Unaudited Interim Results

and cash dividend declaration for the six months ended 31 December 2024

Performance overview



Normalised profit	Headline earnings	Normalised headline earnings	New business[1]	Non-insurance income
+27%	**+34%**	**+34%**	**-12%**	**+14%**
to R7 020m	to R4 267m	to R4 350m	to R12 534m	to R3 181m
			+6% when excluding Sasolmed in prior period	

1 Excluding discontinued products like VitalityInvest, DBI and Ping An Health reinsurance business

Key insights from H1 FY2025 performance

1	**Growth**	The structuring of the group into two composites has been completed, with the Group in a new phase of growth and performing well
2	**Consistency**	The growth is consistently strong across the two composites and within the businesses
3	**Resilience**	The Group is financially resilient in a complex and uncertain environment
4	**Shared value**	The Vitality Shared-value model is a key driver of performance

Strong profit performance

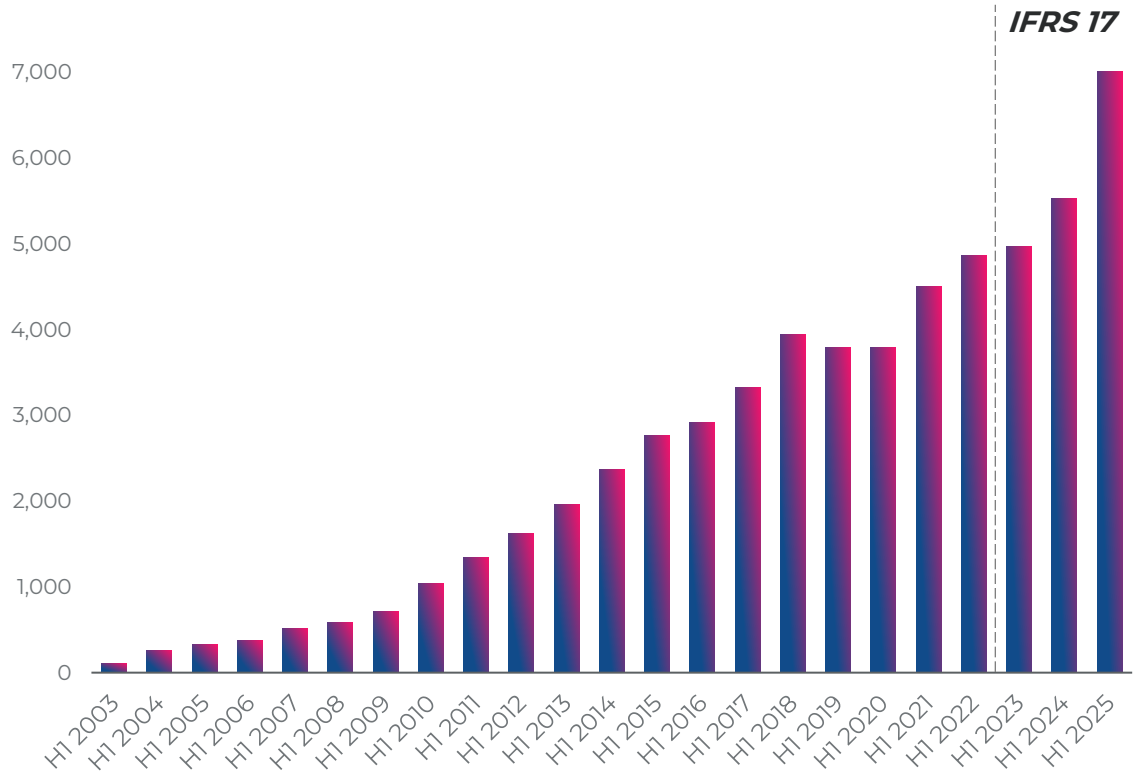
Normalised profit, ZARm

Health	2 023	+8%
Life	2 612	+15%
Invest	904	+46%
Insure	401	+1905%
Bank	-145	-57%
Other SA[1]	-275	+216%
SA	**5 520**	**+27%**
Vitality Health	599	+14%
Vitality Life	327	+8%
Vitality Network	339	+15%
Ping An Health Insurance	424	+23%
VHI - Other	-149	-14%
Other Vitality	-40	-33%
Vitality (UK and VG)	**1 500**	**+27%**

Strong normalised profit growth

+27%

to R7 020m



1 Vitality, Other SA Initiatives and Group initiatives and central costs

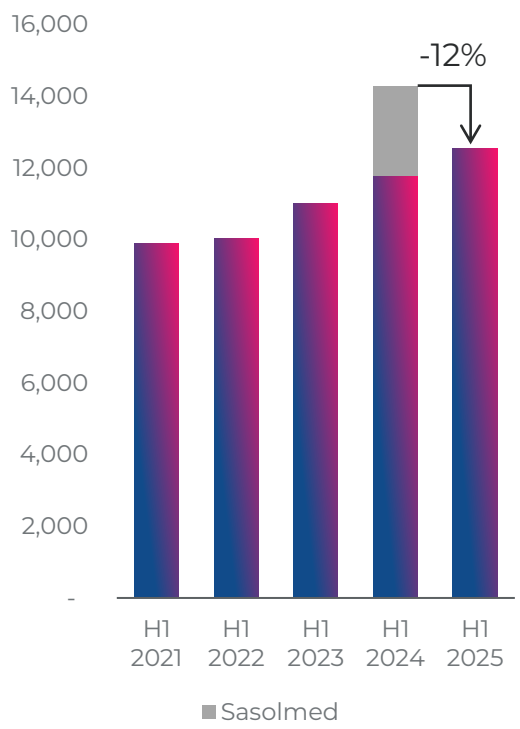
Strong performance

ZARm	New business[2]		Non-insurance income	
Health	4 714	-31%	646	+9%
Life	1 463	-4%		
Invest	1 735	+7%		
Insure	659	-1%		
Bank			1 100	+42%
Other SA[1]	448	+22%		
SA	**9 019**	**-18%**	**1 746**	**+27%**
Vitality Health	1 326	+2%		
Vitality Life	1 101	+18%		
Vitality Network			970	+3%
Ping An Health Insurance	1 088	+6%		
VHI - Other			465	-2%
Other Vitality				
Vitality (UK and VG)	**3 515**	**+8%**	**1 435**	**+1%**

New business growth impacted by Sasolmed

+6% Excl Sasolmed in prior period

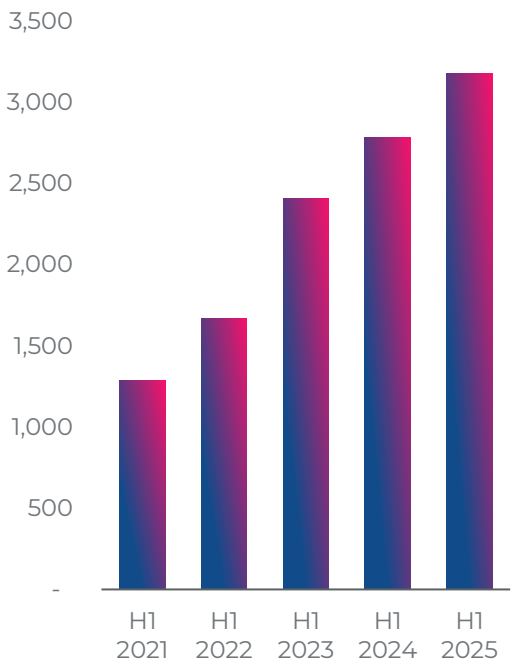
to R12 534m



Robust non-insurance income growth

+14%

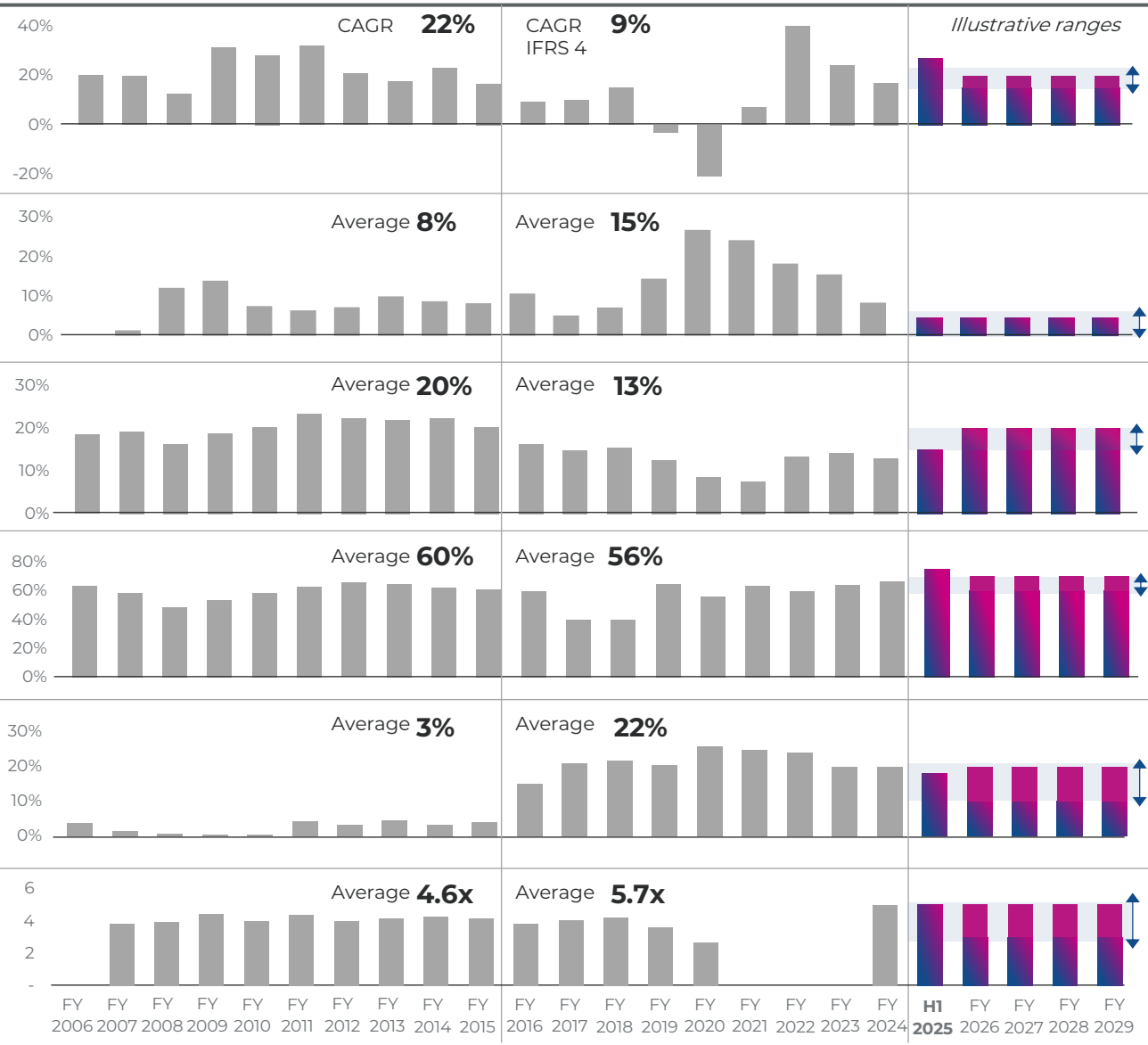
to R3 181m



1 Vitality and other SA Initiatives 2 Excl products in run down

Entering a new phase of growth

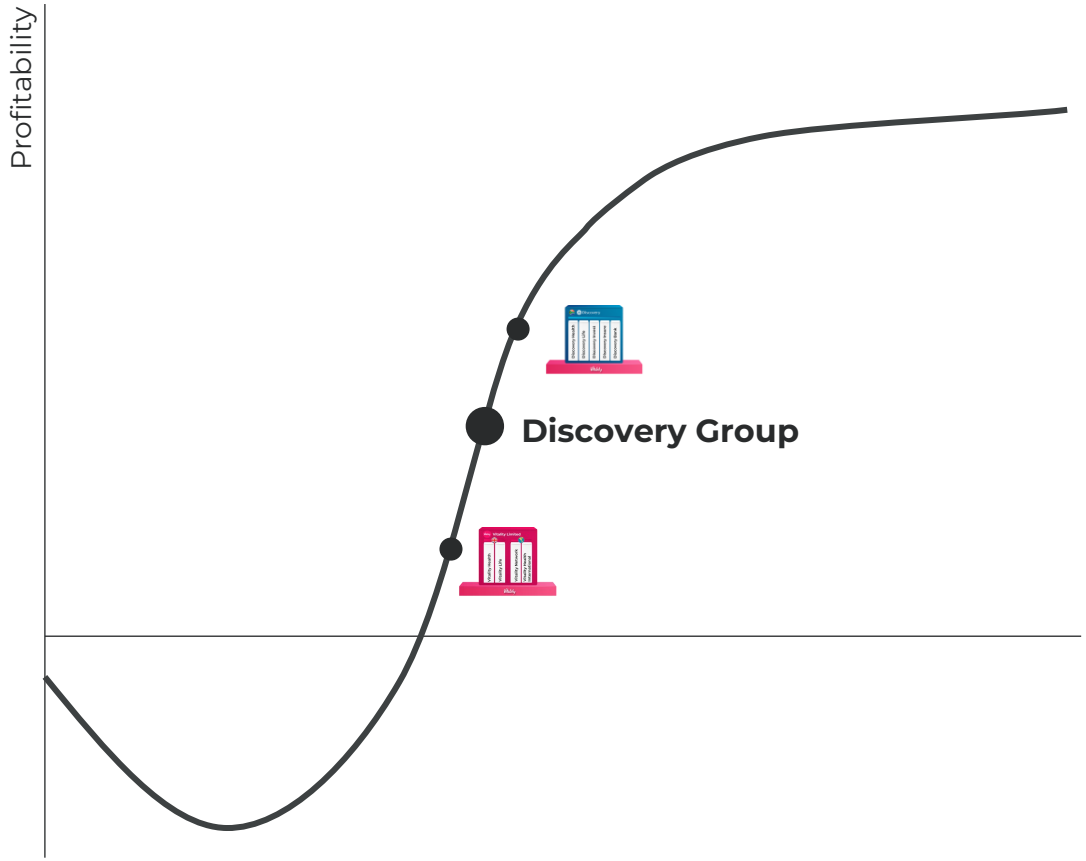
	Unfettered organic growth	Big investments in New	Scaled organic growth	H1 FY25	Expected FY25
Normalised profit growth	CAGR **22%**	CAGR IFRS 4 **9%**	*Illustrative ranges* **15-20%** CAGR	**27%** H1FY25	**Above plan**
% spend on new	Average **8%**	Average **15%**	**c5%** Spend on new	**5%** H1FY25	**Within plan**
RoE	Average **20%**	Average **13%**	**15-20%** RoE	**15%** H1FY25	**Within plan**
Cash conversion ratio (normalised history)	Average **60%**	Average **56%**	**60-70%** Cash conversion ratio	**75%** H1FY25	**Within plan**
FLR	Average **3%**	Average **22%**	**10-20%** FLR	**18%** H1FY25	**Within plan**
Dividend cover	Average **4.6x**	Average **5.7x**	**≤5x** Dividend cover	30-40% of expected full year dividend at H1FY25	**Within plan**



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

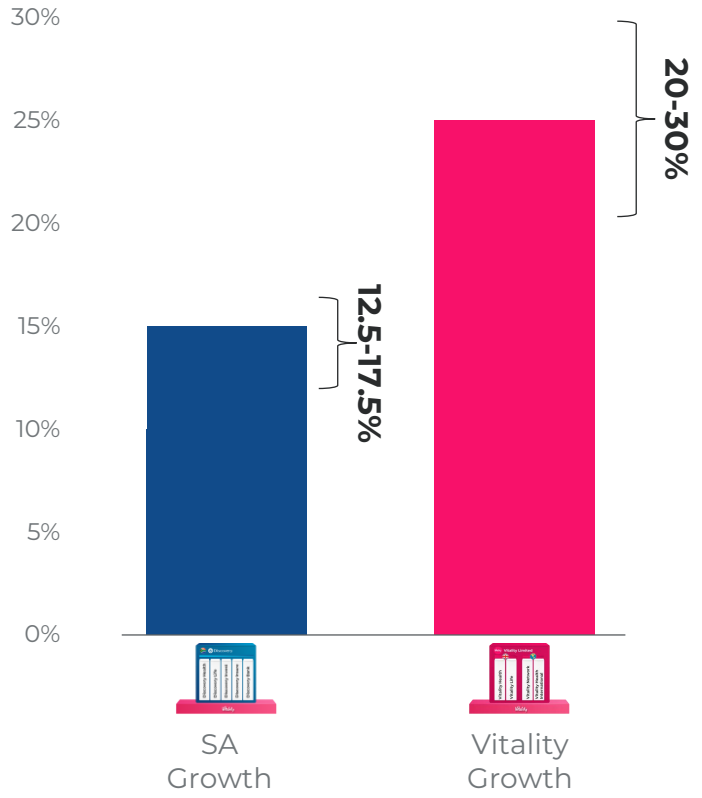
Well positioned for future growth

Expect continued organic growth



Average expected earnings growth ambition

p.a. (FY25-FY29)



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Strong ambition in each composite





Growth ambitions

Discovery SA

R400m Bank operating profit growth p.a.

R3bn Bank FY29 profit ambition

>RF+8%
Life and Invest new business IRR

c10%
Insure margin

Vitality UK

>10%
Premium growth (GBP)

>RF+5%
Life new business IRR

c7.5%
Health gross margin

Vitality Network

c15%
Revenue growth (USD)

c50%
Operating margin

Vitality Health International

PAHI

>5%
Premium growth above market

Preserving quality profit growth

VHI-other

>RF+10
Hurdle return on capital

FY27
Vitality USA break-even

12.5% - 17.5% p.a.
Earnings growth
FY25-FY29

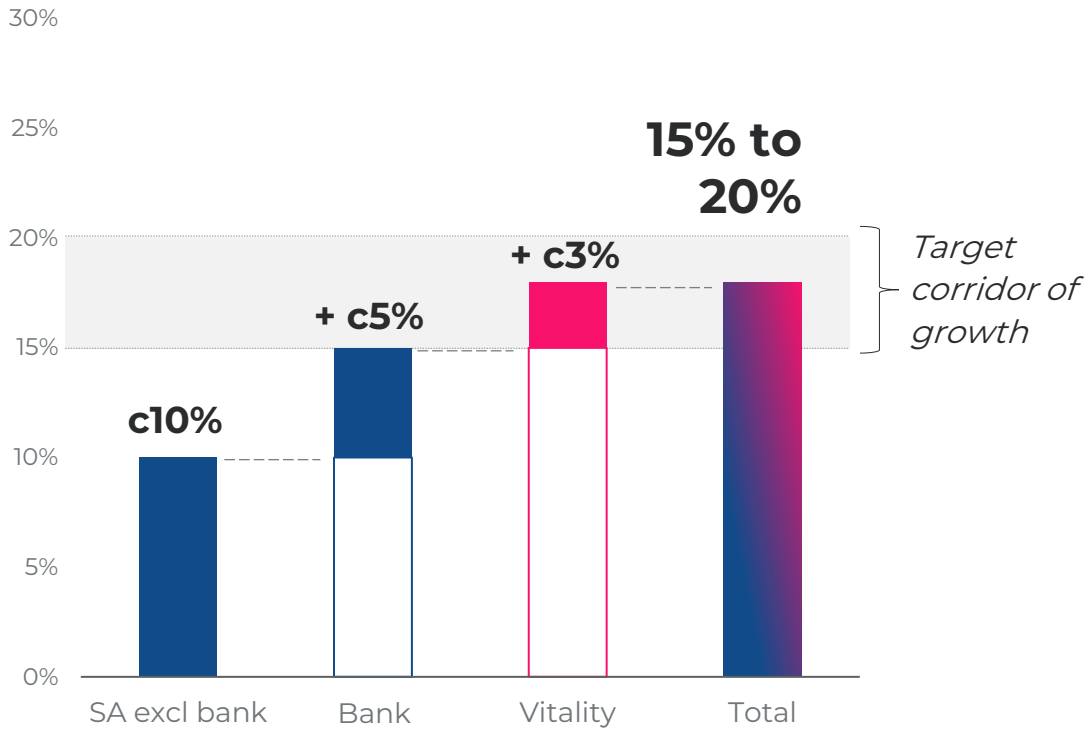
20% - 30% p.a.
Earnings growth
FY25-FY29

