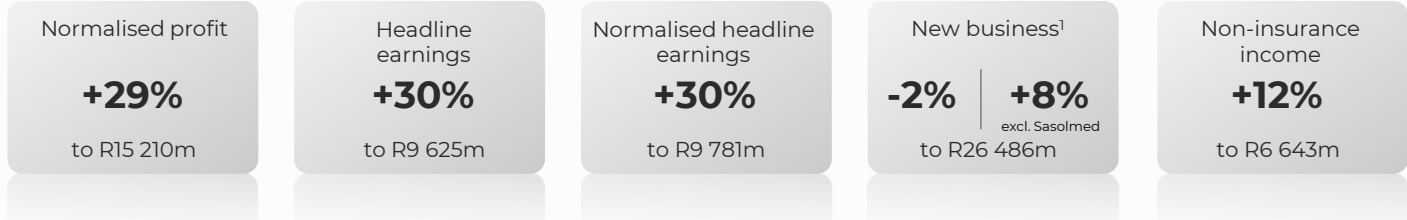
- Insurance integration
- Incentivised engagement
- Validity.AI recommender
- Dynamic risk assessment
- Proprietary data



# Summary



## 1 Robust FY25 performance

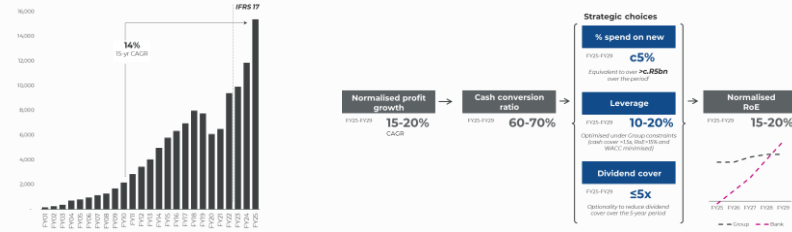


## 2 Excellent start to the five-year growth corridor

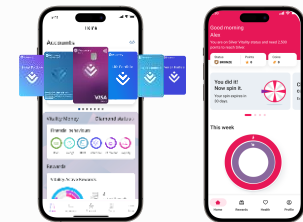
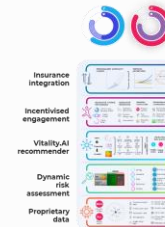
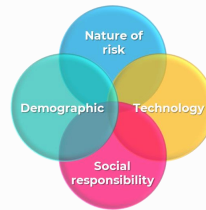
Normalised profit growth

**15-20%** CAGR

FY25-FY29



## 3 Increasing relevance of the Group's Vitality Shared-value model



## 4 Clarity of strategy and growth through two business composites



**12.5% to 17.5%** average earnings growth p.a. (FY25-FY29)

**20% to 30%** average earnings growth p.a. (FY25-FY29)

# Presentation disclaimer



This presentation may contain forward looking statements with respect to certain of Discovery's plans and its current goals and expectations relating to its future performance and results. All forward looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Discovery's control. Accordingly, Discovery's actual future financial performance and results may differ. Any reference to future financial performance has not been reviewed or reported on by the Group's auditors.



# Audited Results

and cash dividend declaration  
for the year ended 30 June 2025