This pack has been prepared to aid discussion and provide further supplementary information only and has not been subject to an external review or audit

CUSTOMERS PER ENTITY

Life Policyholders

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Individual	**450 866**	449 211	449 300	447 690	449 130	449 020	449 378	448 313	445 813	446 713	452 561	446 475
Invest												
Invest - DRO	**137 441**	137 503	137 718	137 189	135 819	134 721	133 741	132 817	131 244	129 606	127 831	124 135
Invest - Other	**236 055**	229 871	225 414	221 273	216 479	212 161	206 778	201 210	195 231	192 615	189 210	185 025
Group (lives)	**707 154**	711 051	707 756	711 161	680 754	584 081	562 769	576 450	562 440	578 035	551 219	544 443
Group schemes	**2 581**	2 616	2 647	2 663	2 666	2 793	2 844	2 827	2 825	2 797	2 740	2 771

Life NB APE

	6 months to December 2024	12 months to June 2024	6 months to December 2023	12 months to June 2023	6 months to December 2022	12 months to June 2022	6 months to December 2021	12 months to June 2021	6 months to December 2020	12 months to June 2020	6 months to December 2019	12 months to June 2019
Individual	**1 440**	2 778	1 444	2 663	1 355	2 362	1 204	2 072	1 068	2 126	1 165	2 215
Group	**23**	164	75	175	130	181	64	193	94	160	75	97
Invest - Recurring	**867**	1 673	851	1 551	796	1 428	737	1 167	573	1 164	686	1 221
Invest - Single APE[1]	**867**	1 627	778	1 500	708	1 493	782	1 570	744	1 508	671	1 382
Total Life APE	**3 197**	6 242	3 148	5 889	2 989	5 463	2 786	5 001	2 478	4 958	2 597	4 915

1 APE shown at 10% of Single premium

Health Members

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
DHMS - Keycare	**204 847**	207 934	226 848	225 517	232 988	232 055	234 421	235 841	230 960	232 714	243 046	240 140
DHMS - Non-Keycare	**1 154 532**	1 152 395	1 147 016	1 149 861	1 142 556	1 135 853	1 118 591	1 111 545	1 099 553	1 111 079	1 108 674	1 110 401
In-House Schemes	**356 504**	354 944	321 333	319 813	321 838	318 246	316 973	321 613	321 767	319 974	317 408	316 410
Total	**1 715 883**	1 715 273	1 695 197	1 695 191	1 697 382	1 686 154	1 669 985	1 668 999	1 652 280	1 663 767	1 669 128	1 666 951

Health Lives

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
DHMS - Keycare	**343 648**	350 038	385 906	384 759	398 397	397 595	401 307	404 984	400 108	403 392	420 869	415 436
DHMS - Non-Keycare	**2 391 556**	2 394 452	2 402 336	2 413 851	2 412 595	2 406 528	2 383 486	2 375 082	2 358 232	2 381 735	2 387 237	2 394 336
In-House Schemes	**800 093**	798 933	710 485	707 406	710 427	704 472	699 342	707 293	704 749	698 534	689 688	686 114
Total	**3 535 297**	3 543 423	3 498 727	3 506 016	3 521 419	3 508 595	3 484 135	3 487 359	3 463 089	3 483 661	3 497 794	3 495 886

Vitality SA

	December 2024	June 2024	December 2023	June 2023	December 2022[2]	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Total Vitality Health, Vitality Drive and Vitality Money programme lives	**3 038 785**	2 922 347	2 822 972	2 652 877	2 498 048	2 348 834	2 242 401	2 163 411	2 122 453	2 065 868	2 060 011	1 987 237

2 restated to include for LA wellness figures

VitalityHealth Members

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Individual	**141 014**	140 400	138 278	135 117	129 568	124 395	117 007	113 189	108 955	105 915	104 997	101 702
SME	**344 320**	340 983	327 876	310 624	285 865	263 216	238 540	222 961	211 949	212 305	209 509	201 960
Corporate	**128 241**	120 685	112 941	108 191	102 823	99 578	89 881	86 149	80 514	81 124	78 050	70 583
Trust and Cost Plus	**20 198**	20 237	16 448	16 339	14 511	8 698	3 944	2 731	2 639	-	-	-
Total	**633 773**	622 305	595 543	570 271	532 767	495 887	449 372	425 030	404 057	399 344	392 556	374 245

VitalityHealth Lives

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Individual	**261 481**	260 210	256 527	250 551	238 629	227 684	212 896	204 890	195 996	188 976	186 559	179 811
SME	**545 424**	541 111	522 753	496 299	460 442	429 110	395 777	374 179	357 768	356 907	353 763	342 431
Corporate	**202 151**	191 015	178 163	171 364	163 120	158 890	148 654	143 905	135 218	135 440	131 991	120 157
Trust and Cost Plus	**35 214**	35 163	27 349	26 854	22 673	15 903	6 509	4 066	3 956	-	-	-
Total	**1 044 270**	1 027 499	984 792	945 068	884 864	831 587	763 836	727 040	692 938	681 323	672 313	642 399

VitalityLife Policies

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Policies	**782 296**	679 382	646 564	622 451	593 322	565 778	535 281	517 913	493 970	474 890	458 675	434 678

VitalityLife Lives

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Lives[3]	**852 154**	810 050	782 296	764 699	735 137	702 105	669 139	647 020	617 051	594 799	577 965	549 526