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

The mathematics of growth - actual better than expected

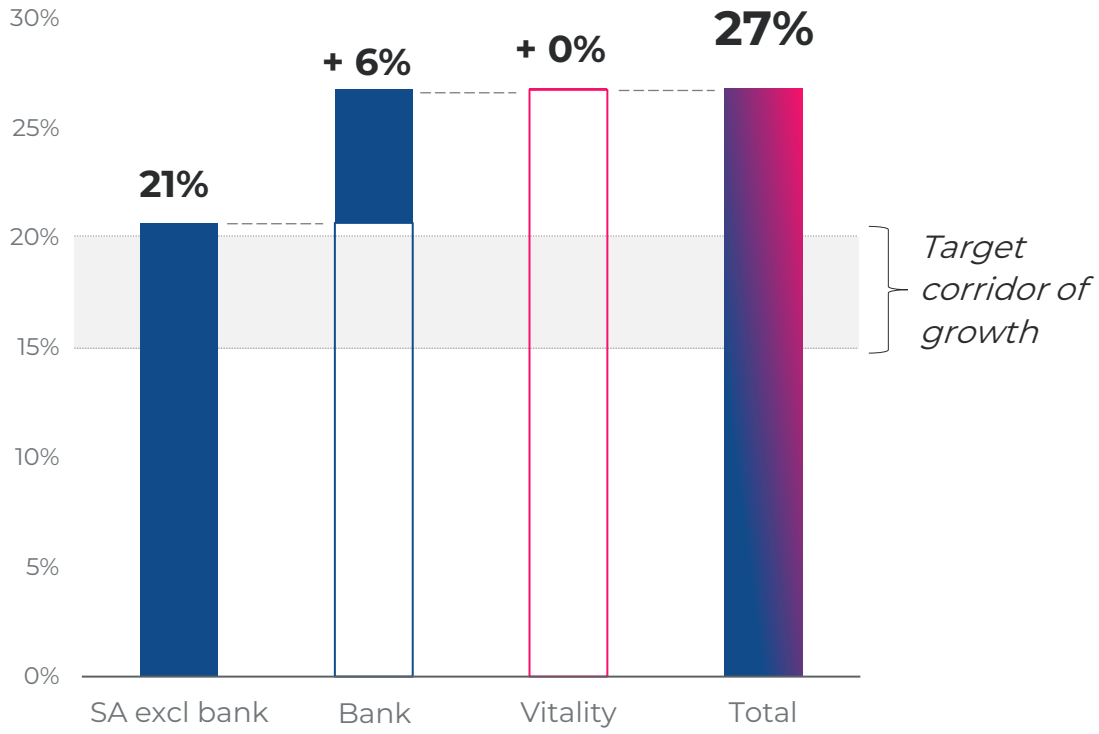
Expect strong profit growth from composites

Expected average growth contribution (FY25-FY29)



Outperformed against targets in period

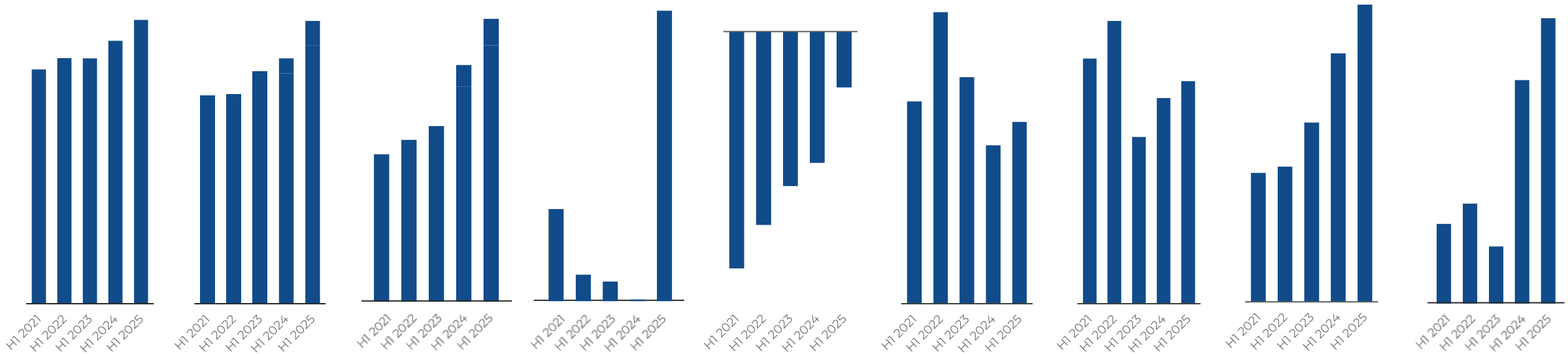
H1 FY2025 cumulative profit growth contribution



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Consistently strong growth across all businesses

Health	Life	Invest	Insure	Bank	Vitality Health	Vitality Life	Vitality Network	Ping An Health Insurance
Normalised profit (H1 FY25 Growth)								
+8%	**+15%**	**+46%**	**>100%**	**+57%**	**+14%**	**+8%**	**+15%**	**+23%**



Supportive below the line performance for the six months

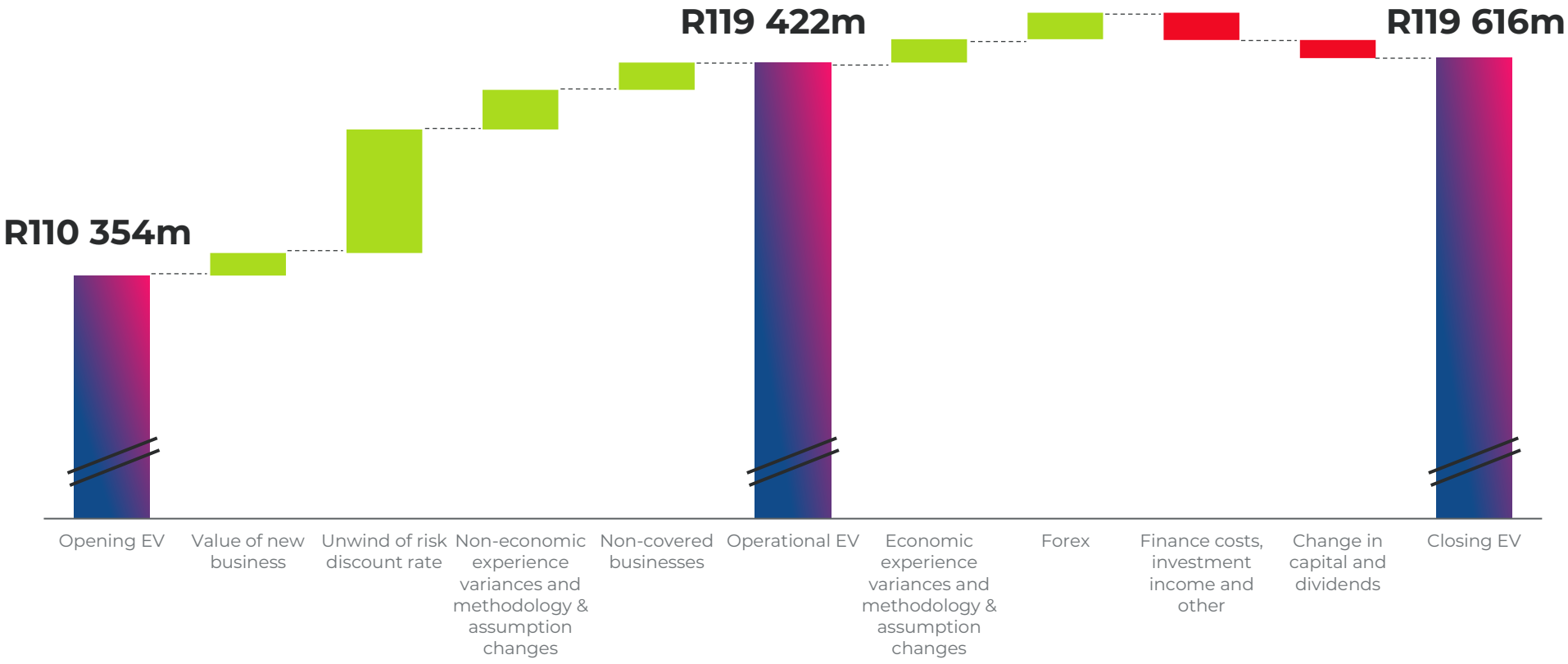
R million	Actual H1 2025	Actual H1 2024	%
Normalised profit from operations	**7 020**	**5 536**	**27%**
Forex gains/(losses)	13	-40	
1 DP finance lease impact	-44	-59	
Finance charges excl. 1DP finance lease	-954	-881	
Investment income and fair value gains on financial instruments	260	195	
Other	-126	-72	
Profit before tax	**6 169**	**4 679**	**32%**
Taxation	-1 840	-1 401	
Profit after tax	**4 329**	**3 278**	**32%**
Profit not attributable to ordinary shareholders	-100	-88	
Loss on disposal/derecognition of property and equipment	2	2	
Loss on derecognition of intangible assets	16	4	
Loss on dilution and disposal of equity accounted investments	20		
Headline earnings	**4 267**	**3 196**	**34%**
Amortisation of intangibles from business combinations	47	45	
Restructuring costs	36	15	
Normalised headline earnings	**4 350**	**3 256**	**34%**

Interim ordinary dividend declaration of 87cps, a 34% increase in line with growth in normalised headline earnings

Solid growth in Group Embedded Value

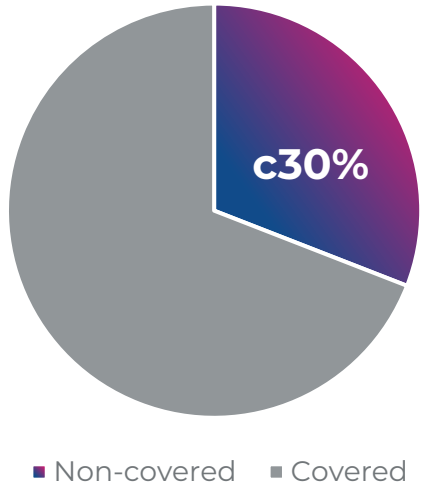
19% Annualised RoEV

(**18%** excl all economic basis updates)



c30% of Group revenue is not covered in EV

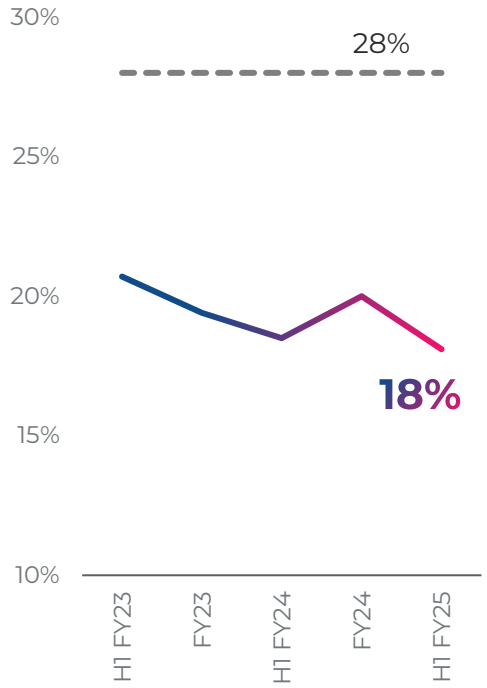
Revenue split by covered vs non-covered businesses



Group well capitalised with robust cash generation

FLR decreasing

FLR



Strongly capitalised

Solvency cover

	Dec 23 Cover	Dec 24 Cover
Life	1.8x	**1.8x**
Insure	1.5x	**2.0x**
VH	1.4x	**1.7x**
VL	2.3x	**2.0x**
Bank[1]	1.3x	**1.2x**
PAHI[2]	3.1x	**3.4x**

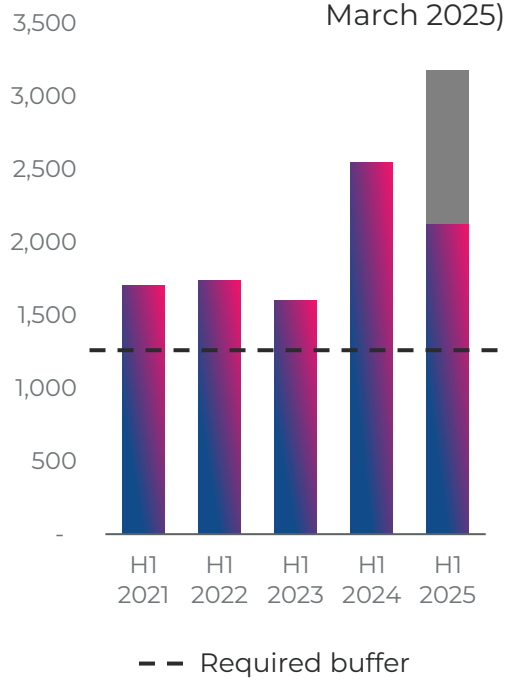
DHMS solvency (unaudited) 31%

Sufficient centre liquidity

Centre liquidity[3], Rm

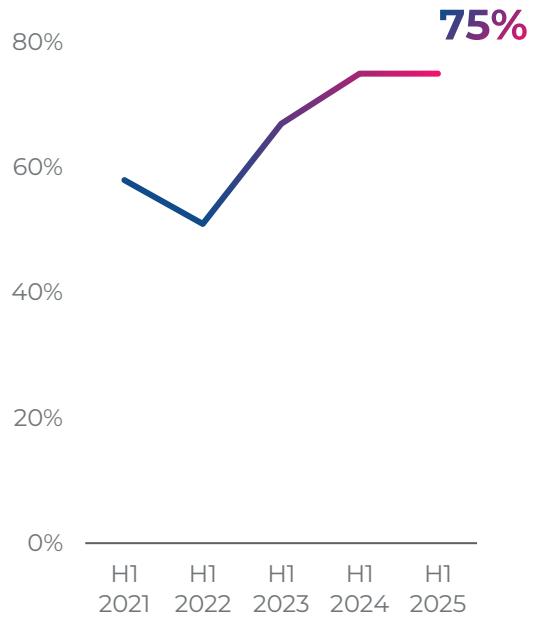
R3.2bn

(R1.1bn of which will be used to repay maturing debt by March 2025)



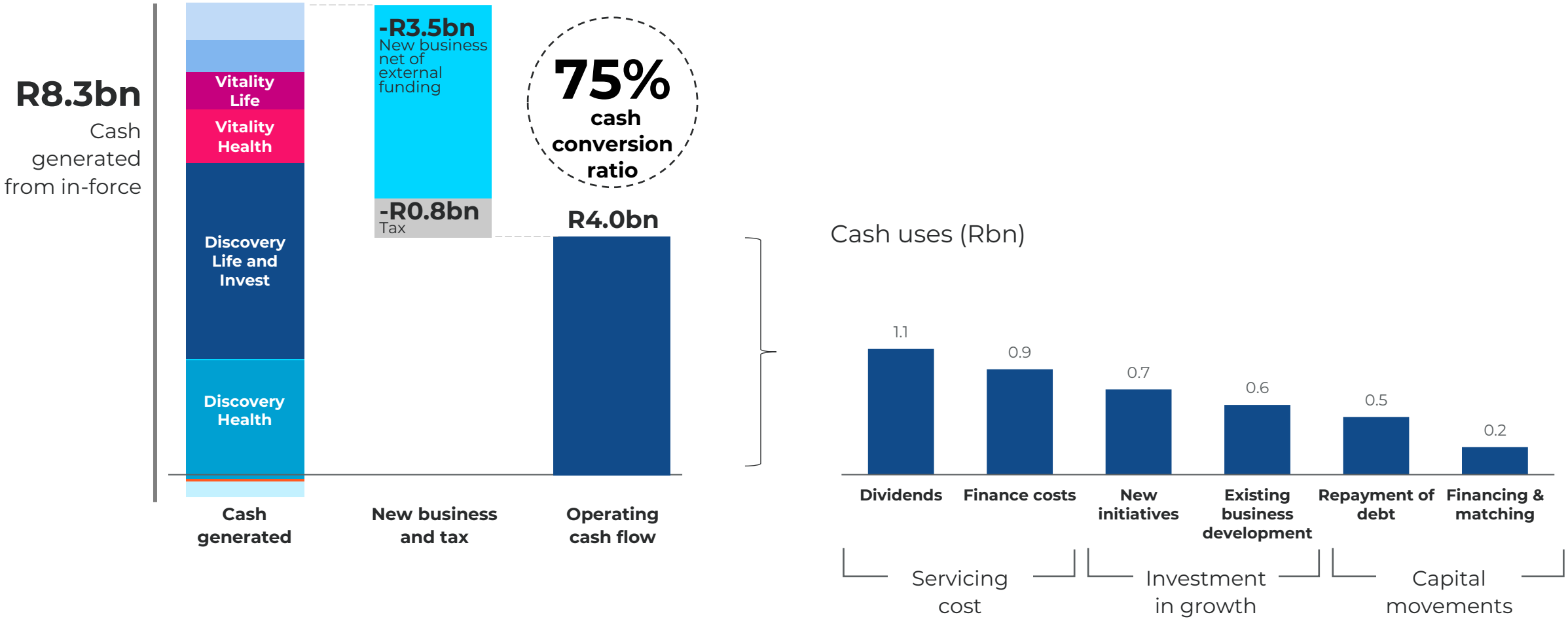
Improving cash conversion

Group cash conversion ratio[4]



1 Capital Adequacy Ratio ; 2 Comprehensive Solvency Ratio, definition set by China Banking and Insurance Regulatory Commission ; 3 Centre cash + undrawn committed facilities ; 4 Normalised for COVID-19 reserve impact, refer to Annexure A

Robust cash generation drives strong cash conversion

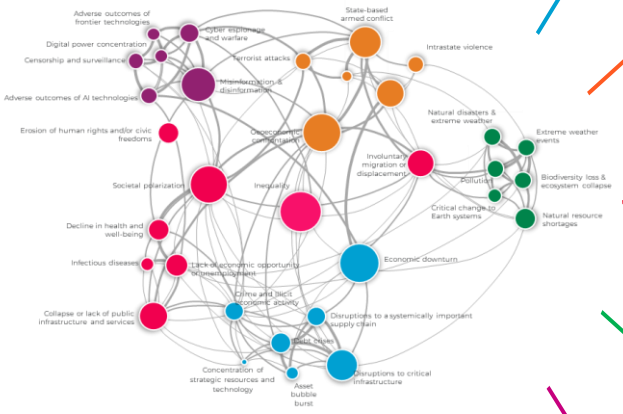


Cash conversion ratio is calculated as Operating Cash Flow (R4 055m at 31 December 2024, from the 'Additional Analyst Information' document) over the IFRS normalised profit/(loss) from operations (R7 276m at 31 December 2024, from note A.1 Segment Information of the 'Unaudited Interim Results') net of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

Increasingly complex environment, with risks mounting on all fronts

The world is growing increasingly complex, with risks mounting on all fronts and optimism fading about the ability of institutions to manage them. Geopolitical tensions, economic instability, and trade wars are fueling uncertainty, while AI-driven misinformation erodes public trust. At the same time, climate challenges, resource shortages, and a weakening of multilateral cooperation further complicate coordinated responses to emerging crises

Global risks interconnection map



ECONOMIC	Global economic risks have shifted from immediate inflation concerns to broader fears of stagnation, supply chain disruptions, and asset market instability	• *Economic downturn (recession, stagnation)* • *Disruptions to a systemically important supply chain*
GEOPOLITICAL	The world is experiencing a "geopolitical recession," where traditional alliances are weakening, and new regional power struggles are emerging	• *State-based armed conflict* • *Geoeconomic confrontation (sanctions, tariffs, etc.)*
SOCIOPOLITICAL	Social cohesion is weakening due to rising misinformation and deepening ideological divisions. Governments worldwide are struggling to balance security measures with the protection of civil rights	• *Misinformation and disinformation* • *Societal polarisation* • *Erosion of human rights/civic freedoms*
ENVIRONMENTAL	The economic costs of extreme weather events are rising, disproportionately impacting vulnerable communities. Water and food security are emerging as global flashpoints, requiring immediate action	• *Extreme weather events* • *Natural resource shortages* • *Critical change to Earth systems*
TECHNOLOGICAL	Technology is evolving faster than governance structures can adapt, creating new vulnerabilities - concerns about misinformation, surveillance, and job displacement gaining traction	• *Adverse outcomes of AI technologies* • *Cyber espionage and warfare* • *Online harms (fraud, misinformation, etc.)*

Source: WEF Global Risks Report 2025; *The Global Risks Report 2025 20th Edition Insight Report*

Strong risk governance ensures minimal exposure

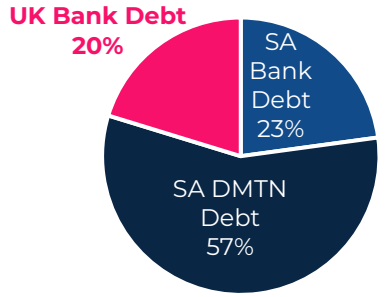
Set of defined risk principles

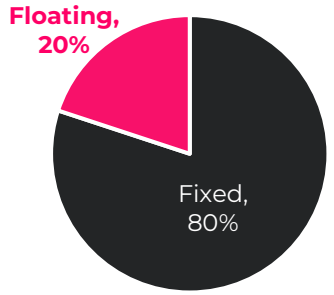
1. **Liability matching**: Liabilities matched by currency, nature and duration
2. **Interest rates hedged**: Interest rate fluctuations that affect solvency and liquidity will be hedged out
3. **Currency matching**: Cross-currency expenses will be immunised via forward currency instruments, and debt is serviced from cashflows in country in which debt is denominated
4. **Appropriate liquidity buffers**: Appropriate cash buffers are held in all regulated entities
5. **Mitigate lapse risk**: Where economically feasible lapse risk will be mitigated through non-recourse financial reinsurance arrangements, and mass lapse protection
6. **Monitor new initiatives**: Focus on key initiatives will be intensified and new initiatives that have marginal benefit will be ceased

Minimal risk exposure due to geographic diversification

Only **20%** of debt is not fixed, with exposure to UK interest rates

Composition of Group debt FY24

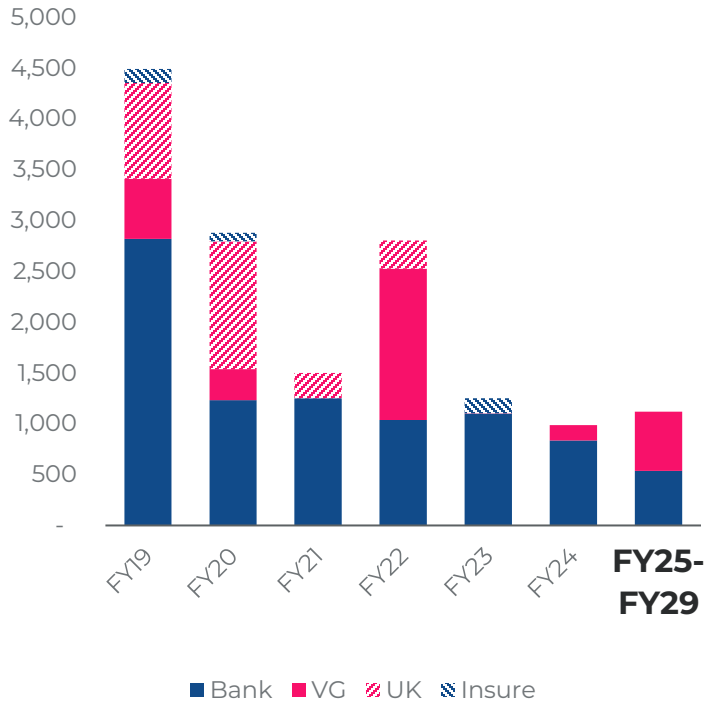




1% increase in SONIA is c4% increase in finance cost bill (R77m p.a.)

Limited short-term offshore funding planned (VG)

Cash from the centre, Rm



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Group remains resilient to economic uncertainty

Stresses are calibrated to reflect severe but plausible events*

Rand Appreciation
25% ZAR appreciation

Equity Stress
30% reduction to asset value with no recovery

Inflation Down (permanent)
SA inflation -100bps
UK inflation -50bps

Inflation Up (permanent)
SA inflation +100bps
UK inflation +50bps

Nominal Interest Down (permanent)
SA nominals -100bps
UK nominals -50bps

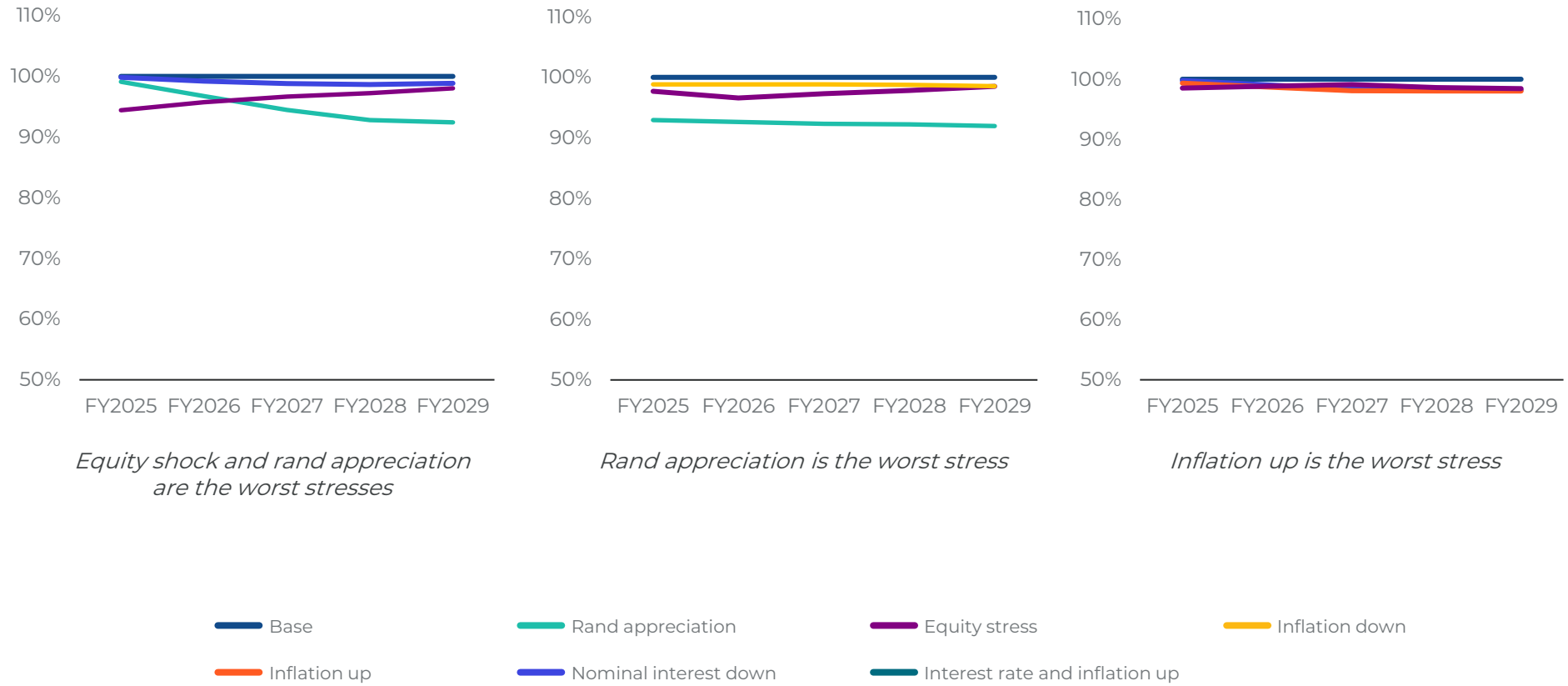
Interest Rate and Inflation Up (permanent)
SA nominals +100bps
UK nominals +50bps

Operating cash flow

Headline earnings

Group solvency

Stresses relative to base (base scenario rebased to 100%)



Equity shock and rand appreciation are the worst stresses

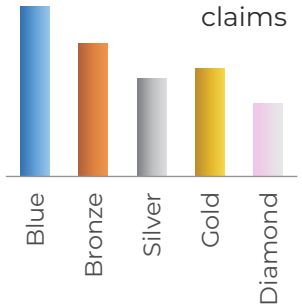
Rand appreciation is the worst stress

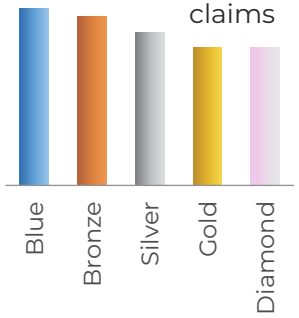
Inflation up is the worst stress

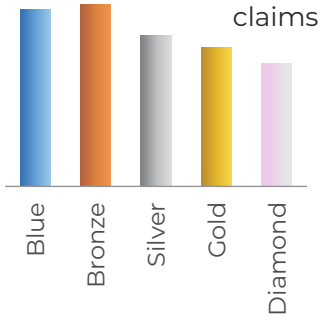
**Stresses broadly parameterised at 1-in-25-year level*
Forward looking information on this slide is for illustration and has not been reviewed or reported on by the auditors

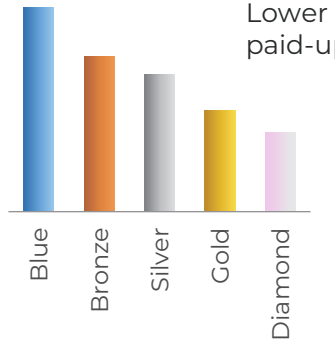
Significant status correlations

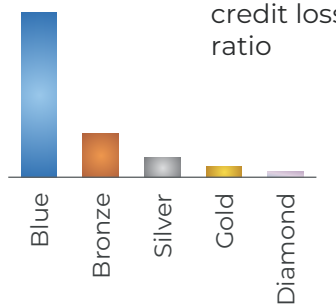
	Life insurance	Health insurance	Motor insurance	Long-term savings	Banking
Claims	**57%** Lower claims	**22%** Lower claims	**31%** Lower claims	**69%** Lower paid-ups	CLR **95%** Lower credit loss ratio
Lapses	**53%** Lower lapses	**65%** Lower lapses	**79%** Lower lapses	**48%** Lower withdrawals	Deposits **11x** More deposits

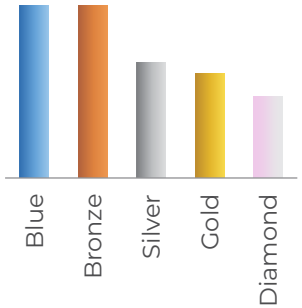


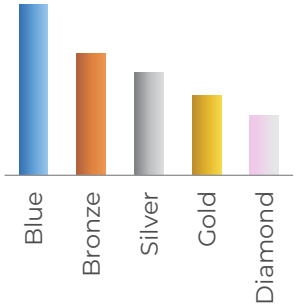


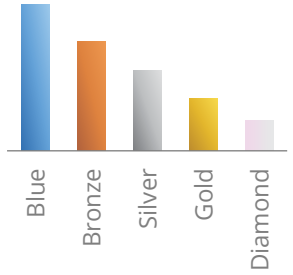


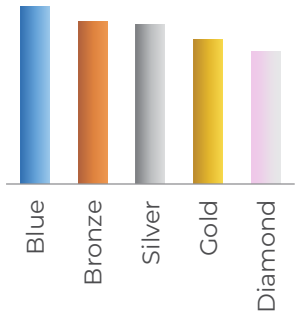


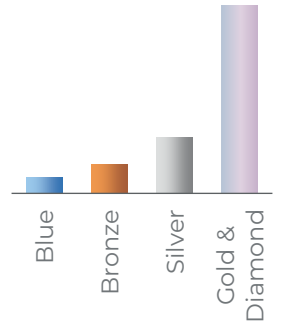












Vitality SA experienced considerable engagement

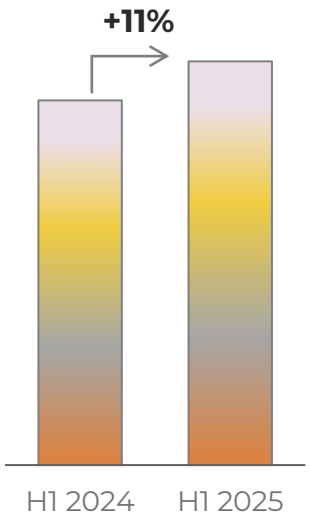
Increase in status distribution

2.4m



Vitality members

% members Bronze and above



Increased engagement

52m



Vitality points-earning workouts

Total Active Rewards gameboard plays



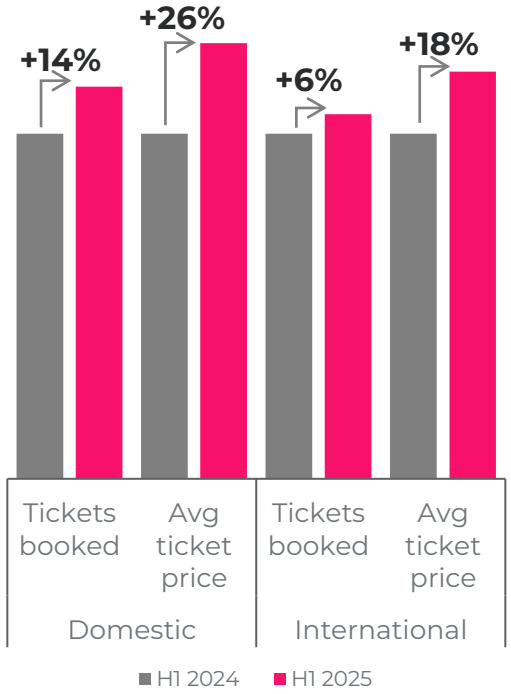
Increased travel bookings

1.1m



flights booked

Flights bookings and prices

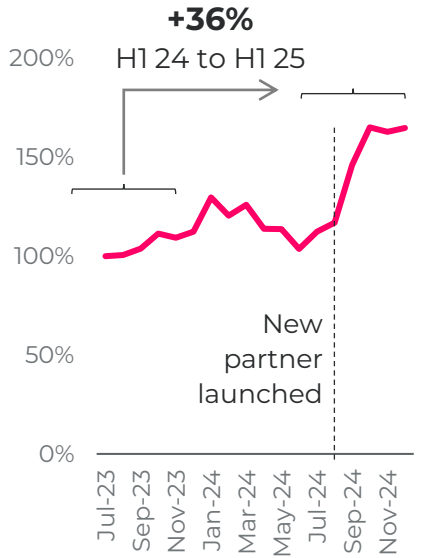


Increased HealthyFood spend

R3.4bn HealthyFood spend

28m HealthyFood baskets

HealthyFood spend



All figures for 2024

The power of the Vitality Shared-value model in dealing with profound change

		Trends	Challenge
Health insurance	Discovery Health Vitality Health 平安健康保险 PING AN HEALTH INSURANCE	• Fiscal pressures on public healthcare • Ageing populations • Increasing chronicity • Escalating technology costs	**Rapid medical inflation**
Life insurance	Discovery Life Vitality Life	• Massive and mature industry • Capital-intensive with long payback periods • Commoditisation and digital distribution • Consumer duty and treating customers fairly	**Acceptable return on capital**
Long-term savings	Discovery Invest	• Transfer of risk moving from Defined Benefit to Defined Contribution	**Inadequate retirement savings**
Short-term insurance	Discovery Insure	• Supply chain disruptions post COVID-19 • Rising climate volatility and catastrophe risk • Commoditisation and digital distribution	**Margin pressure and volatile profits**
Banking	Discovery Bank	• Shift to 'skinny banks' – commoditised and low service, with a focus on transaction accounts and payment processing	**Multi-banked clients**



H1 FY25 profit growth:

+27% **+27%**



Discovery SA

Discovery Bank	Excellent performance across all key metrics and achieved monthly operational break-even ahead of target
Discovery Health	Strong earnings and core new business growth (up 9% excl the new closed scheme Sasolmed in prior period)
Discovery Life	Strong earnings and cash generation with positive claims experience and maintained its retail market share and new business margins, while Group Life new business declined
Discovery Invest	Significant earnings growth benefitting from strong market performance and some one-off gains for the period
Discovery Insure	Excellent margin achieved from diligently executed business actions, with benign weather conditions (severe in prior period)


Discovery
Bank

Discovery Bank and market trends

GLOBAL BANKING TRENDS



Generative AI as the operational backbone

Democratising private banking through the use of Generative AI, and personalising financial products at scale

Integrated holistic ecosystem

Growing emphasis on integrating banking into broader ecosystems, such as retail platforms, to reach new segments and provide comprehensive services

Phygital banking: blending digital agility with human trust

Seeking app-based convenience, while retaining the affinity for tangible interactions - acknowledging diverse customer preferences

Data-centric hyper-personalisation

Using behavioural data to dynamically adjust rewards based on real-time health and spending data, using AI and predictive analytics to anticipate customer needs and nudge behaviours

Leveraging fintech to enhance rewards programmes

Integrating personalised data analytics, gamification, and real-time redemption options, creating more engaging and tailored customer experiences

Cybersecurity prioritisation

Embedding encryption and anomaly detection into core systems to combat fraud and AI deepfakes promoting financial scams

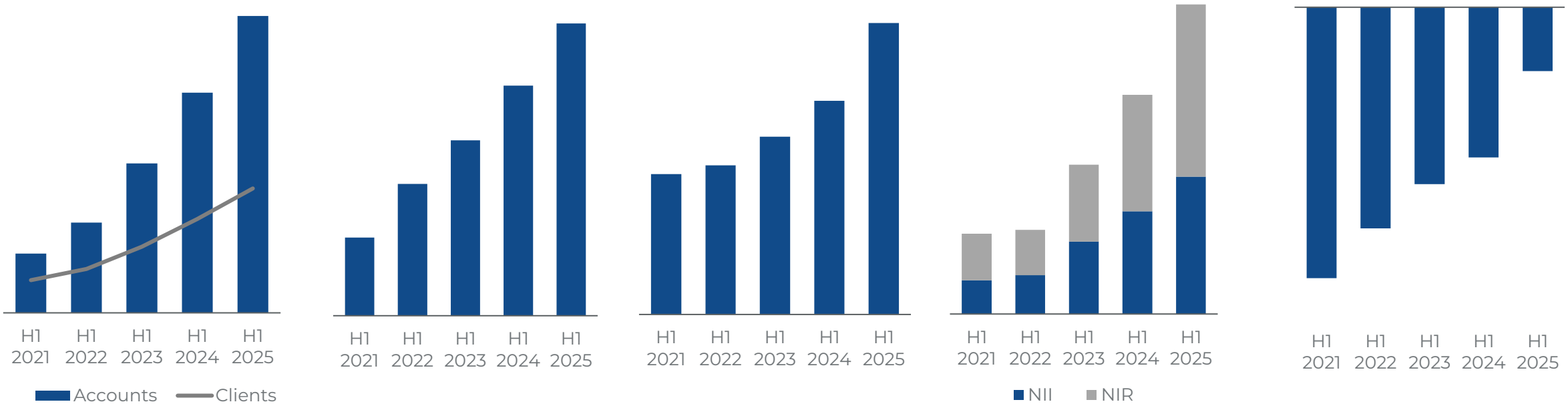


askafrika ORANGE INDEX 2024/2025 INDUSTRY WINNER

- ***#1** - Smart, simple and easy products*
- ***#1** - Best service and experience*
- ***#1** - Top private banking provider*
- ***#1** - Excellent benefits and rewards*
- ***#1** - Best emotional experience*
- ***#1** - Best relationships with clients*

Discovery Bank

Total clients	Total accounts	Deposits	Advances	Revenue (NII+NIR)	Normalised profit
+32%	**+35%**	**+27%**	**+37%**	**+42%**	**+57%**
to 1.1m	to 2.6m	to R21.2bn	to R7.8bn	to R1.1bn	to (R145m)

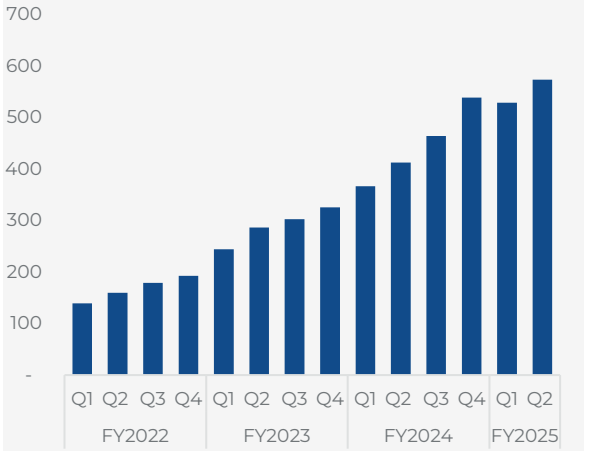


Achieved run-rate break-even ahead of target

Operating income — Expenses — New business acquisition costs = Profit / (loss) before tax

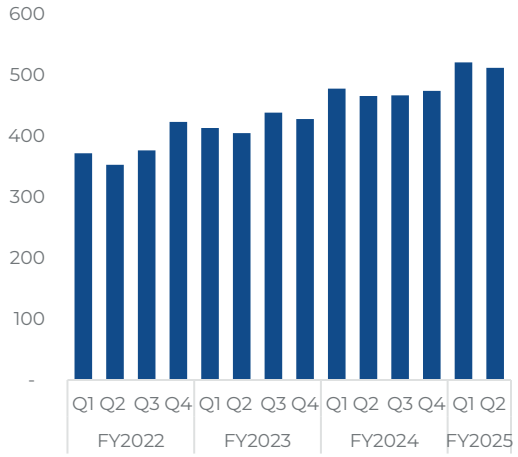
NII + NIR (Rm)

56% CAGR



Normalised operating expenses[1] (Rm)

6% CAGR

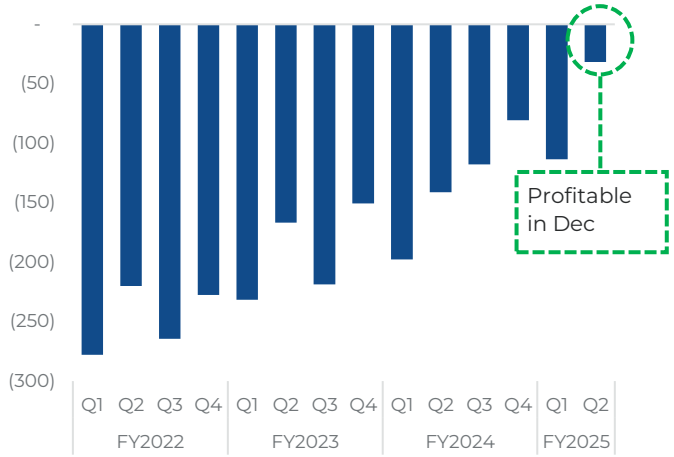


NBAC per new client[2] (R)

-3% CAGR



Profit (loss) before tax (Rm)



H1 FY25	**R1 100m**	**R1 031m**	**R214m**
Jan 2025	**R207m**	**R169m**	**R37m**

Short- to medium-term real growth target

R400m

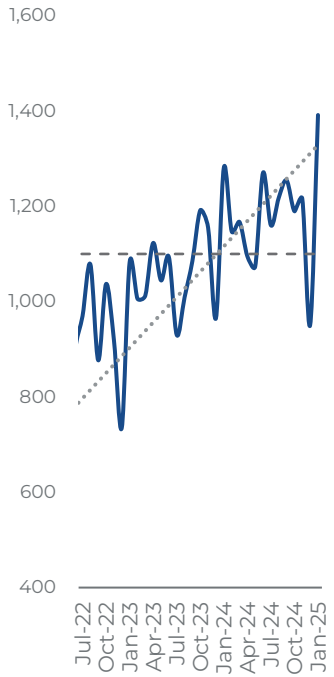
operating profit growth p.a.
(i.e. before acquisition costs)

1 Includes fair value adjustments | 2 New Business Acquisition Costs represent the upfront expenses incurred to acquire new clients. Revenue generation from these clients occurs over time as they increase engagement with their Discovery Bank account. As a result, NBAC reflects an initial investment with deferred returns. Forward looking information on this slide is for illustration and has not been reviewed or reported on by the auditors