3 restated to include unique lives only

Discovery Insure Policies

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Policies	**213 762**	214 297	215 297	211 223	214 315	213 453	212 570	202 335	191 936	178 517	169 920	159 171

Discovery Bank

	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022	December 2021	June 2021	December 2020	June 2020	December 2019	June 2019
Primary Clients	**1 092 386**	958 055	825 069	702,131	581 457	470 220	385 177	331 088	287 183	206 810	61 731	1 476
Total Accounts	**2 608 023**	2 271 703	1 933 839	1,625,912	1 312 970	1 023 790	793 215	648 546	521 081	357 416	141 660	3 740

VALUE OF NEW BUSINESS AT POINT OF SALE VS VALUATION DATE

December 2024

VNB at Point of Sale

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Acquisition Costs and Initial strain	**(264)**	**(1 446)**	**(808)**	**(1 685)**	**(4 203)**
Value of In Force	**757**	**1 721**	**1 015**	**1 788**	**5 281**
Cost of Capital	**(21)**	**(36)**	**(26)**	**(42)**	**(125)**
	472	**239**	**181**	**61**	**953**

New business contribution to value of in force at valuation date

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Value of In Force	**755**	**1 277**	**982**	**1 642**	**4 656**
Cost of Capital	**(21)**	**(36)**	**(26)**	**(42)**	**(125)**
	734	**1 241**	**956**	**1 600**	**4 531**

June 2024

VNB at Point of Sale

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Acquisition Costs and Initial strain	(550)	(2 833)	(1 560)	(1 132)	(6 075)
Value of In Force	1 653	3 393	2 051	1 074	8 171
Cost of Capital	(52)	(79)	(63)	(70)	(264)
	1 051	**481**	**428**	**(128)**	**1 832**

New business contribution to value of in force at valuation date

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Value of In Force	1 615	2 454	1 906	909	6 884
Cost of Capital	(51)	(79)	(60)	(68)	(258)
	1 564	**2 375**	**1 846**	**841**	**6 626**

December 2023

VNB at Point of Sale

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Acquisition Costs and Initial strain	(253)	(1 452)	(754)	(635)	(3 094)
Value of In Force	659	1 739	999	535	3 932
Cost of Capital	(21)	(45)	(53)	(35)	(154)
	385	**242**	**192**	**(135)**	**684**

New business contribution to value of in force at valuation date

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Value of In Force	660	1 256	960	513	3 389
Cost of Capital	(21)	(45)	(52)	(28)	(146)
	639	**1 211**	**908**	**485**	**3 243**

EV RECONCILIATION TO INCOME STATEMENT

for the year ended 31 December 2024

R million	Embedded Value Earnings	Value of In-Force	Cost of required Capital	Impact on Income Statement	Adjustment to Shareholders Funds	Statement of Changes in Equity
Total profit from new business (at point of sale)	**953**	4 497	(125)	(3 419)		
- Health and Vitality	**472**	734	(21)	(241)	-	-
- Life	**239**	1 241	(36)	(966)	-	-
- VitalityHealth	**181**	950	(26)	(743)	-	-
- VitalityLife	**61**	1 572	(42)	(1 469)	-	-
Profit from existing business						
*** Expected return**	**5 268**	925	(12)	4 355		
- Health and Vitality	**1 981**	306	3	1 672		
Expected transfer from VIF to net worth	**-**	*(1 672)*	-	*1 672*		
Unwinding of the risk discount rate	***1 981***	*1 978*	*3*	-		
- Life	**2 265**	1 236	-	1 029		
Expected transfer from VIF to net worth	**-**	*(1 029)*	-	*1 029*		
Unwinding of the risk discount rate	***2 265***	*2 265*	-	-		
- VitalityHealth	**458**	(578)	(14)	1 050		
Expected transfer from VIF to net worth	**-**	*(1 050)*	-	*1 050*		
Unwinding of the risk discount rate	***458***	*472*	*(14)*	-		
- VitalityLife	**564**	(39)	(1)	604		
Expected transfer from VIF to net worth	**-**	*(604)*	-	*604*		
Unwinding of the risk discount rate	***564***	*565*	*(1)*	-		
*** Change in methodology and assumptions**	**1 241**	(764)	(38)	2 043		
- Health and Vitality	**(97)**	(117)	20	-		
- Life	**1 487**	1 152	(51)	386		
- VitalityHealth	**-**	-	-	-		
- VitalityLife	**(149)**	(1 799)	(7)	1 657		
*** Experience variances**	**1 447**	1 181	80	186		
- Health and Vitality	**22**	(17)	-	39		
- Life	**468**	436	-	32		
- VitalityHealth	**816**	807	81	(72)		
- VitalityLife	**141**	(45)	(1)	187		
Increase in goodwill and intangibles	**(179)**	-	-	-	(179)	-
Other initiatives	**1 160**	9	-	1 151	-	-
Non-recurring expenses	**(103)**	-	-	(103)	-	-
Acquisition costs	**(11)**	(2)	-	(9)	-	-
Finance costs	**(1 633)**	-	-	(1 633)	-	-
Other	**(4)**	(1)	1	-	(4)	-
Foreign Exchange Rate Movements	**1 125**	701	(21)	(299)	(85)	829
Intangibles	**(85)**	-	-	-	(85)	-
Other	**1 210**	701	(21)	(299)	-	829
Return on shareholders' funds	**799**	-	-	755	-	44
Unrealised gain on investments and realised gain on investments transferred to income statement	**630**	-	-	586	-	44
Health and Vitality investment income	**37**	-	-	37	-	-
Life investment income	**132**	-	-	132	-	-
VitalityHealth investment income	**-**	-	-	-	-	-
VitalityLife investment income	**-**	-	-	-	-	-
Amortisation of Intangibles	**(30)**	-	-	(227)	197	-
Amortisation of intangibles from business combinations	**(30)**	-	-	(44)	14	-
Amortisation of systems intangibles	**-**	-	-	(183)	183	-
VitalityHealth and VitalityLife DAC and unemployment reserve	**-**	-	-	292	(292)	-
Reversal of 1 Discovery Place IFRS 16 financial lease accounting	**-**	-	-	(54)	54	-
Life assets under insurance contracts	**-**	-	-	1 906	(4 117)	2 211
VitalityLife net assets under insurance contracts	**-**	-	-	(418)	135	283
VitalityHealth Insurance Acquisition Cash Flow (IACF) asset	**-**	-	-	30	(30)	-
VitalityHealth FinRe	**-**	-	-	292	(292)	-
Equity settled share based payment mark-to-market adjustment	**-**	-	-	(227)	227	-
Embedded value earnings	**10 033**	6 546	(115)	4 329	(4 094)	3 367

Adjustment to Shareholders' Funds:

Change in: *	
VitalityHealth Insurance Acquisition Cash Flow (IACF) asset	**(322)**
Intangibles & Goodwill	**(71)**
Life net assets under insurance contracts	**(4 117)**
VitalityLife net assets under insurance contracts	**135**
1 DP IFRS 16 financial lease accounting	**54**
Equity settled share based payment mark-to-market adjustment	**227**

** The total change in the net assets under insurance contracts consists of the change in the Negative Rand Reserve (NRR), which is zeroised in the embedded value. The change in the NRR is split between the Income Statement and the change in Other Comprehensive Income (OCI) which flows through the Statement of Changes in Equity (SOCIE).*

EV BUILD-UP PER ENTITY

for the year ended 31 December 2024

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Other	Total
Value of in-force business at 30 June 2024	**26 914**	**35 813**	**13 904**	**14 435**	**-**	**91 066**
Expected return (in-force business)	**1 962**	**2 228**	**448**	**533**	**-**	**5 171**
Release of profits (in-force business)	**(1 672)**	**(1 029)**	**(1 050)**	**(604)**	**-**	**(4 355)**
Value of new business	**736**	**1 685**	**989**	**1 746**	**-**	**5 156**
Expected return (new business)	**19**	**37**	**10**	**31**	**-**	**97**
Release of profits (new business)	**(23)**	**(480)**	**(65)**	**(216)**	**-**	**(784)**
Experience variances	**(17)**	**436**	**888**	**(46)**	**-**	**1 261**
Methodology changes	**(97)**	**1 101**	**-**	**(1 806)**	**-**	**(802)**
Other	**(1)**	**8**	**350**	**330**	**-**	**687**
Value of in-force business at 31 December 2024	**27 821**	**39 799**	**15 474**	**14 403**	**-**	**97 497**
Shareholders' funds per Balance Sheet	**4 474**	**34 211**	**9 992**	**4 313**	**11 654**	**64 644**
Adjustment to shareholders' funds	**-**	**(23 982)**	**(4 673)**	**(11 187)**	**(2 683)**	**(42 525)**
Embedded value at 31 December 2024	**32 295**	**50 028**	**20 793**	**7 529**	**8 971**	**119 616**

COMPONENTS OF ASSETS UNDER INSURANCE CONTRACTS AND ADJUSTMENT TO SHAREHOLDERS' FUNDS ON PUBLISHED BASIS

	R million	December 2024
1.	**Assets under insurance contracts**	
	Discovery Life positive liabilities not netted off with negative liabilities:	**628**
	Discovery Life long term reserves in respect of policies with net negative liabilities:	**(35 813)**
	Working capital	**226**
	Discovery Life liability for incurred claims (LIC)	**7 731**
	Total Assets under insurance contracts:	**(27 228)**
		0
2.	**Negative liabilites not included under assets under insurance contracts**	
	Negative reserve in respect of Invest business	**(7 351)**
	DAC and DRL in respect of Invest business	**(773)**
		(8 124)
		-
3.	**Components to be zeroised based on the Method of Distributable Cashflows:**	**-**
	Discovery Life long term reserves in respect of policies with net negative liabilities:	**(35 813)**
	Liabilities under reinsurance contracts*	**462**
	Negative reserve in respect of Invest business	**(7 351)**
	DAC and DRL in respect of Invest business	**(773)**
	Adjust for reduction on Deferred Tax Liability as a result of reduction in earnings	**7 678**
	Liabilities off set against Negative reserve before zeroisation	**11 815**
		(23 982)
4.	**Other adjustments to published Shareholders' funds**	
	VitalityLife net assets under insurance contracts	**(11 179)**
	VitalityHealth Insurance Acquisition Cash Flow (IACF) asset	**(4 673)**
	VitalityLife receivable relating to the Unemployment Cover benefit (net of deferred tax)	**(8)**
	Goodwill	**(2 922)**
	Intangible assets (net of deferred tax) relating to the acquisition of Standard Life Healthcare and the Prudential Assurance Company joint venture	**(807)**
	Net preference share capital	**(779)**
	Reversal of 1 Discovery Place IFRS 16 financial lease accounting	**1 516**
	Equity settled share based payment mark-to-market adjustment	**309**
	Adjustment to Shareholders' funds from published basis	**(42 525)**