Attributes driving Discovery Bank growth

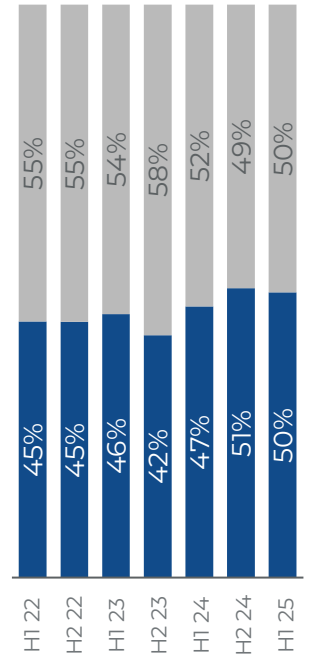
Daily growth maintained

Daily sales per business day



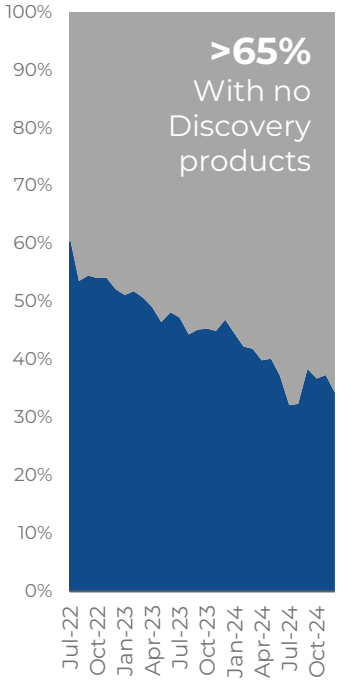
Shift towards credit products

New-to-Bank product mix



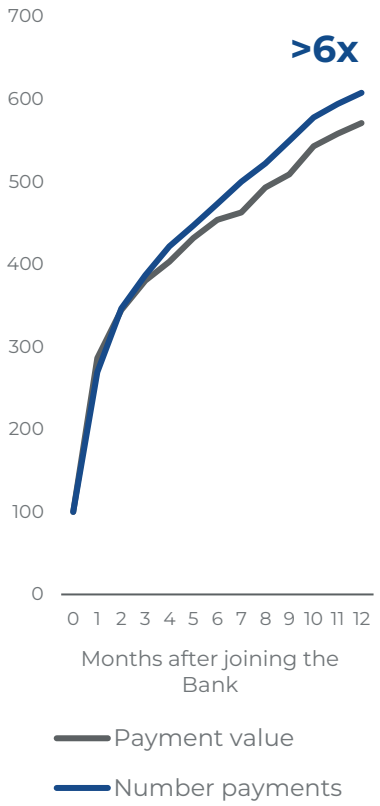
Relevance from outside DSY

New business by Discovery product take up



Revenue driven by engagement

Engagement per client



Growing home loans book

Value of home loans disbursed, Rm

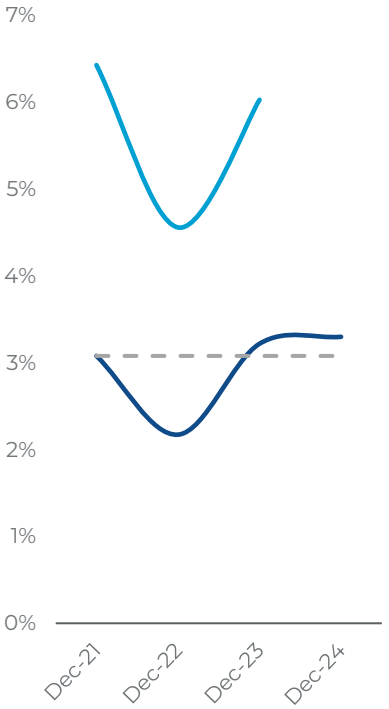


As at Dec24:
Growing market share, currently 2%

Switching market share of 9%

Superior credit quality maintained

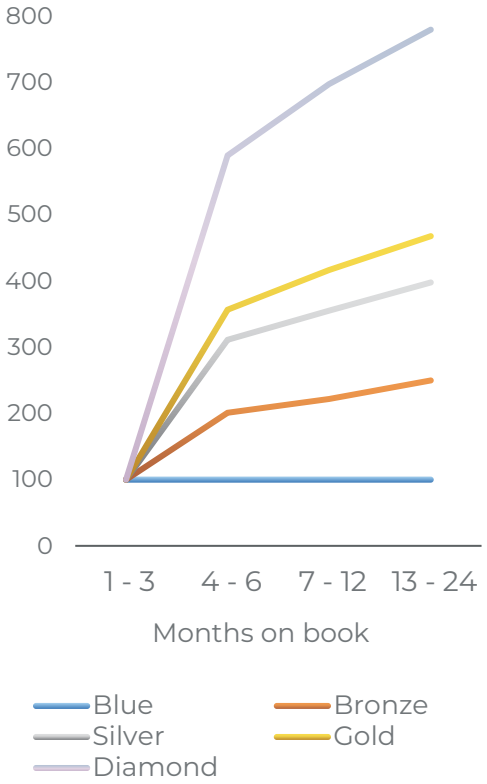
Credit loss ratio vs market

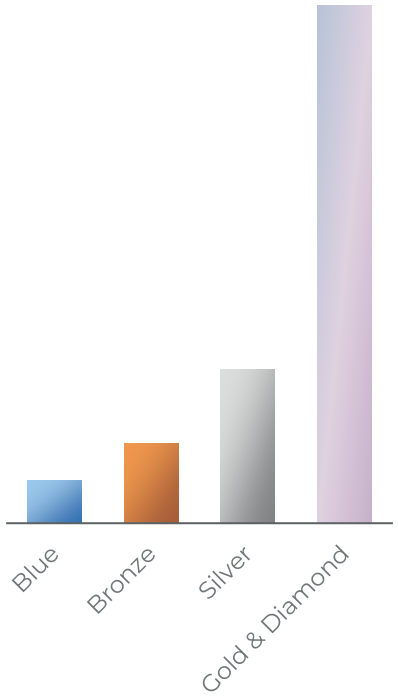


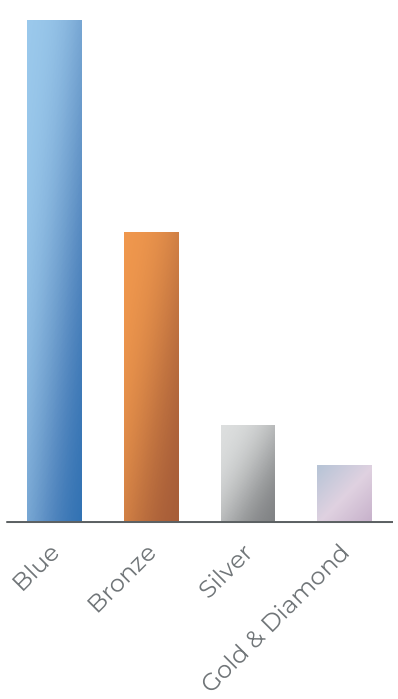
*Through-The-Cycle; adjusted average to measure the expected credit losses over an extended period, rather than in the current reporting cycle

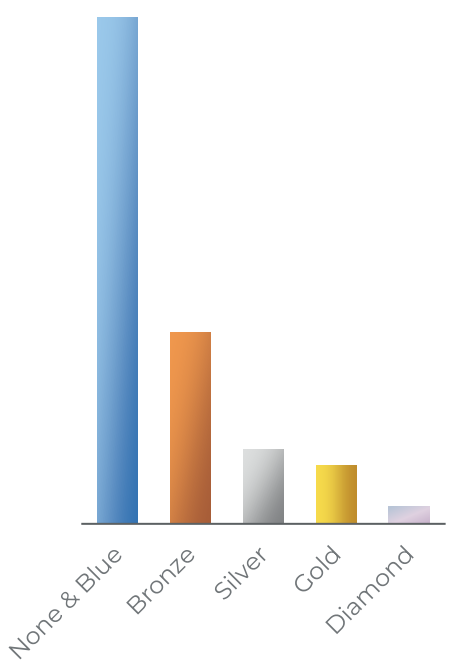
Shared value in Discovery Bank

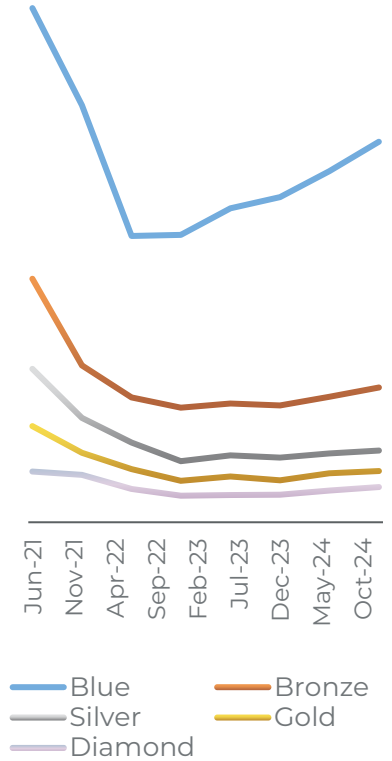
NIR per client	Total deposits	Probability of default	1 – 90 days arrears	Credit loss rate
NIR by VM status (indexed to Blue)	11x more deposits	89% lower probability of default	97% lower arrears rate	>95% lower credit loss rate











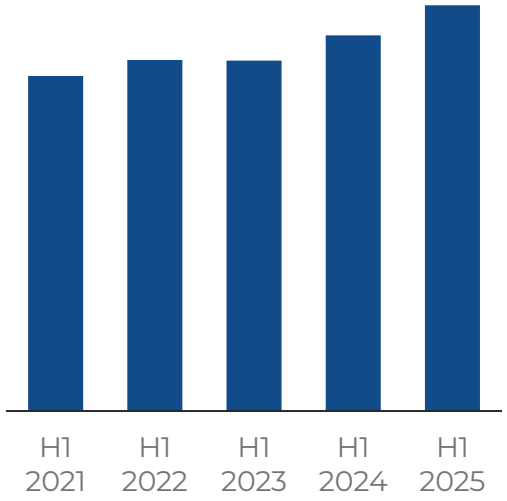

Discovery
Health

Discovery Health

Normalised profit

+8%

to R2 023m

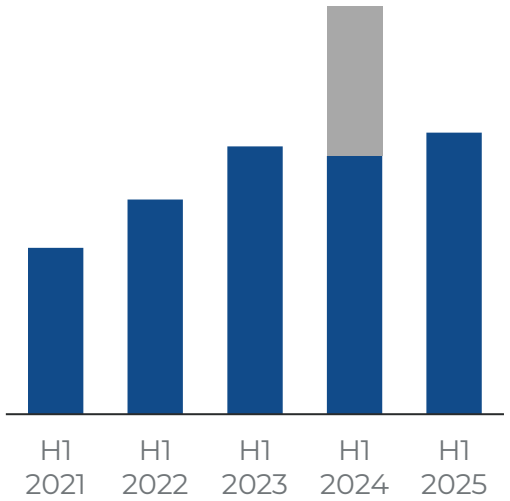


New business

-31%

to R4 714m

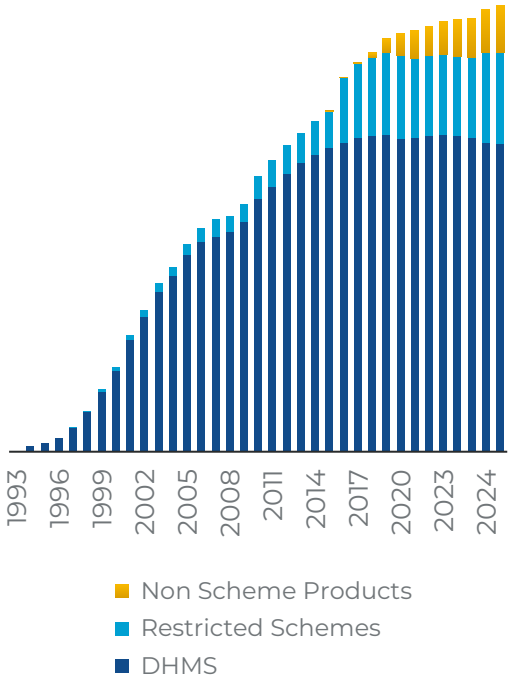
Excluding Sasolmed in prior period: **+9%**



Membership

3.96m

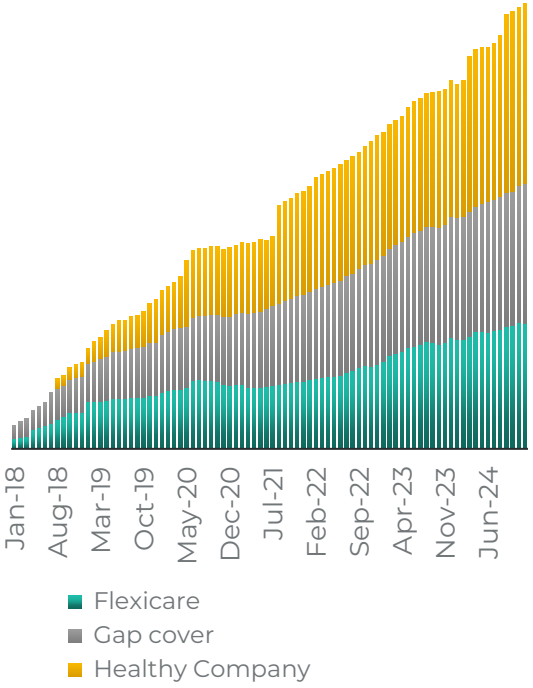
Lives under administration



Non-scheme growth

+21%

>412k lives

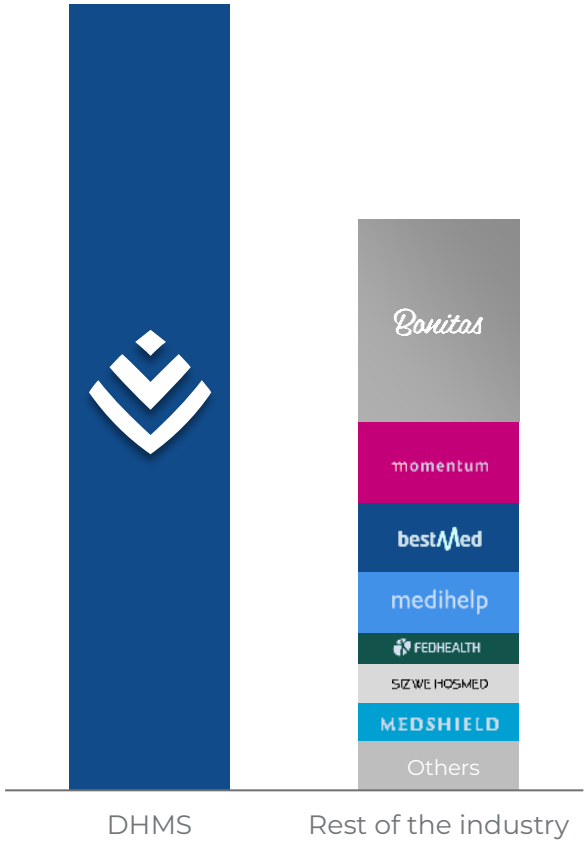


**Sasolmed contributed R2 510m to new business for FY2024*

Discovery Health Medical Scheme: continued excellent performance in a complex environment

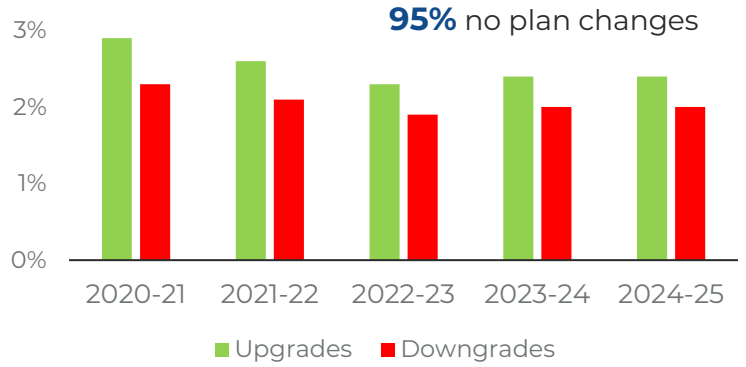
Membership

57.9% market share

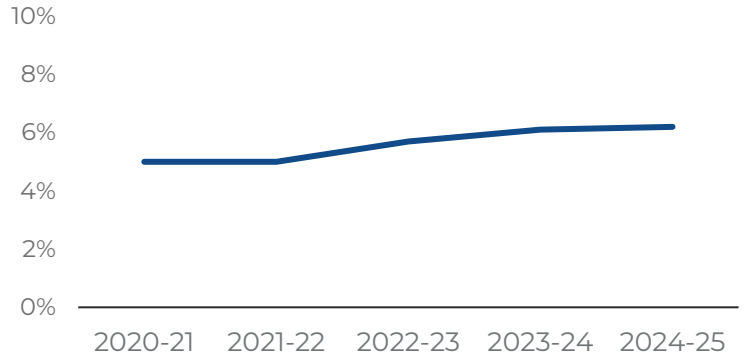


Customer satisfaction

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



Lapses continue to remain stable

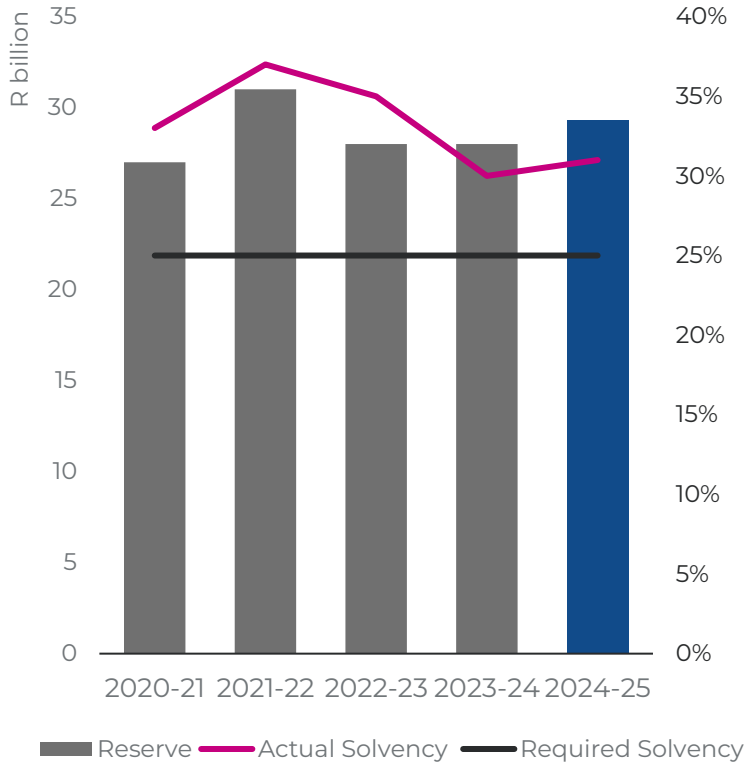


Solvency

R29.4bn projected unaudited reserves

31% projected unaudited solvency

AAA credit rating

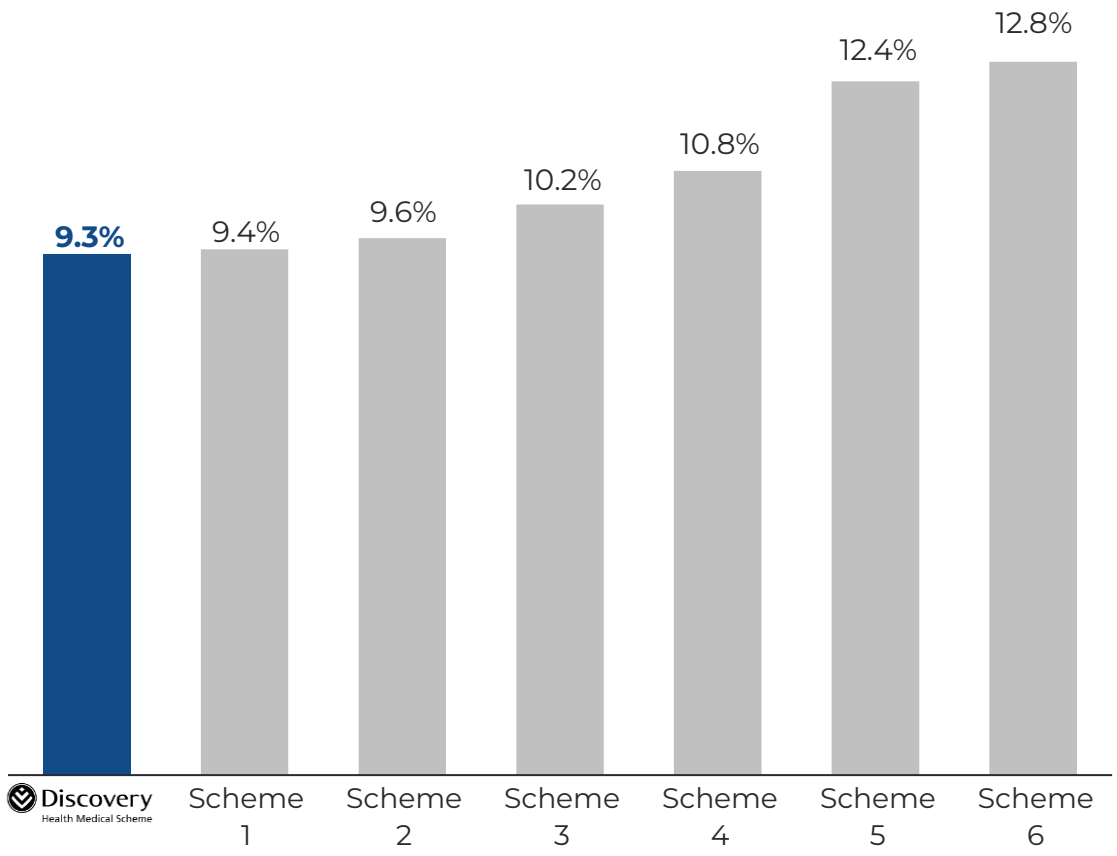


Membership and open market share as at June 2024

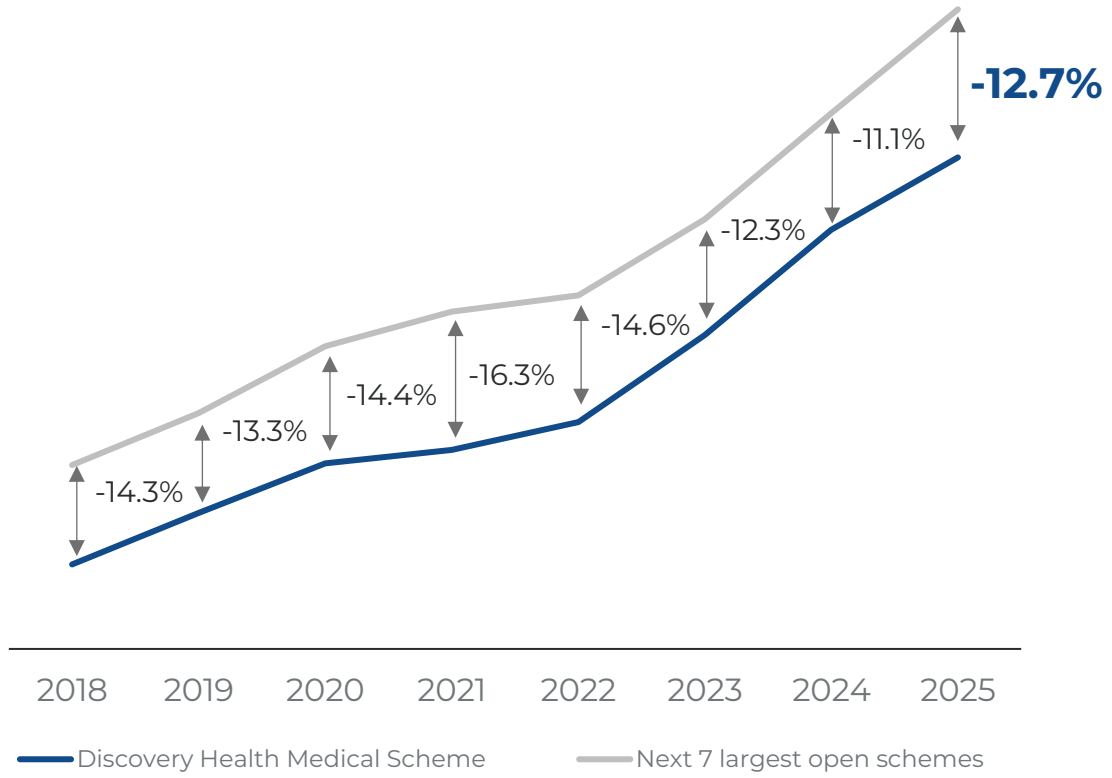
Plan changes exclude impact of plan closures