** This amount is the liability under reinsurance contracts, net of CSM, in respect of the portion of the gross assets under insurance contracts zeroised based on the method of distributable cashflows.*

RECONCILIATION TO THE REQUIRED CAPITAL

for the year ended 31 December 2024

R million	Health and Vitality	Life and Invest	VitalityHealth	VitalityLife	Total
Opening - 30 June 2024	**1 238**	**27 935**	**4 138**	**11 299**	**44 610**
- Methodology and Basis Changes	-	1 050	-	(110)	940
- Expected release on in-force at start of period	(56)	(446)	(74)	(349)	(925)
- Impact of new business written	87	445	223	1 061	1 816
- Other changes*	11	1 301	(28)	16	1 300
- Exchange rate movements	-		89	276	365
Change in Required Capital	**42**	**2 350**	**210**	**894**	**3 496**
Closing - 31 December 2024	**1 280**	**30 285**	**4 348**	**12 193**	**48 106**

*This line includes, amongst other things, the impact of rebasing the yield curve as part of the opening to closing reconciliation of required capital. This component of the expected yield curve unwind is shown separately from the expected release for information purposes only.

BREAKDOWN OF INVEST ASSETS UNDER ADMINISTRATION

R million	Total
December 2021	127 632
June 2022	121 737
December 2022	130 830
June 2023	140 378
December 2023	144 810
June 2024	154 653
December 2024	**166 915**

Segment information

R million	SA HEALTH	SA LIFE	SA INVEST	SA INSURE	SA BANK	UK HEALTH	UK LIFE	ALL OTHER SEGMENTS	SEGMENT TOTAL	IFRS REPORTING ADJUSTMEN	IFRS TOTAL
31 December 2024											
Income statement											
Insurance revenue	236	9 286	2 209	3 078	-	9 112	3 758	95	27 774	-	27 774
- Contracts measured under the General measurement model/Variable fee approach	-	7 437	2 209	-	-	-	3 758	-	13 404	-	13 404
- Contracts measured under Premium allocation approach	236	1 849	-	3 078	-	9 112	-	95	14 370	-	14 370
Insurance service expenses	(146)	(7 837)	(1 327)	(2 690)	-	(8 280)	(3 290)	(111)	(23 681)	-	(23 681)
- Claims and benefits	(94)	(5 788)	(295)	(1 568)	-	(5 367)	(1 693)	(74)	(14 879)	-	(14 879)
- Insurance service expense and other	(27)	(990)	(522)	(672)	-	(1 957)	(173)	(33)	(4 374)	-	(4 374)
- Insurance acquisition cash flows	(25)	(1 059)	(510)	(450)	-	(956)	(1 424)	(4)	(4 428)	-	(4 428)
Insurance service result (pre-reinsurance)	90	1 449	882	388	-	832	468	(16)	4 093	-	4 093
Net income/(expenses) from reinsurance contracts	(1)	(530)	-	(52)	-	-	(239)	6	(816)	-	(816)
- Reinsurance expense	(1)	(1 876)	-	(66)	-	(2)	(4 270)	(33)	(6 248)	-	(6 248)
- Insurance claims recovered from reinsurers	-	1 346	-	14	-	2	4 031	39	5 432	-	5 432
Insurance service result	89	919	882	336	-	832	229	(10)	3 277	-	3 277
Net financial result from insurance finance income and expense	-	1 350	(7 454)	-	-	-	145	-	(5 959)	(47)	(6 006)
- Net finance income/(expense) from insurance contracts	-	1 421	(7 454)	-	-	-	273	-	(5 760)	(47)	(5 807)
- Net finance income/(expense) from reinsurance contracts	-	(71)	-	-	-	-	(128)	-	(199)	-	(199)
Investment income using the effective interest rate method	9	2	42	123	-	51	44	8	279	182	461
Net fair value (losses)/gains on financial instruments at fair value through profit or loss	6	267	8 216	8	(1)	60	-	1 317	9 873	2 764	12 637
Fair value adjustments to liabilities under investment contracts	-	-	(602)	-	-	-	-	(1 317)	(1 919)	-	(1 919)
Third-party interest: fair value adjustments to liabilities under investment contracts	-	-	-	-	-	-	-	-	-	(2 401)	(2 401)
Intersegment funding	-	237	(237)	-	-	-	-	-	-	-	-
Other gains/(losses) on financial instruments	-	-	-	-	(9)	-	-	-	(9)	-	(9)
Net insurance and investment results	104	2 775	847	467	(10)	943	418	(2)	5 542	498	6 040
Fee income from administration businesses	4 744	-	989	-	-	17	-	1 630	7 380	(66)	7 314
Vitality income	-	-	-	-	-	16	128	2 741	2 885	(267)	2 618
Net banking fee and commission income	-	-	-	-	611	-	-	(30)	581	150	731
- Banking fee and commission income	-	-	-	-	1 036	-	-	-	1 036	-	1 036
- Banking fee and commission expense	-	-	-	-	(425)	-	-	(30)	(455)	150	(305)
Net banking interest and similar income	-	-	-	-	489	-	-	-	489	-	489
- Banking interest and similar income using the effective interest rate	-	-	-	-	1 105	-	-	-	1 105	-	1 105
- Banking interest and similar expense using the effective interest rate	-	-	-	-	(616)	-	-	-	(616)	-	(616)
Other income	882	61	-	16	21	10	-	7 161	8 151	(7 215)	936
Non-insurance revenue and income	5 626	61	989	16	1 121	43	128	11 502	19 486	(7 398)	12 088
Net income	5 730	2 836	1 836	483	1 111	986	546	11 500	25 028	(6 900)	18 128
Non-insurance acquisition costs	-	-	(486)	-	-	-	-	(114)	(600)	-	(600)
Expected credit losses	-	-	-	-	(118)	-	-	-	(118)	-	(118)
Marketing and administration expenses	(3 707)	(224)	(446)	(118)	(1 138)	(387)	(221)	(11 473)	(17 714)	7 181	(10 533)
Share of net profits from equity-accounted investments	-	-	-	36	-	-	2	386	424	(25)	399
Normalised profit/(loss) from operations	2 023	2 612	904	401	(145)	599	327	299	7 020	256	7 276
Investment income earned on shareholder investments and cash	43	14	5	-	-	-	-	120	182	(182)	-
Intercompany investment income	-	-	-	-	-	-	-	681	681	(681)	-
Net fair value (losses)/gains on financial assets at fair value through profit or loss	-	41	35	-	-	-	-	2	78	(78)	-
Gain/(Loss) from dilution of equity accounted investments	-	-	-	(26)	-	-	-	-	(26)	-	(26)
Gain/(Loss) as a result of obtaining or losing control of previously held interest	-	-	-	-	-	-	-	-	-	-	-
Impairment of goodwill	-	-	-	-	-	-	-	-	-	-	-
Amortisation of intangibles from business combinations	-	-	-	(25)	-	-	-	(29)	(54)	54	-
Market rentals related to Head Office building adjusted for finance costs and depreciation	-	-	-	-	-	-	-	(44)	(44)	44	-
Restructuring costs	-	-	-	-	-	-	-	(46)	(46)	46	-
Interest expenses on borrowings and lease liabilities	(1)	-	-	-	-	(10)	(104)	(839)	(954)	(140)	(1 094)
Intercompany finance expenses on borrowings	(222)	-	-	-	-	-	(225)	(234)	(681)	681	-
Foreign exchange gains/(losses)	(2)	3	(6)	-	-	-	-	18	13	-	13
Profit/(loss) before income tax	1 841	2 670	938	350	(145)	589	(2)	(72)	6 169	-	6 169
Income tax expense	(497)	(715)	(401)	(101)	32	(147)	(31)	20	(1 840)	-	(1 840)
Profit/(loss) for the period	1 344	1 955	537	249	(113)	442	(33)	(52)	4 329	-	4 329
Profit attributable to:											
- Ordinary shareholders	1 347	1 955	537	249	(113)	442	(33)	(99)	4 285	-	4 285
- Preference shareholders	-	-	-	-	-	-	-	47	47	-	47
- Non-controlling interest	(3)	-	-	-	-	-	-	-	(3)	-	(3)