DHMS's growing contribution differential enhances market competitiveness into 2025

Weighted average contribution increase (%)



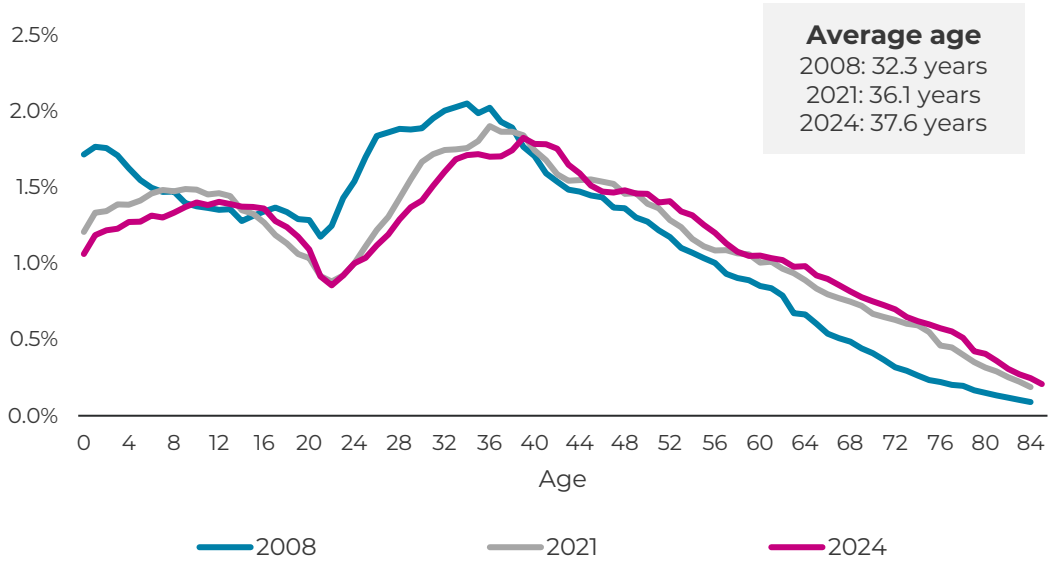
Comparison of average contributions



Addressing the cost of healthcare

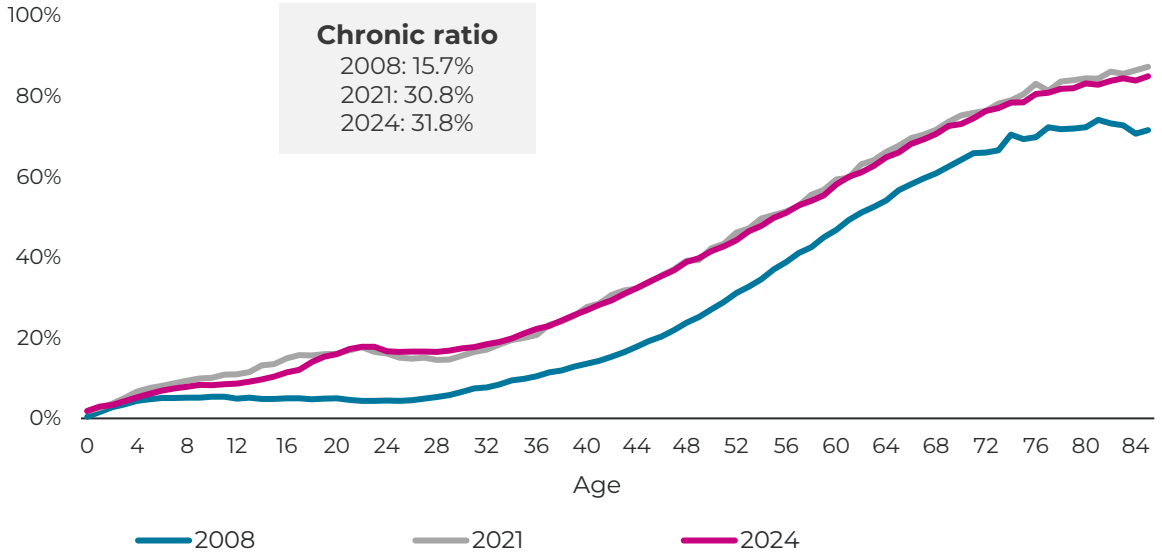
Sustained aging of the Scheme

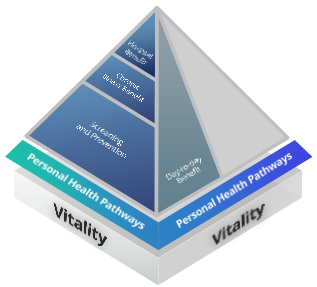
Age distribution of lives (2008 – 2024)



Increased chronicity continues across age groups

Chronic ratio (2008 – 2024)



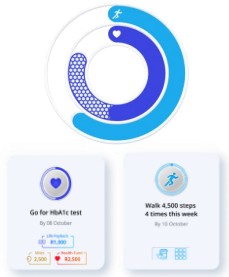


ACTIVE Smart

(Launched 2025)

R1 350 Lowest price point in the market

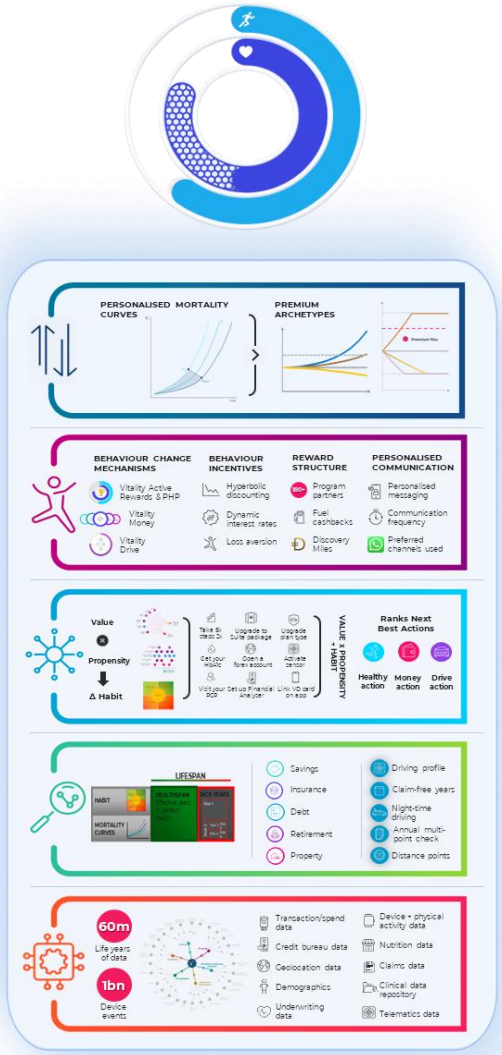
>61% Market share for 20-to-39-year-olds held by Smart plans

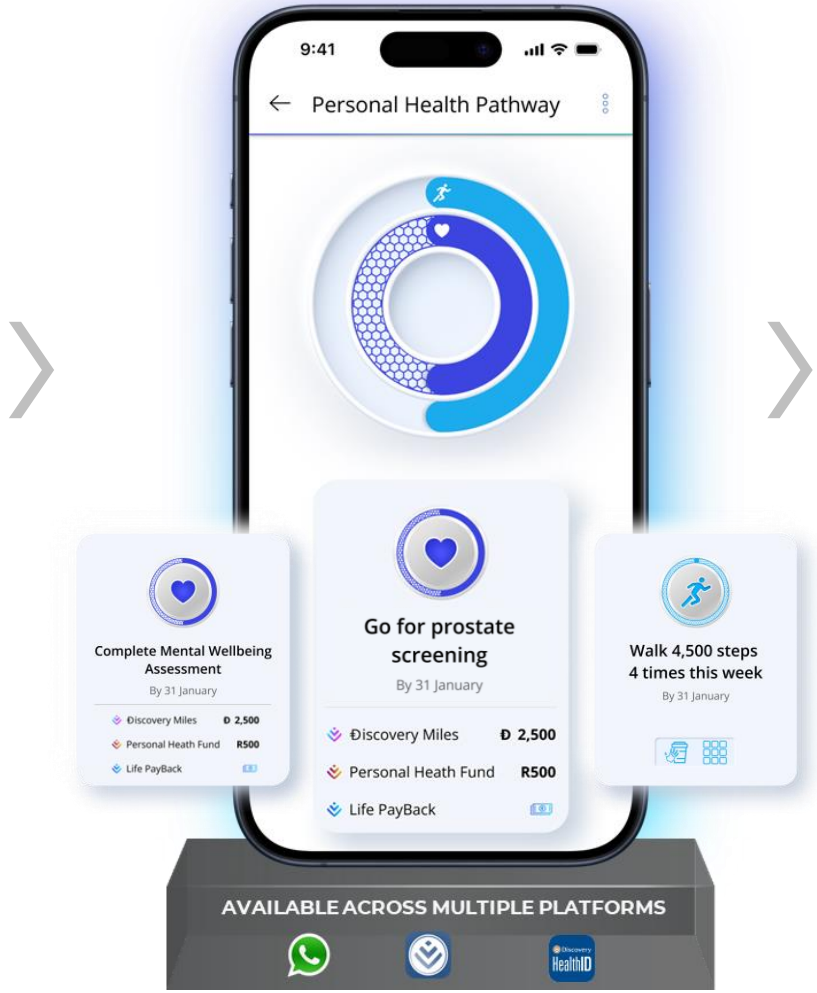


PERSONAL HEALTH PATHWAYS

(Launched 2025)

Engaging members in a personalised program that incentivises healthier habits and behaviour change





2.08m eligible lives

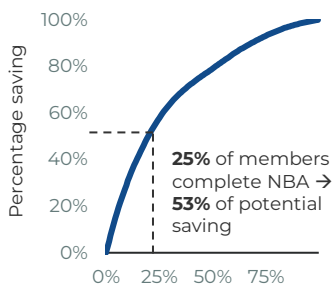
63% of activated lives are in the chronic, disease prevention or emerging risk cohort

348k Next Best Actions completed since Jan 2025

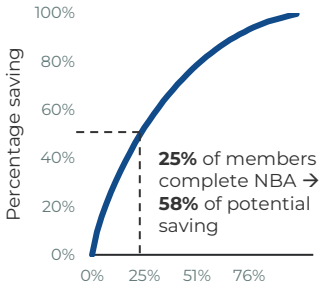
R7.9m rewards earned

Impact of doing Next Best Action | Net savings to health funder

Diabetes



Hypertension



PHP activation and engagement statistics as at 27 February 2025

The private healthcare sector is a strong asset – delivers excellent value for members

The private sector has significant scale

838 *private facilities*

42k *hospital beds*

7.3k *GPs*

47k *nurses*

7k *specialists*

3.5k *dentists*

2.5k *optometrists*

3.6k *psychologists*

Open Medical Schemes[1]
4.8m lives

Community rated, open to selection

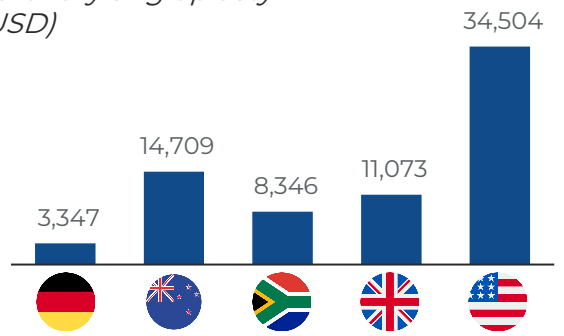
Closed Medical Schemes[1]
4.3m lives

41.6% of SA households used the private healthcare sector as as their last accessed care[2]

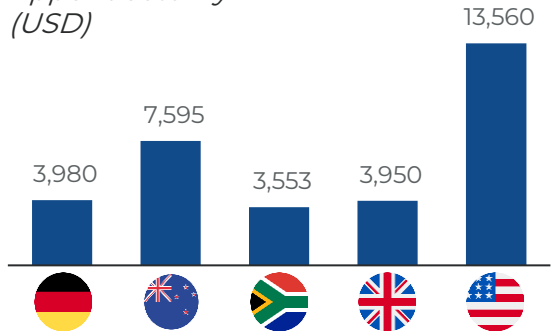
Members have access to world-class care

South African prices compare favourably by international comparison[3]

Coronary angioplasty (USD)



Appendectomy (USD)



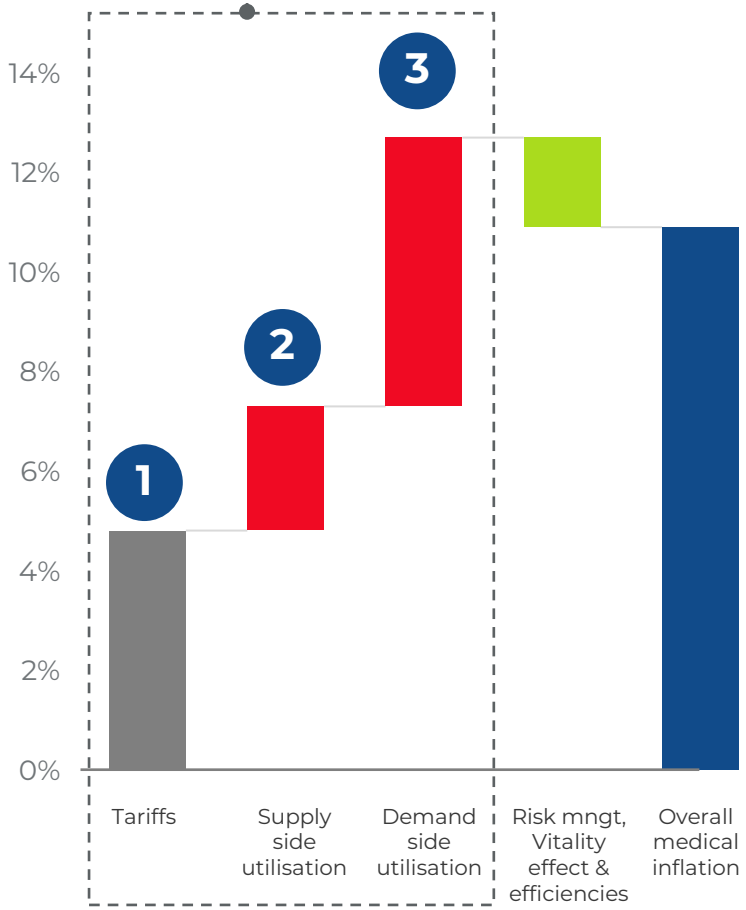
Cost of cover (PPP adjusted)[4]



1 2023 CMS Industry Report; 2 2023 General Household Survey: National Income Dynamics Study; 3 International healthcare cost comparison report 2024; 4 WHO expenditure database 2022

Bigger issues surrounding medical inflation

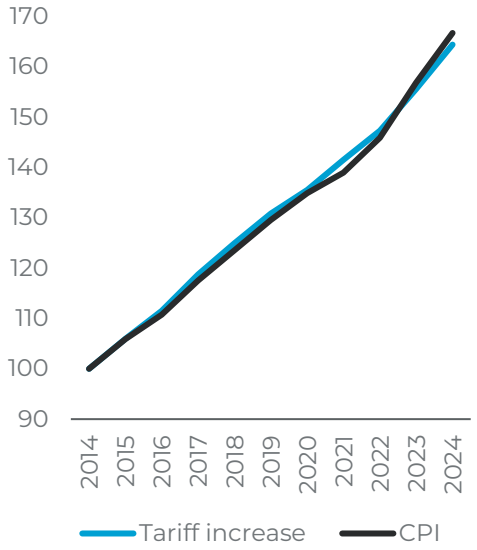
High utilisation driving medical inflation



3 key drivers of inflation can be broken down further:

1 TARIFFS

Tariff growth relative to CPI growth (indexed to 2014)



2 TECHNOLOGY

New technology and treatments increase costs, but members recognise the value

2014-2023 CAGR

+7.4% *Other* *vs* **+11.6%** *High-cost drugs*

Oncology drugs (Keytruda, Darzalex,...)	*Robotic-assisted surgeries*
Next-generation Sequencing	*Biologics*
BioFire (multiplex panels)	*Multiple sclerosis treatments*
	Micra pacemaker

3 DEMOGRAPHIC ASPECTS

- Open enrolment
- Community rating

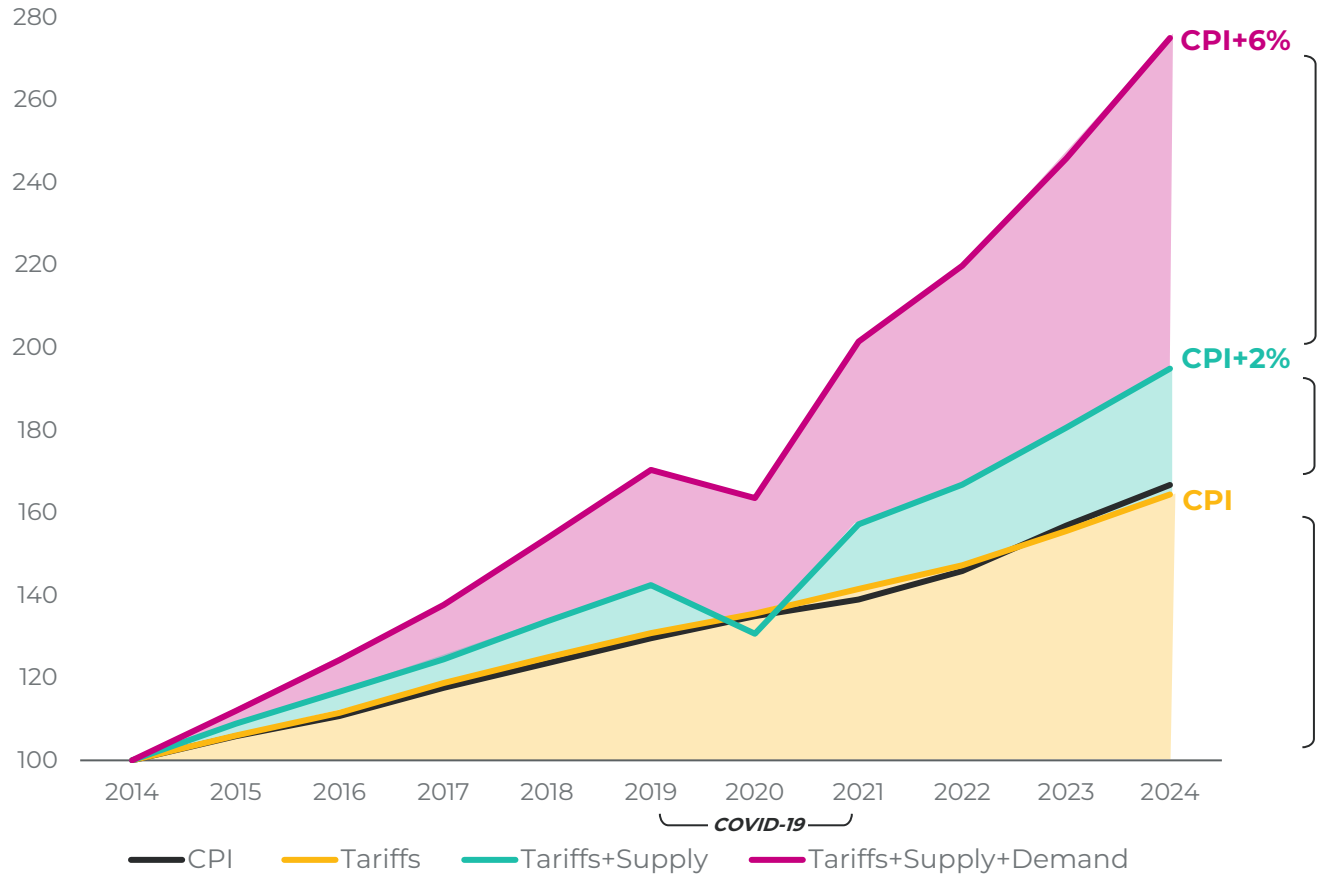
- Increased ageing
- Increased chronicity