VIF, APE AND VNB SPLIT BETWEEN LIFE AND INVEST

R million	December 2024	June 2024	December 2023	June 2023	December 2022	June 2022
VIF[1]						
Life	**27 082**	24 138	22 859	22 244	23 133	22 059
Invest	**12 715**	11 675	10 429	9 393	9 521	8 505
APE[2]						
Life	**355**	804	426	823	463	837
Invest	**1 234**	2 411	1 150	2 142	1 033	2 158
VNB[1]						
Life	**94**	225	136	162	169	364
Invest	**145**	256	106	267	160	341

Discovery Retirement Optimiser (DRO) product moved from Life to Invest in line with disclosures for December 2016 and later periods.

1 These VIF and VNB numbers are after allowing for the Cost of required Capital.

2 APE is the Annual Premium Income (or Annual Premium Equivalent in the case of Single Premium Investment business) in relation to New Business only, and excludes any addition to Existing Business premiums arising from servicing increases and ACIs.

Group Shareholder Free Cash Movement

R millions	H1 FY2025	FY2024	H1 FY2024	FY2023
Cash Generated from In-Force Before Financing and Tax	**8 319**	14 617	7 567	14 425
New Business Net of External Financing	**(3 506)**	(6 823)	(3 528)	(7 243)
Tax Paid	**(758)**	(1 522)	(792)	(1 839)
Operating Cash Flow	**4 055**	6 272	3 247	5 343
New Initiatives	**(727)**	(1 025)	(776)	(1 671)
Business Development and Other	**(594)**	(1 580)	(864)	(1 274)
Finance Cost Paid	**(899)**	(1 566)	(802)	(1 501)
Dividends Paid	**(1 073)**	(1 270)	(783)	(69)
Financing and Matching Initiatives	**(236)**	(496)	(332)	166
Transactions with Borrowers (Excl. Finance Costs)	**(491)**	1 130	(80)	(597)
Movement in Shareholder Free Cash	**35**	1 465	(390)	397
Remove ordinary dividends paid in period	**1 028**	1 179	740	-
Add ordinary dividends payable in respect of period	**(591)**	(1 467)	(439)	(740)
Movement in Shareholder Free Cash – Dividend Accrual Basis (1)	**437**	1 177	(89)	(343)
Operating Cash Flow	**4 055**	6 272	3 247	5 343
IFRS Normalised Operating Profit net of Tax Expense	**5 436**	9 465	4 343	8 356
Cash Conversion Ratio	**75%**	66%	75%	64%

The cash conversion ratio is calculated as Operating Cash Flow per the Group shareholder free cash movement, divided by Normalised profit from operations (IFRS total) net of Income tax expense (IFRS total) per A.1 Segment Information.