Increases access but leads to adverse selection

Bigger issues surrounding medical inflation

Longitudinal impact of medical inflation

Relative growth rates over last 10 years (indexed to 2014)



46% of medical inflation increase is due to demand-side utilisation (adverse selection)

Accelerating and gap widening

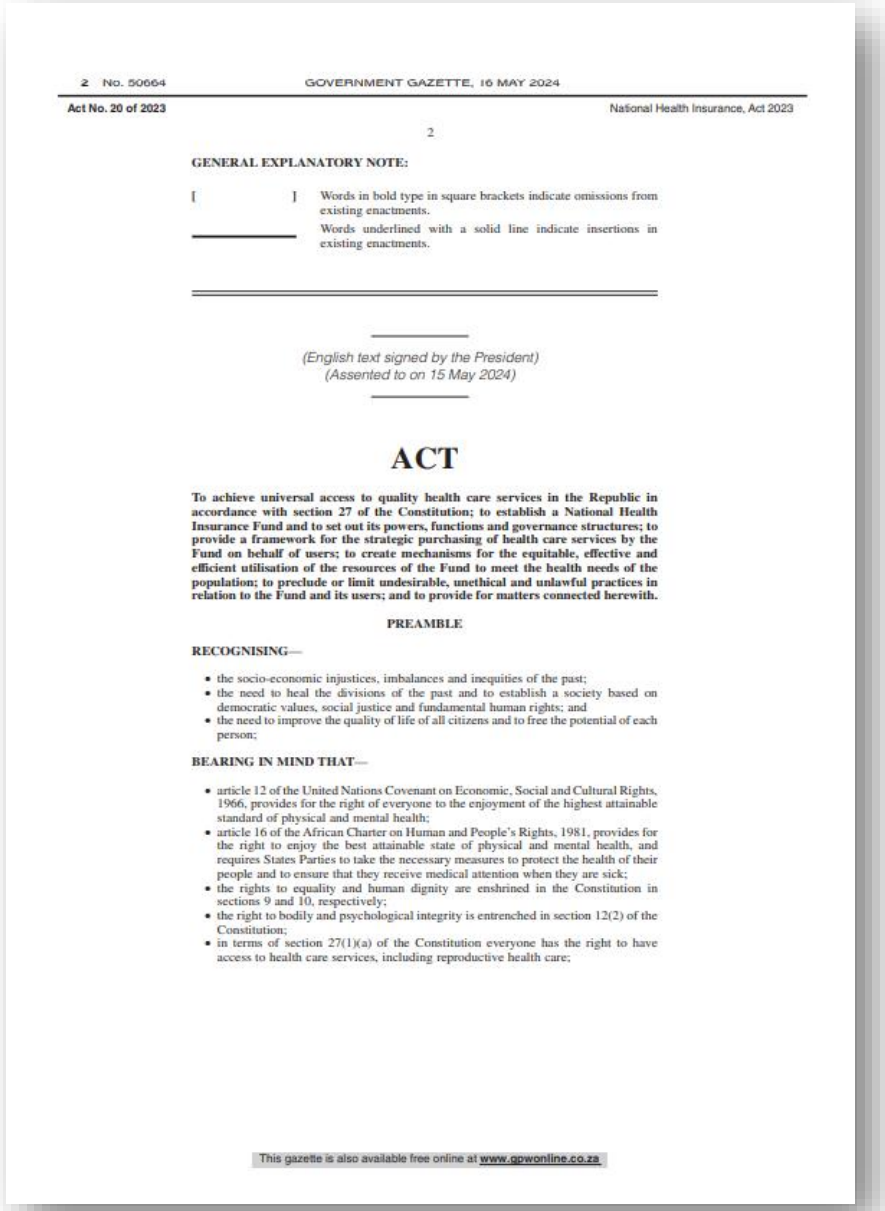
17% of medical inflation increase is due to supply-side utilisation (technology)

37% of medical inflation increase is due to tariffs

Tariffs keep in line with CPI

Management of contribution inflation requires an **overall management approach:**

- Negotiation and price regulation (tariffs)
- Networks and directionality, value-based care integration (supply-side)
- Hyper-personalisation and personal health pathways, growing the effect of Vitality (demand-side)



2 No. 50664 GOVERNMENT GAZETTE, 16 MAY 2024

Act No. 20 of 2023 National Health Insurance, Act 2023

2

GENERAL EXPLANATORY NOTE:

[ ] Words in bold type in square brackets indicate omissions from existing enactments.

Words underlined with a solid line indicate insertions in existing enactments.

(English text signed by the President)
(Assented to on 15 May 2024)

ACT

To achieve universal access to quality health care services in the Republic in accordance with section 27 of the Constitution; to establish a National Health Insurance Fund and to set out its powers, functions and governance structures; to provide a framework for the strategic purchasing of health care services by the Fund on behalf of users; to create mechanisms for the equitable, effective and efficient utilisation of the resources of the Fund to meet the health needs of the population; to preclude or limit undesirable, unethical and unlawful practices in relation to the Fund and its users; and to provide for matters connected herewith.

PREAMBLE

RECOGNISING—

- the socio-economic injustices, imbalances and inequities of the past;
- the need to heal the divisions of the past and to establish a society based on democratic values, social justice and fundamental human rights; and
- the need to improve the quality of life of all citizens and to free the potential of each person;

BEARING IN MIND THAT—

- article 12 of the United Nations Covenant on Economic, Social and Cultural Rights, 1966, provides for the right of everyone to the enjoyment of the highest attainable standard of physical and mental health;
- article 16 of the African Charter on Human and People's Rights, 1981, provides for the right to enjoy the best attainable state of physical and mental health, and requires States Parties to take the necessary measures to protect the health of their people and to ensure that they receive medical attention when they are sick;
- the rights to equality and human dignity are enshrined in the Constitution in sections 9 and 10, respectively;
- the right to bodily and psychological integrity is entrenched in section 12(2) of the Constitution;
- in terms of section 27(1)(a) of the Constitution everyone has the right to have access to health care services, including reproductive health care;

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Discovery's position: NHI is not workable without private sector collaboration


Discovery
Life

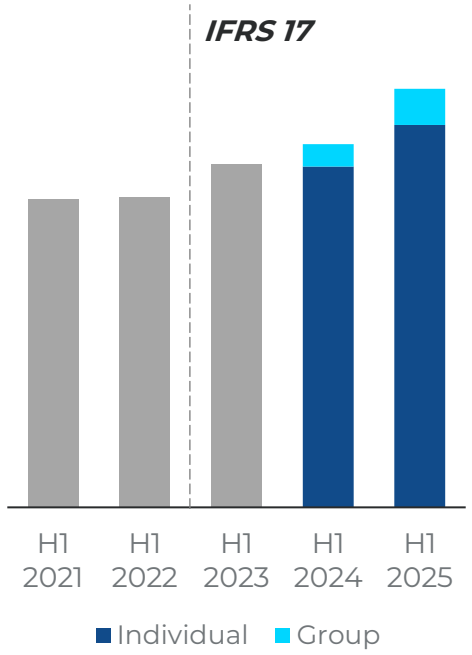
Discovery Life

Normalised profit

+15%

to R2 612m

Individual life:
+12%

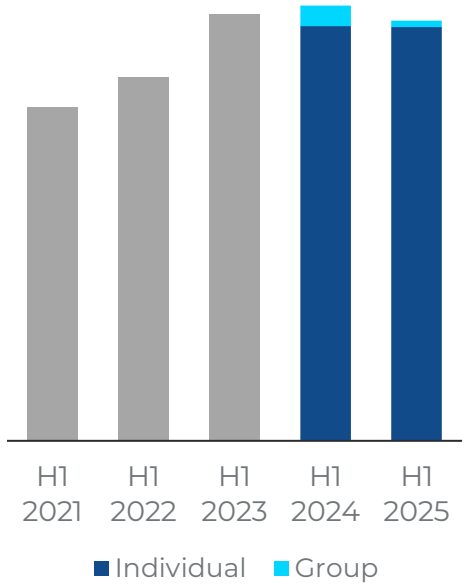


New business

-4%

to R1 463m

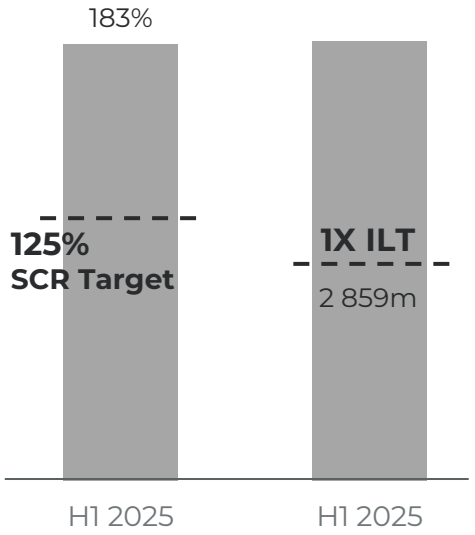
Individual life:
0%



Strong capital and liquidity

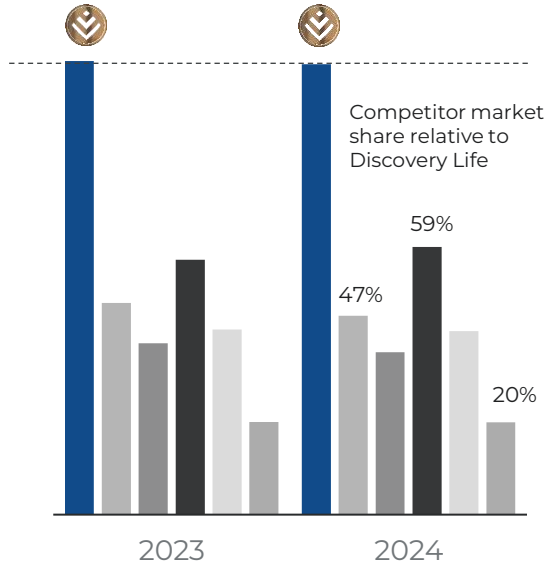
SCR coverage

Total liquidity



Maintained leading market share

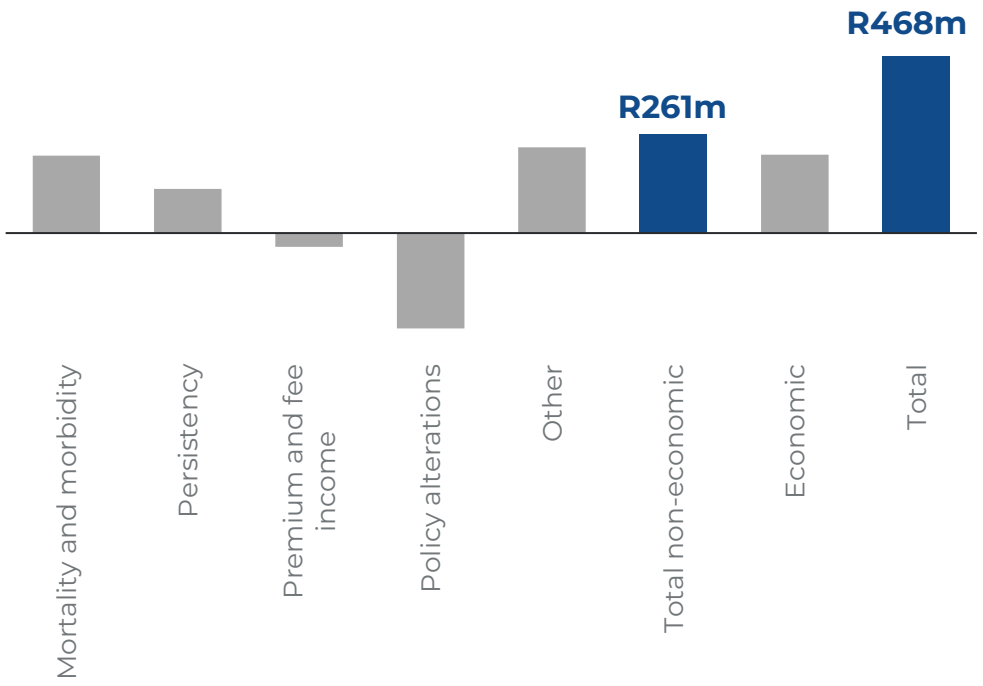
12 months to Dec 2024



Robust performance with positive operating variances

Positive operating variances

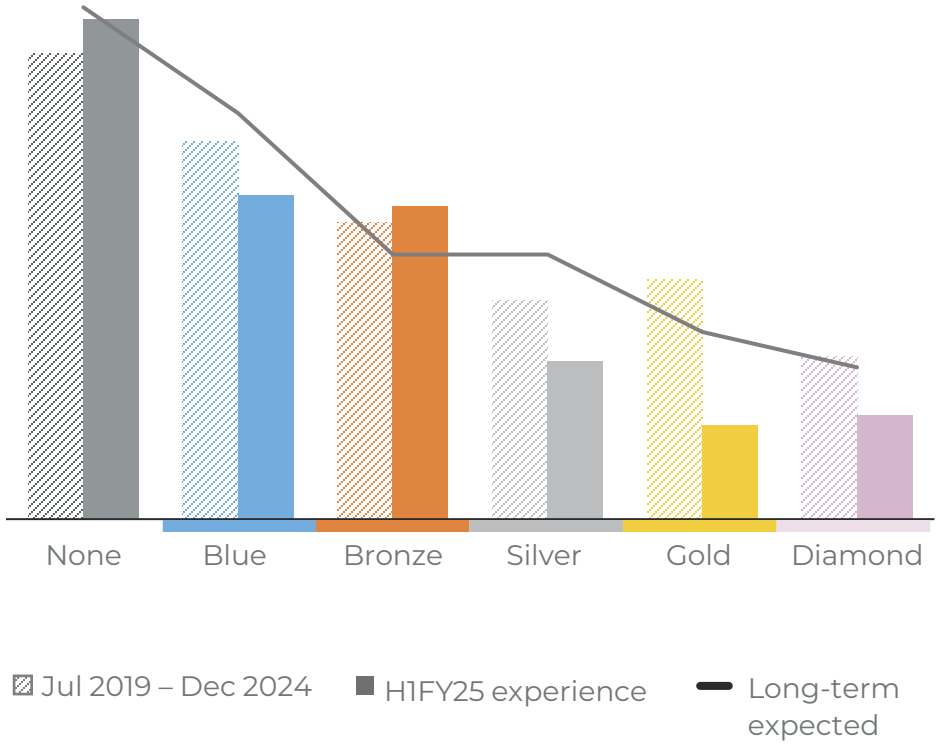
Discovery Life Ltd EV variances (Rm)



Policy alterations was a significant negative variance and slightly improved from prior period. Action plan in progress

Excellent experience relative to assumptions

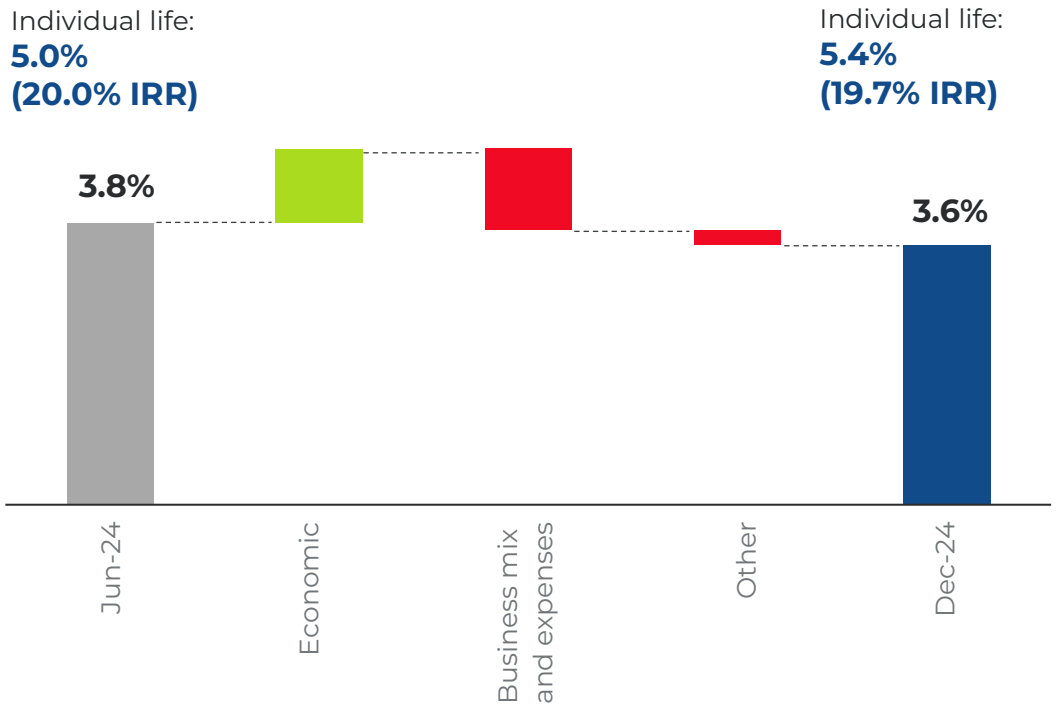
Mortality experience by Vitality status relative to expected



Robust EV growth and stable VNB margin

Steady VNB margin

VNB margin (%)



Significant drop in Group Life new business volumes over a short period. Individual Life margin benefits from lower interest rates

Growth in Embedded Value

20.6% Annualised RoEV*

14.1% excluding economic updates

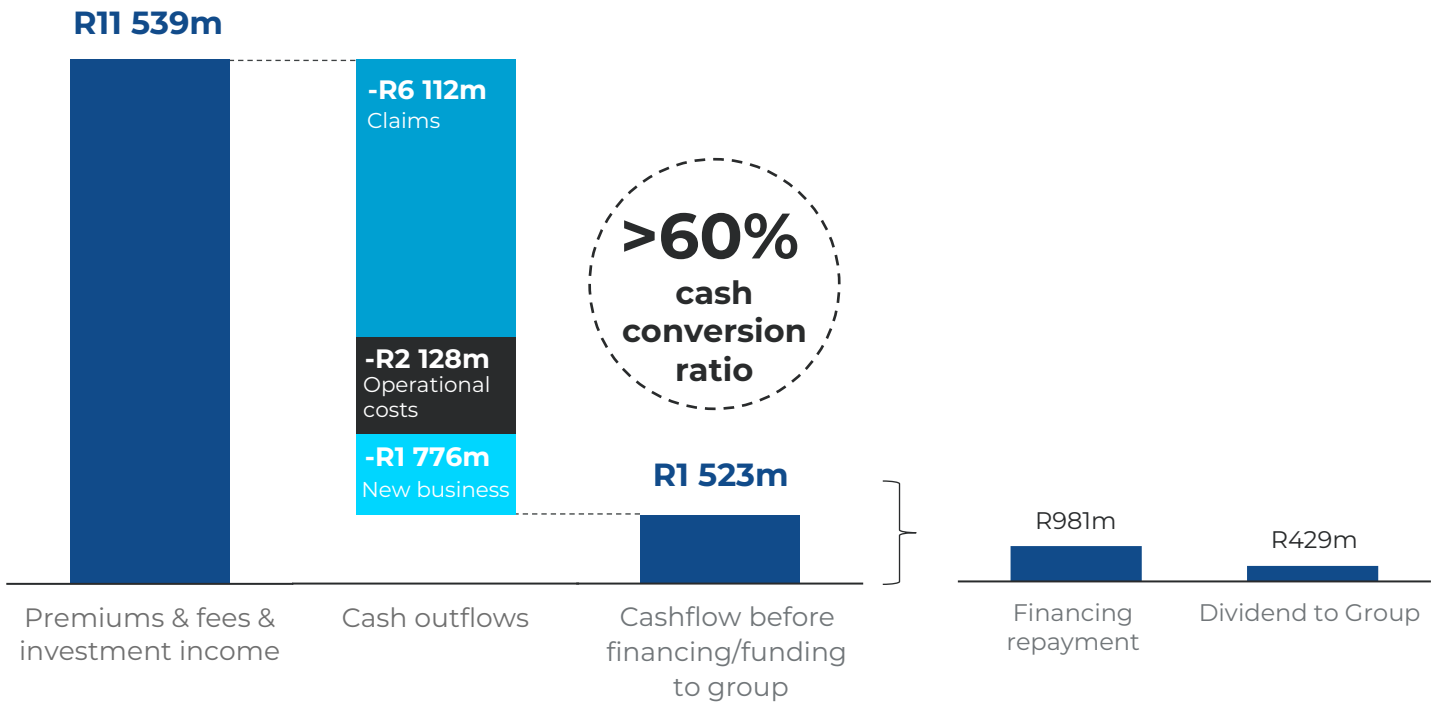


*Annualised before the dividend payment.