Restatement of Operating Cash Flow

From FY2024, and restated for prior periods, the net external FinRe cash flows for VitalityLife (relating to the partial funding of new business acquisition costs) have been reallocated to "Operating Cash Flow", with FinRe repayments included in "Cash Generated from In-Force Before Financing and Tax" and new FinRe receivables offset against "New Business Net of External Financing". Previously, the net external FinRe cash flows for VitalityLife were included in "Financing and Matching Activities".

Vitality Life utilises FinRe to manage the upfront acquisition costs of writing new business. To the degree that FinRe is raised specifically for the purpose of writing new business, management believes offsetting this funding against new business acquisition costs is a more informative representation of operational cash flow, which has led to this enhancement. The increased use of FinRe in the reporting period follows the significant increase in new business volumes in VitalityLife from FY2024, represented in "New Business Net of External Financing" in the Movement in Shareholder Free Cash.
The following table indicates the portion of "Operating Cash Flow" representing the net external FinRe cash flows for VitalityLife, previously disclosed in "Financing and Matching Activities":

R millions	H1 FY2025	FY2024	H1 FY2024	FY2023
Operating Cash Flow - Before Net New Business Funding (Repayments and Funding)	**3 332**	5 322	2 902	5 337
Net New Business Funding (Repayments and Funding)	**723**	950	345	6
Operating Cash Flow	**4 055**	6 272	3 247	5 343

Group Shareholder Free Cash Movement - Reconciliation to Profit for the Period

R millions	H1 FY2025	FY2024	H1 FY2024 (2)	FY2023 (2)
Profit for the period	**4 329**	7 364	3 278	6 572
Reverse non-cash profit items:				
Share of net (profits)/losses from equity accounted investments	**(425)**	(1 031)	(302)	(561)
Losses/(gains) from dilution of equity accounted investments	**26**	(22)	-	5
Depreciation and amortisation	**1 074**	2 160	1 040	1 972
Impairment of intangible assets	**21**	45	4	61
Deferred acquisition costs (Excl. Invest DAC and exchange rate movements)	**-**	-	-	(42)
Movement in contract assets	**(462)**	(640)	(252)	52
Amortisation of intangibles from business combinations	**-**	-	-	56
Non cash impact of Vitality Health DAC	**(217)**	(411)	(206)	(753)
Non-cash fair value gains on financial assets	**(47)**	(87)	(56)	(214)
Non-cash forex gains / losses	**-**	-	-	9
Bank interest income incurred to cash	**(277)**	-	-	-
Other non-cash adjustments to profit	**(327)**	(152)	(64)	(178)
Adjustments from IFRS to EV ANW:				
Increase in Negative Reserves and Invest DAC (Net of tax)	**(1 487)**	(4 547)	(1 702)	(5 393)
Exchange rate movements on Vitality Life Negative Reserves	**206**	(385)	(137)	1 900
Other adjustments to arrive at EV ANW	**404**	1 644	137	196
Incurred to Cash basis:				
- Rent Paid	**(329)**	(511)	(286)	(328)
- Finance Costs Paid	**(1 494)**	(2 603)	(802)	(1 501)
- Finance Costs Accrued	**1 711**	3 097	1 025	1 941
- Taxation paid	**(758)**	(1 522)	(792)	(1 839)
- Taxation Accrued	**654**	1 093	810	1 495
Investing Activities:				
Purchase of property and equipment	**(120)**	(414)	(246)	(551)
Proceeds from disposal of property and equipment	**3**	28	-	2
Purchase of intangible assets	**(875)**	(1 789)	(800)	(1 760)
Increase in investment in associate	**294**	287	(176)	(75)
Acquisition of business net of cash required	**(304)**	-	-	(3)
Cash proceeds from CMT transaction	**-**	-	-	-
Financing Activities:				
Increase in borrowings	**1 765**	2 005	500	7 441
Repayment of borrowings	**(2 257)**	(874)	(580)	(8 038)
Dividends paid to ordinary shareholders	**(1 026)**	(1 179)	(739)	-
Dividends paid to preference shareholders	**(47)**	(91)	(44)	(69)
Movement in Shareholder Free Cash	**35**	1 465	(390)	397

Notes

"Movement in Shareholder Free Cash" is an estimate of shareholder free cashflow. Life and Invest and VitalityLife are included based on the change in the Adjusted Net Worth in the Embedded Value. Changes in working capital are not allowed for in the estimate.

1) This view of the movement in shareholder free cash flow aligns the dividend paid to the period against which the cash flow was generated to fund it. For 31 December 2024, the declared dividend of R591m, per the interim financial results, is used as the dividend accrued in respect of the six month period.

2) "Profit for the period" for H1 FY2024 and FY2023 has been restated as a result of prior period errors - refer to D.1.1 for more detail. The restatements do not affect the net Movement in Shareholder Free Cash Flow for those periods as they relate to movements in Vitality Life Limited's net assets under insurance contracts, which are non-cash flow movements. The offsetting adjustment has been included in "Increase in Negative Reserves and Invest DAC (Net of tax)" in the build-up above.

Reconciliation of operating profit to normalised operating profit

for the six months ended 31 December 2024

R million	Group Half-year ended December 2024	Group Half-year ended December 2023	change
Operating profit	**6 877**	5 466	26%
Share of net profits from equity accounted investments	**399**	278	
Normalised profit from operations per Segment information (IFRS total)	**7 276**	5 744	27%
Normalised profit adjustments	**(256)**	(208)	
Investment income earned on shareholder investments and cash	**(182)**	(139)	
Difference between market related rental and depreciation and finance costs (Head office)	**(96)**	(85)	
Net fair value gains on financial assets at fair value through profit or loss	**(78)**	(56)	
Amortisation of intangibles from business combinations	**54**	52	
Restructuring costs	**46**	20	
Normalised profit from operations	**7 020**	5 536	27%

Discovery Bank additional perforamance metrics

for the six months ended 31 December 2024

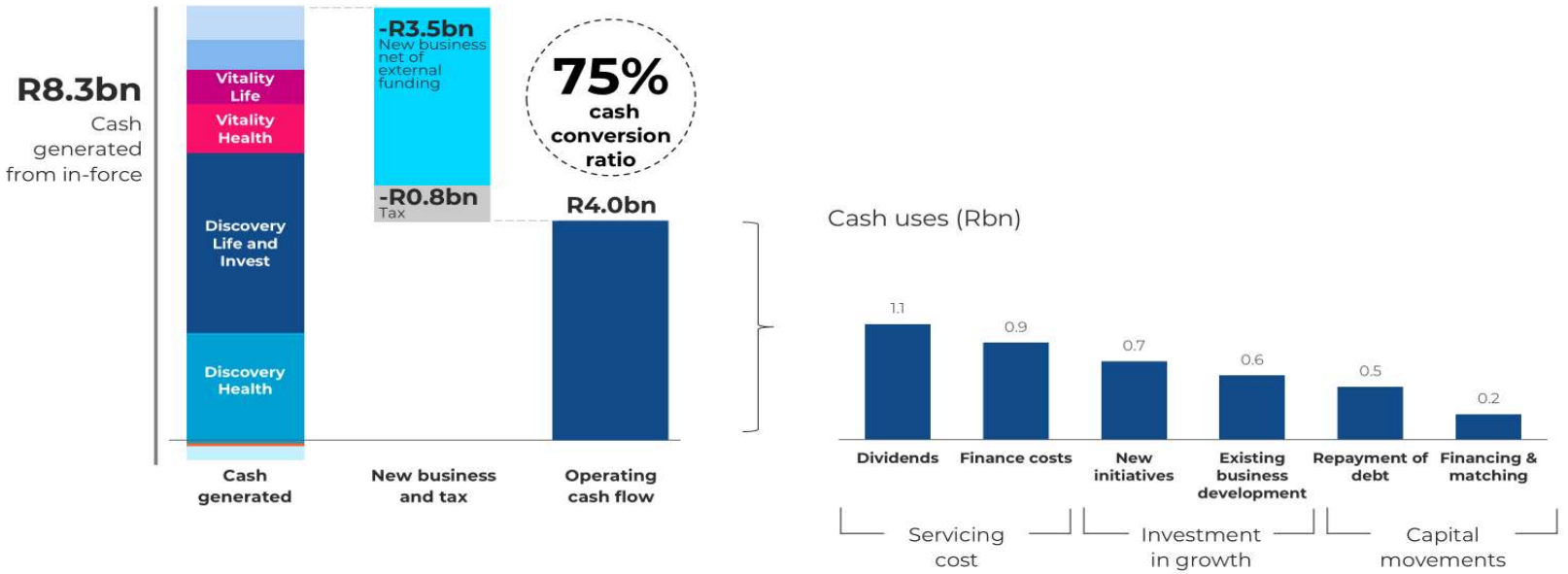
	2025 H1	2024 H2	2024 H1	2023 H2	2023 H1
Profitability and Efficiency					
Net Interest Margin (NIM)	10.08%	10.11%	9.84%	9.50%	9.07%
Asset Quality					
Non-Performing Loan (NPL) Ratio	5.48%	5.84%	4.16%	7.44%	4.67%
Capital Adequacy					
Common Equity Tier 1 (CET1) Ratio	16.67%	17.63%	17.07%	16.82%	16.47%
Liquidity					
Loan-to-Deposit Ratio (LDR)	37.05%	35.72%	34.48%	36.08%	23.46%

NAV PER ENTITY

for the year ended June 2024

Covered businesses	**December 2024**
NAV before adjustment to shareholder funds	
Health and Vitality	**4 474**
Life and Invest	**34 211**
VitalityHealth	**9 992**
VitalityLife	**4 313**
Non-covered business	
Bank, including DCS intangible asset and goodwill	**8 004**
Insure	**2 369**
PAHI	**7 230**
CMT	**1 402**
Limited	**(11 680)**
Other	**4 329**
Total NAV	**64 644**

Robust cash generation drives strong cash conversion



Cash conversion ratio is calculated as Operating Cash Flow (R4 055m at 31 December 2024, from the 'Additional Analyst Information' document) over the IFRS normalised profit/(loss) from operations (R7 276m at 31 December 2024, from note A.1 Segment Information of the 'Unaudited Interim Results') net of IFRS income tax expense (R1 840m at 31 December 2024, from note A.1 Segment Information of the 'Unaudited Interim Results')