Strong cashflow generation

Life and Invest cash significantly ahead of target

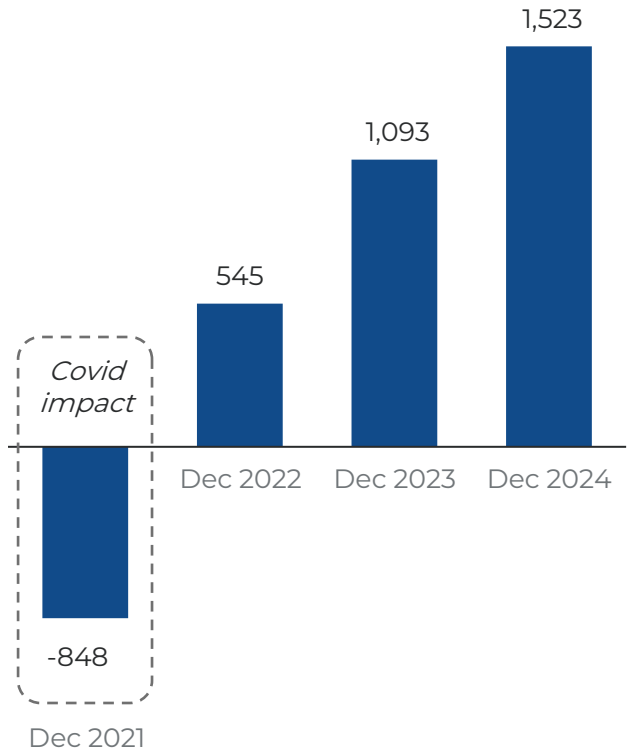
(Rm)



Exceptionally high this period given favourable claims in Indiv Life, Group Life and strong fee performance in Invest, plus lower new business strain

Cashflow over time

Cashflow before financing initiatives and dividends to Group (Rm)

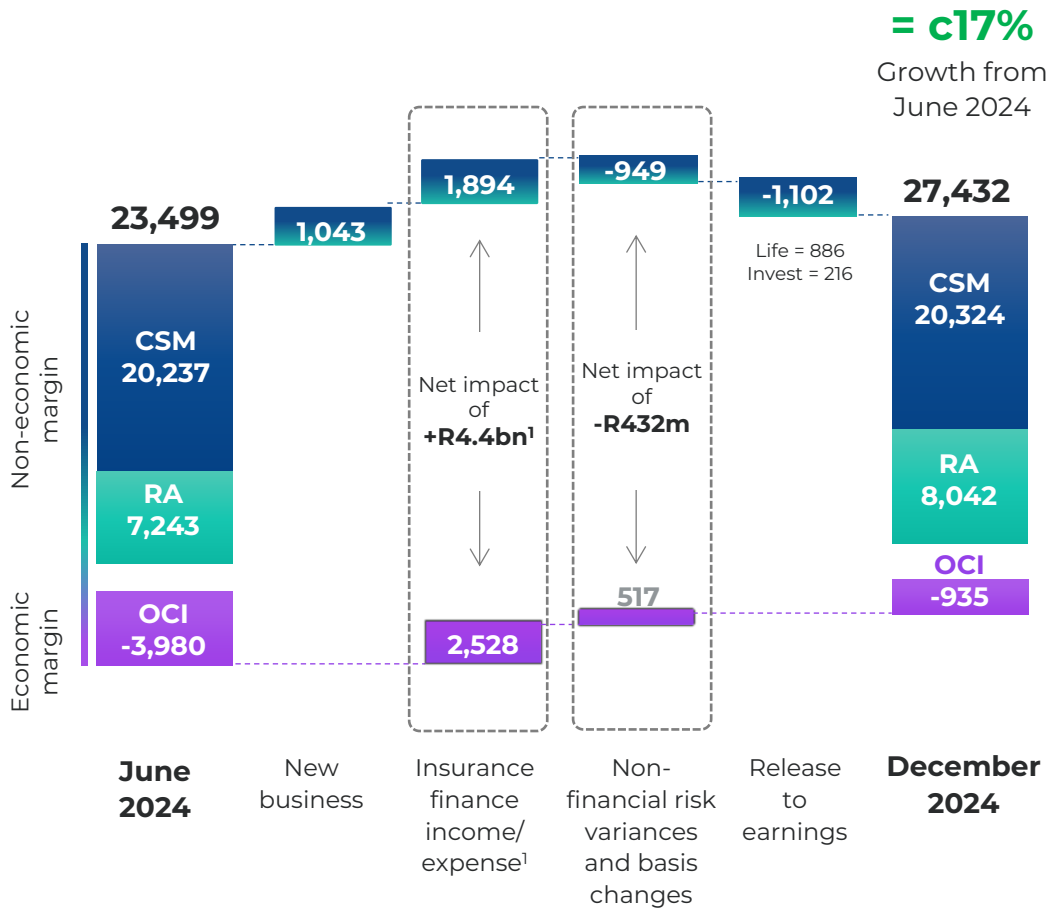


Value generation of business under IFRS 17

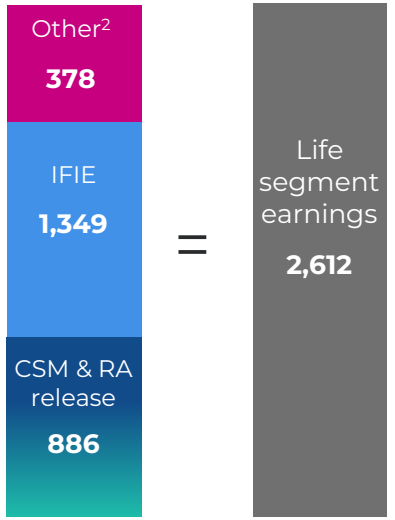
Store of value absorbs variances and plays out as earnings during the period

ZARm

IFRS 17 Life and Invest GMM business **stored valued** absorbs variances and basis changes



Components of **Life segment earnings**
(incl PAA business such as Group Life)



1. Total margin up c17% from R23.5bn in June 24 to R27.4bn in December 24 (+c3% excl. OCI)
2. Significant gains reflected in OCI driven by lower interest rates in December 24 vs June 24
3. Favourable claims experience offsets reduction in current period IFIE due to June 24 systematic rate movements

1 Includes changes to assumptions related to financial risk *2 "Other" includes largely PAA business earnings and variances such as the favourable claims experience variance in the period and non-directly attributable expenses.*