PAHI performance metrics

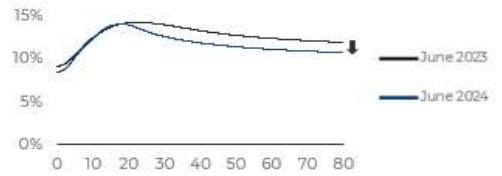
	Half-years (DSY reporting cycle)			Full years (calendar year)		
RMB million	**December 2024**	December 2023	%change	**2024**	2023	%change
New business PAHI total (100%)	2 088	1 764	18%	4 698	4 027	17%
New business PAHI Own Licence	1 743	1 591	10%	3 994	3 721	7%
New business PAHI Reinsurance	345	173	99%	704	306	130%
New business PAHI total (25%)	522	441	18%	1 174	1 007	17%
New business PAHI Own Licence	435	398	10%	998	930	7%
New business PAHI Reinsurance	86	43	99%	176	77	130%
Total written premium (100%)	10 998	9 014	22%	24 629	20 440	20%
Written premium-own licence	7 452	6 535	14%	17 036	15 250	12%
Written premium-reinsurance	3 545	2 479	43%	7 593	5 190	46%
Earned premium (100%)	8 729	7 524	16%	16 525	14 809	12%
Own License	8 286	7 130	16%	15 904	14 057	13%
Reinsurance	443	395	12%	621	752	-17%
PAHI profit before investment income and gains (100%)	306	356	-14%	1 420	1 122	27%
PAHI investment income and gains (100%)	599	202	196%	1 018	518	97%
PAHI pre-tax profit (100%)	**906**	**559**	**62%**	**2 439**	**1 640**	**49%**
PAHI profit before income and gains (25%)	**226**	**140**	**62%**	**609**	**410**	**49%**
Investible assets	24 338	21 571	13%	24 338	21 571	13%

Note: PAHI reinsurance information has been provided as additional information. Going forward, only direct own license information will be provided, which aligns the respective metric with the economics of the business

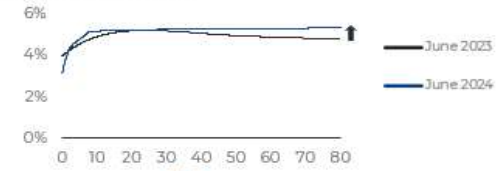
Systematic rates impacts on earnings projections

Implied future CPI rates depend on prevailing yield curves

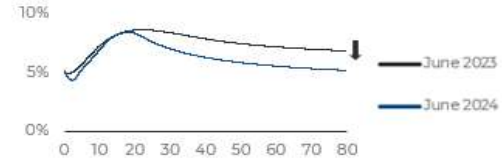
Nominal spot rate curve



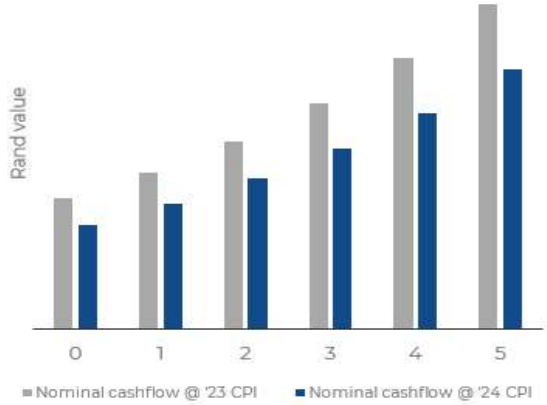
Real spot rate curve



Implied CPI spot rate curve



Implied future CPI levels impact nominal projected cashflow



- **Lower CPI** implies **lower nominal cashflow** required to **maintain real value** over time.

- **Lower interest accretion** required maintain real value.

IFRS 17 with OCI elected

- OCI absorbs present value in-period changes of economic assumptions.
- Systematic rate assessed annually at group level to account for changes in economic assumptions over the period.
- Given reduction in nominal cashflows from FY23 to FY24, systematic rates reduced consistently.
- Interest accretion on fulfilment cashflows reduced by cR200m for H1 FY25 (cR400m for FY25 full year).
- No material impact on present value of fulfilment cash flows.
- **OCI remains effective in reducing volatility due to economic assumption changes.**

Normalised Return on Equity

	H1 FY2025	FY2024	H1 FY2024	FY2023		
EARNINGS						
Net profit - attributable to:	**4 329**	**7 364**	**3 278**			
- Ordinary shareholders	4 285	7 283	3 239		*A*	
- Preference shareholders	47	91	44			
- Non-controlling interest	(3)	(10)	(5)			
Earnings adjustments for ordinary shareholders	*65*	*46*	*17*		*C=B-A*	
Normalised headline earnings	**4 350**	**7 329**	**3 256**		*B*	
EQUITY						
Opening total equity	**57 719**	**49 724**	**49 724**			
- Insurance Finance Reserve	(733)	(3 184)	(3 184)			
- Perpetual preference share capital	779	779	779			
- Non-controlling interest	-	4	4			
- Other equity	57 673	52 125	52 125		*D*	
Adjusted opening equity	**57 673**	**52 125**	**52 125**		*E=D*	
Closing total equity	**64 644**	**57 719**	**53 140**	**49 724**		
- Insurance Finance Reserve	1 761	(733)	(2 144)	(3 184)		
- Perpetual preference share capital	779	779	779	779		
- Non-controlling interest	(3)	-	4	4		
- Other equity	62 107	57 673	54 501	52 125	*F*	
Adjusted closing equity	62 107	57 673	54 501	52 125	*G=F*	
Normalised adjusted closing equity	**62 172**	**57 719**	**54 518**	**52 125**	*H=G+C*	
Average normalised equity	**59 923**	**54 922**	**53 322**		*I=(H+E)/2*	
RETURN ON EQUITY					*Full-year*	*Half-year*
Normalised return on equity (annualised)	**15.0%**	**13.3%**	**12.6%**		*=B/I*	*=(1+B/I)^2-1*