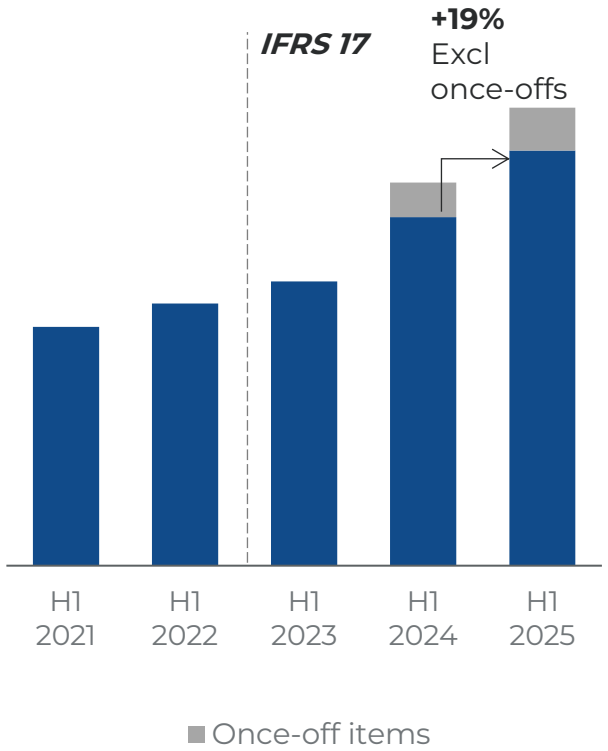
Discovery Invest

Discovery Invest

Normalised profit

+46%

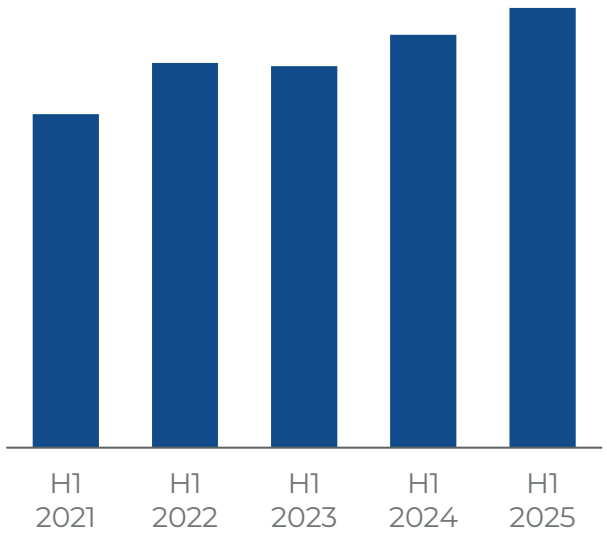
to R904m



New business

+7%

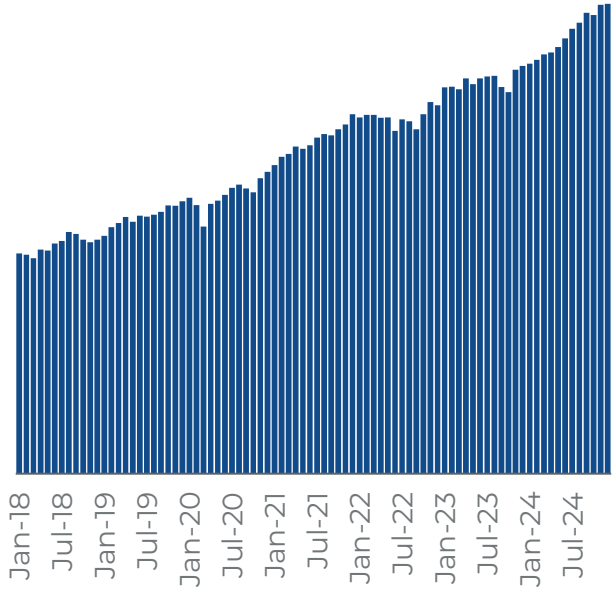
to R1 735m



Assets under administration

+15%

to R167bn



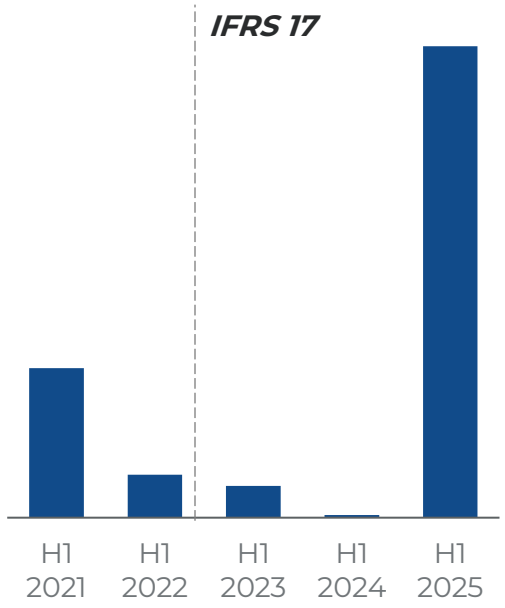

Discovery
Insure

Discovery Insure

Normalised profit

>100%

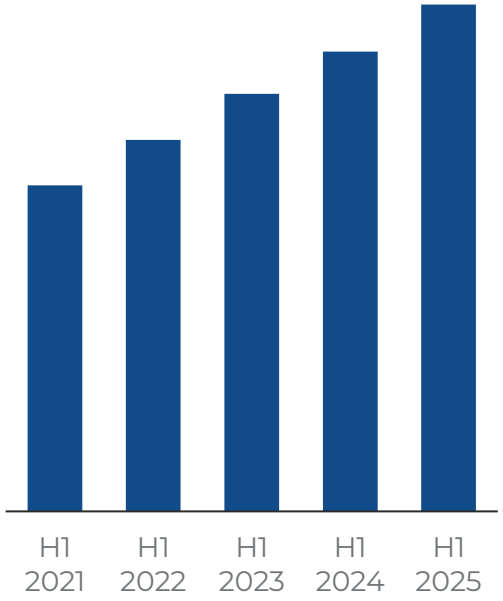
to R372m



Insurance revenue

+10%

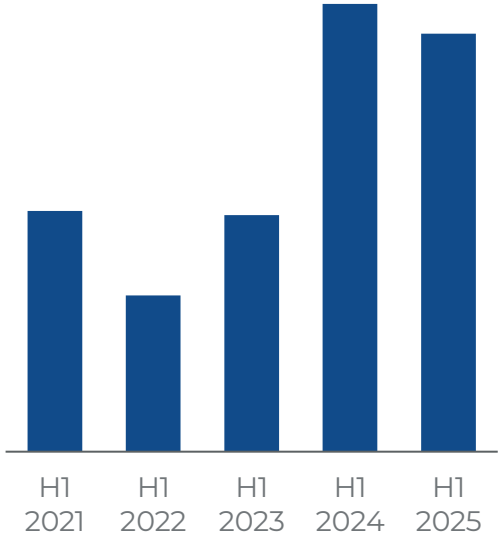
to R3 078m



Gross new business

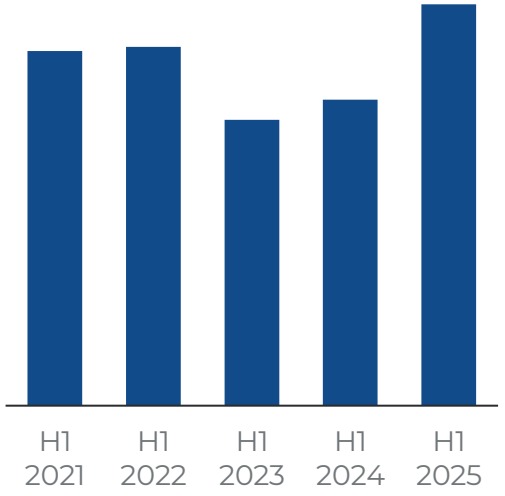
-1%

to R659m



Solvency

198%



Vitality continues to drive improvement in quality

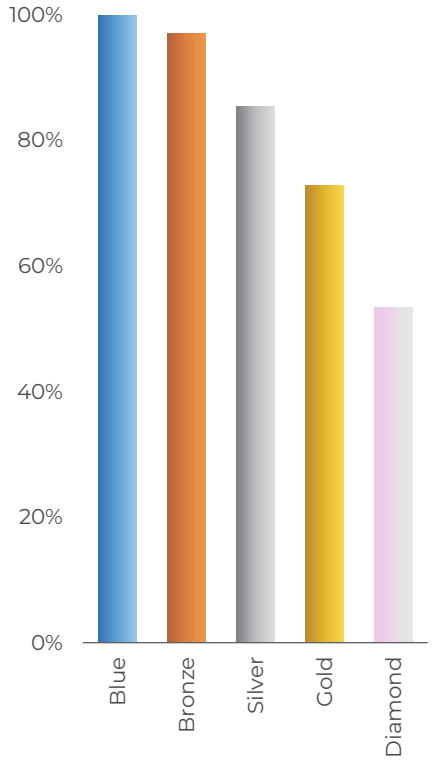
Disciplined approach to underwriting

New business based on insurance risk exposure



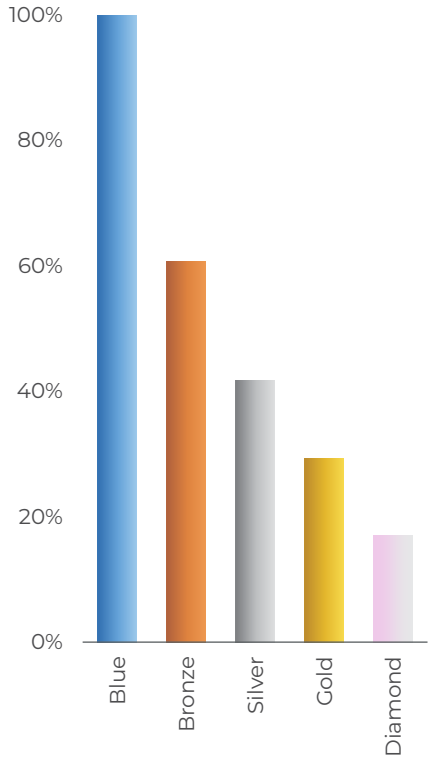
Targeted premium increases

Relative average anniversary increase by status



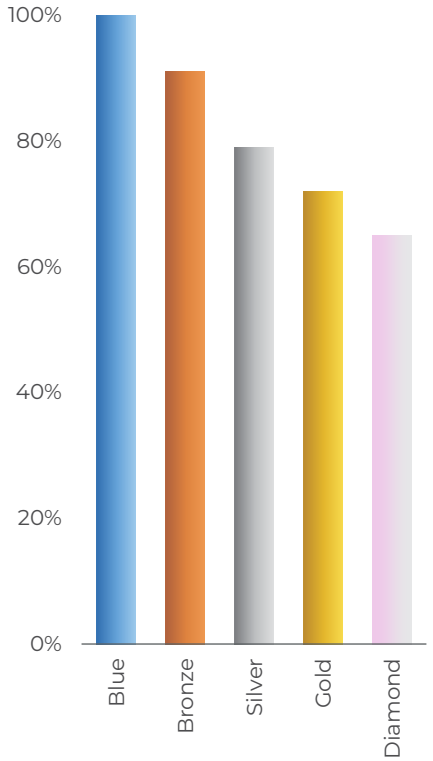
Retaining the right clients

Relative lapse rate by status



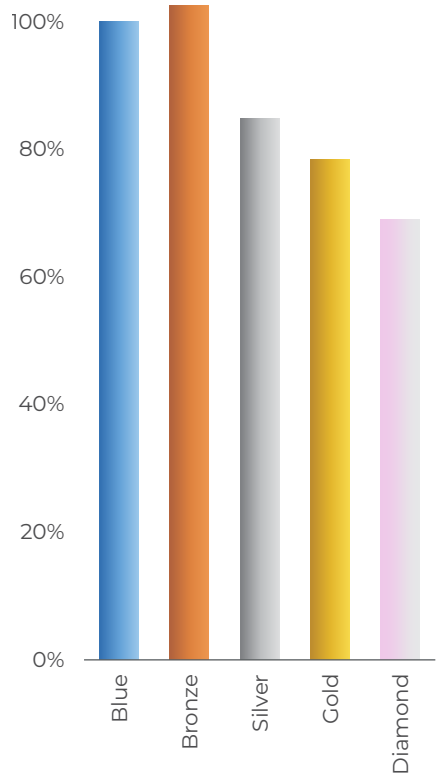
Lower severity by status

Relative accident severity by Vitality status

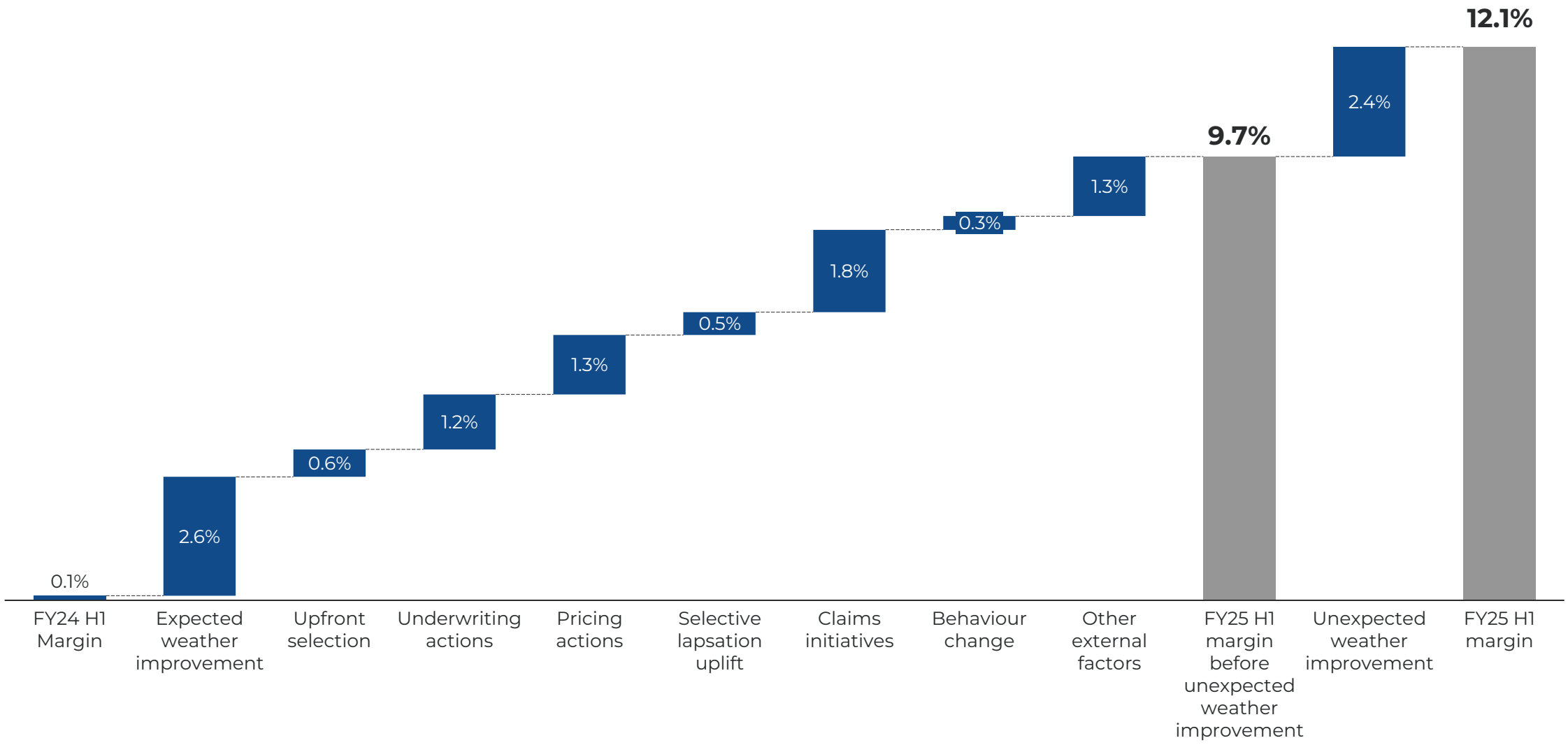


Lower loss ratio by status

Relative loss ratio by Vitality status



Strong margin recovery from management actions taken



Profit margin based on insurance revenue

Material and consistent decrease in theft over time

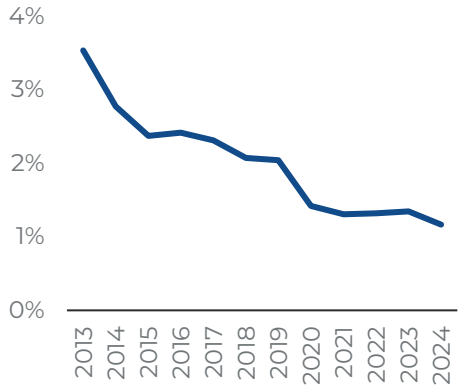
Decrease in theft rate over time

Consistent trend by sum insured

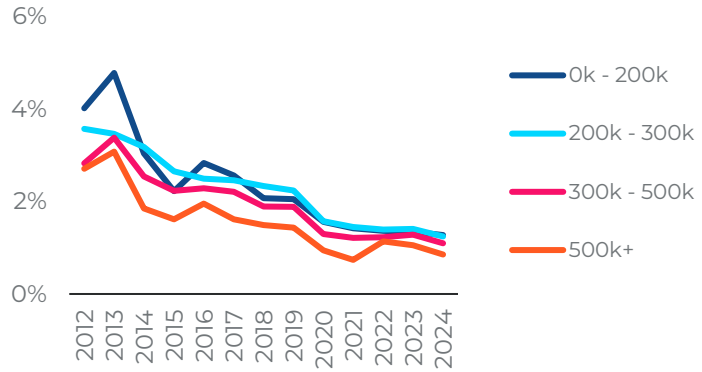
Consistent by geography

Motor theft

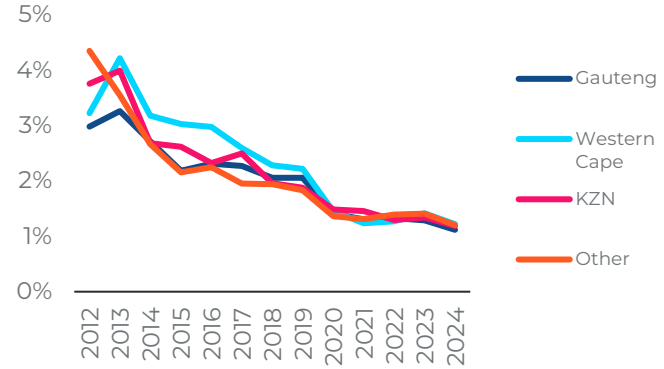
Theft rate



Theft rate by sum insured

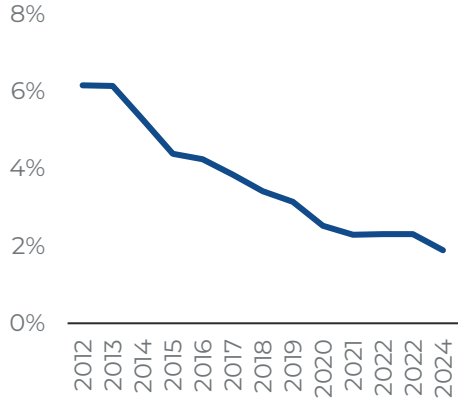


Theft rate by province

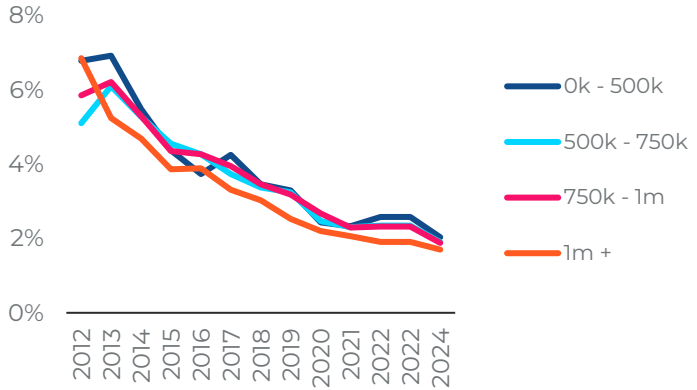


House and contents theft

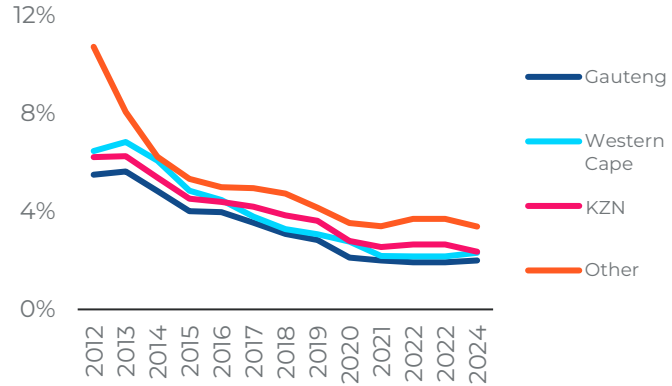
Theft rate



Theft rate by sum insured



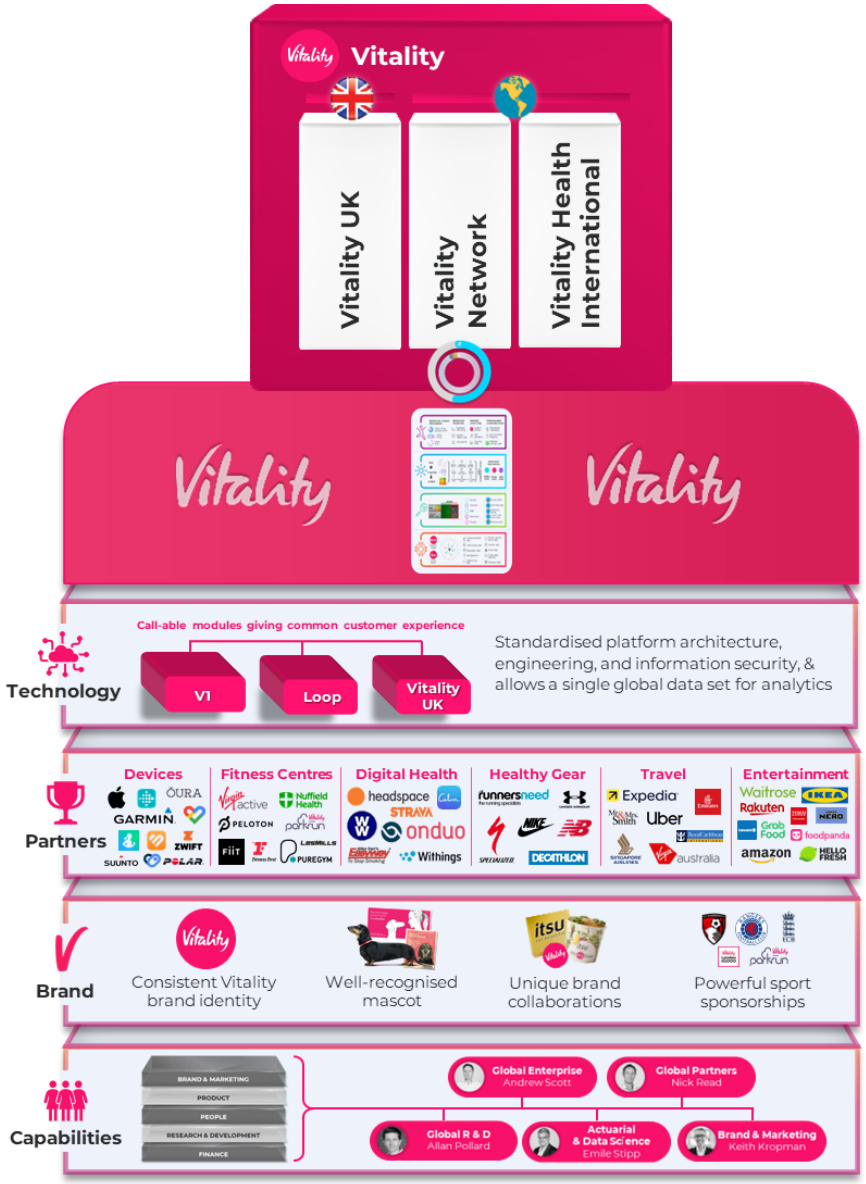
Theft rate by province





Vitality

Vitality Health	Successfully actioned significant price increases to mitigate increased PMI utilisation on the back of NHS pressure, with a strong retention of in-force business
Vitality Life	Strong increase in quality new business in a commoditised and stagnant UK market
Vitality Network	Strong margin expansion and integrated API growth, demonstrating the global relevance of the Shared-value Insurance model
平安健康保险 PING AN HEALTH INSURANCE	Excellent progress in growing quality health insurance driven by continued operating delivery and strong gains from Chinese bond and equity market movements
Vitality VHI	Vitality USA acquired WellSpark, expanding beyond employee wellness into broader integrated digital health and care market. Amplify Health progressed in deploying healthtech solutions across Asia



A single global composite:

Single Vitality chassis to establish a unified approach to personalisation across markets, enhancing customer engagement and loyalty

Inter-operable technology platforms and consistent global enablement to achieve operational efficiencies, improved systems integration, scalability and reduced costs

Unified partner network to maximise benefits to our members while driving efficiencies globally

Single, more prominent brand to achieve greater brand recognition and market differentiation

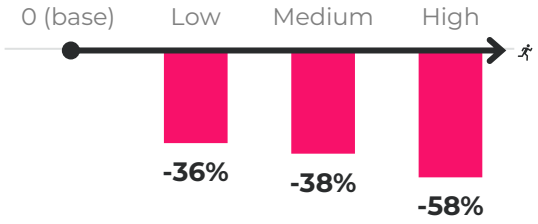
Five centres of excellence to share best practice and ensure an appropriate level of alignment across the business

Incentivising behaviour change through hyper-personalised pathways

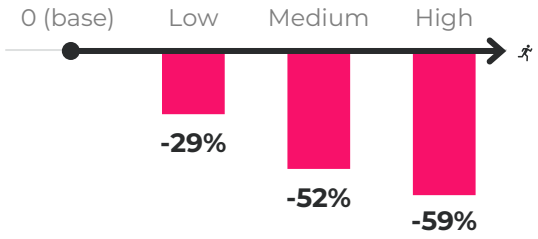
Causal

Physical activity has a significant impact on mortality

Relative mortality for the 45-65 age group



Relative mortality for the 65+ age group

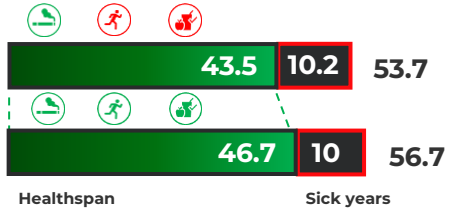


Elastic

Behavioural dynamics are universal, holding across ages and health status

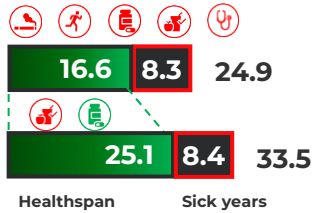
Young moderately healthy 30-year-old

+7%
increase in healthspan



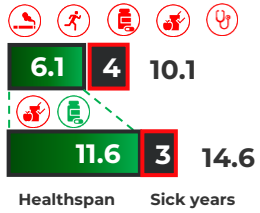
Middle age unhealthy 50-year-old

+51%
increase in healthspan



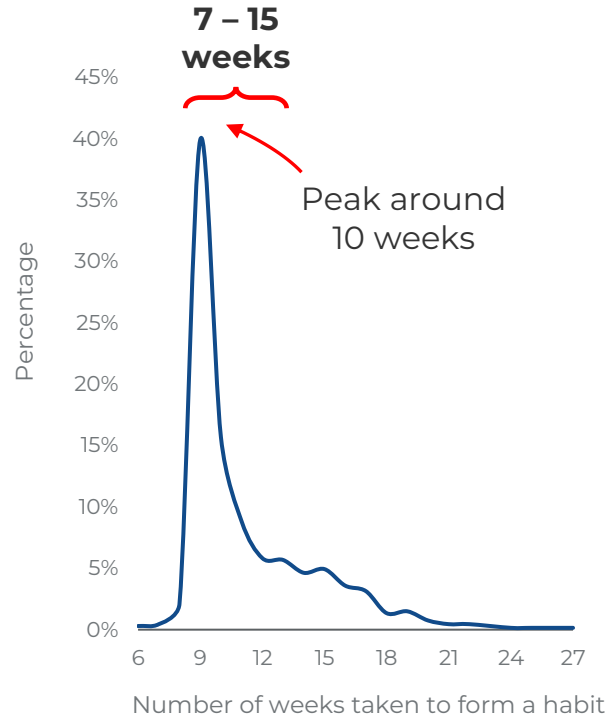
Advanced age unhealthy 70-year-old

+90%
increase in healthspan



Habitual

Habits form quickly and easily, yet their true strength lies in their durability



Vitality AI is the breakthrough solution for traditional model inefficiencies

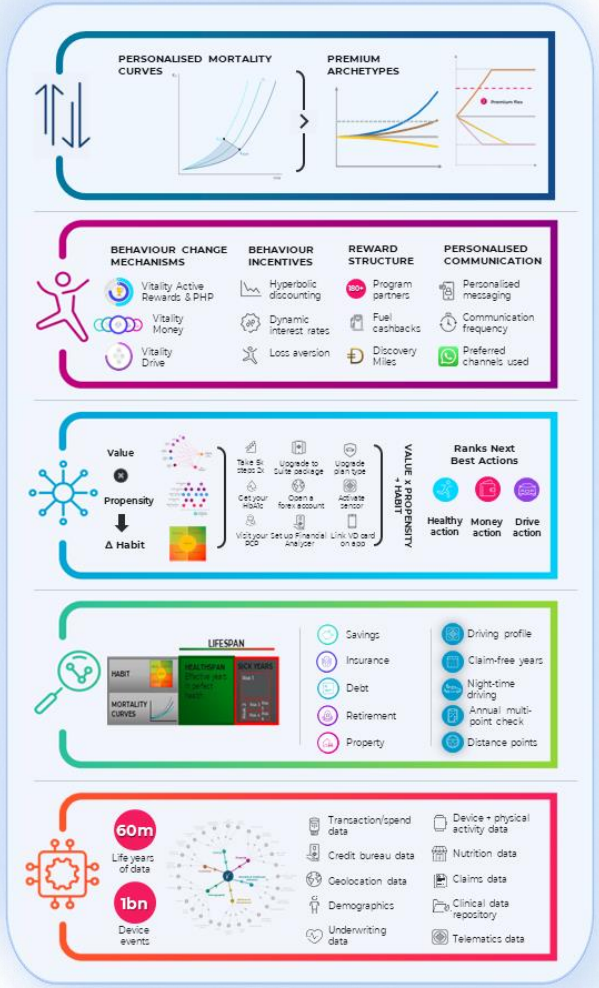
Dynamic pricing

Incentivised engagement

AI recommender

Dynamic risk assessment

Data



Key value drivers

1. New business

2. Selection

3. Behaviour change

4. Selective lapsation

5. Upsell / cross-sell

Enhanced VoNB / IRR


Vitality
UK

Vitality UK

Normalised profit

+12% to £40.0m

+11% to R926m

Premium income

+14% to £610m

+12% to R14.1bn

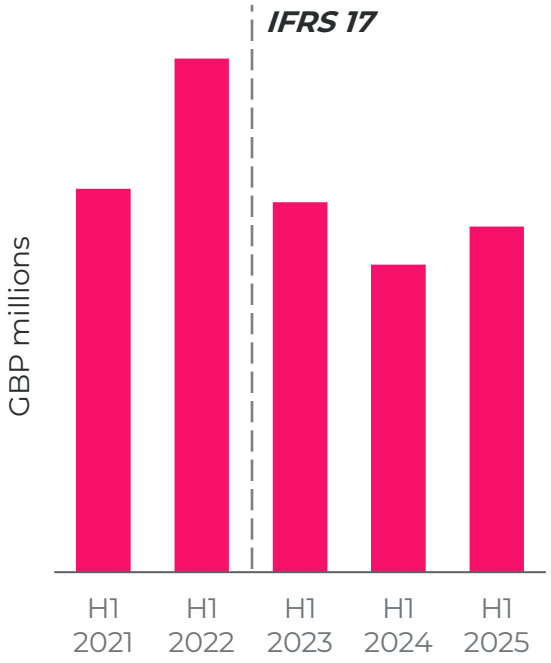
New business

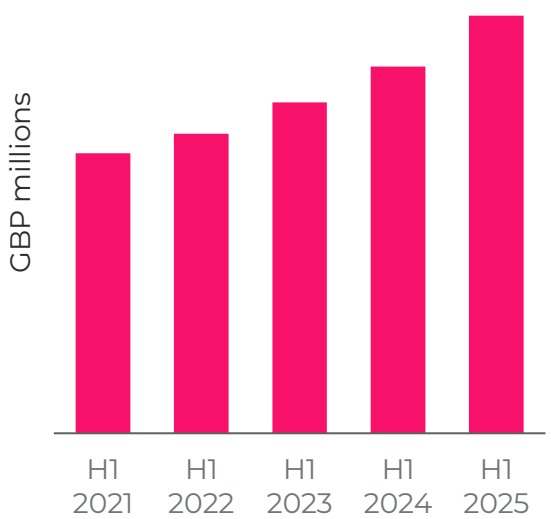
+10% to £104.9m

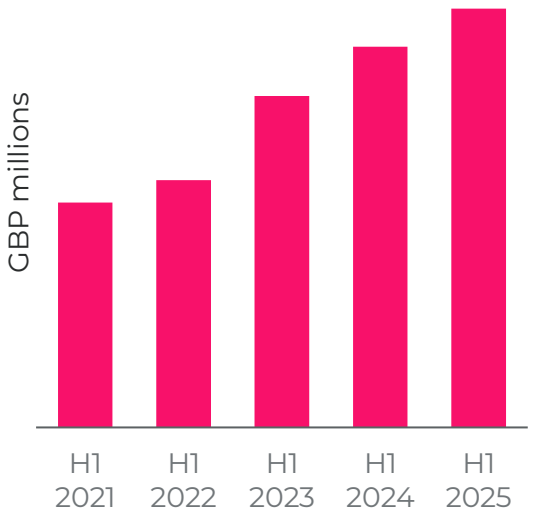
+9% to R2.4bn

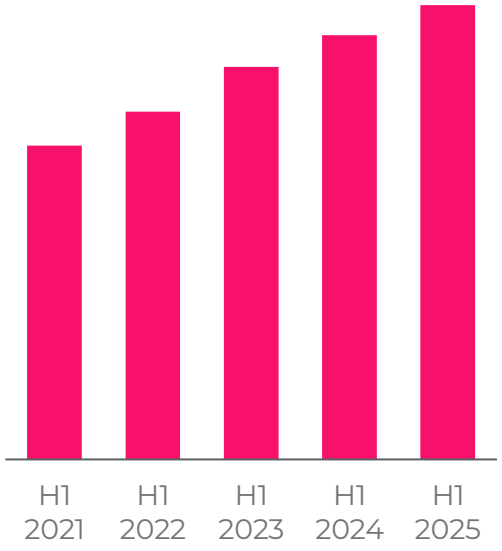
Lives covered

+7% to 1.9m









VitalityHealth

Normalised profit

+15% to £25.9m

+14% to R599m

Premium income[1]

+16% to £394m

+15% to R9.1bn

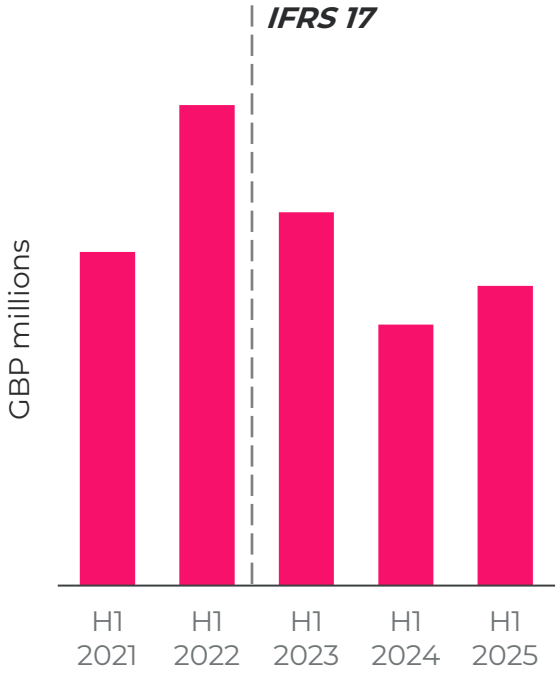
New business

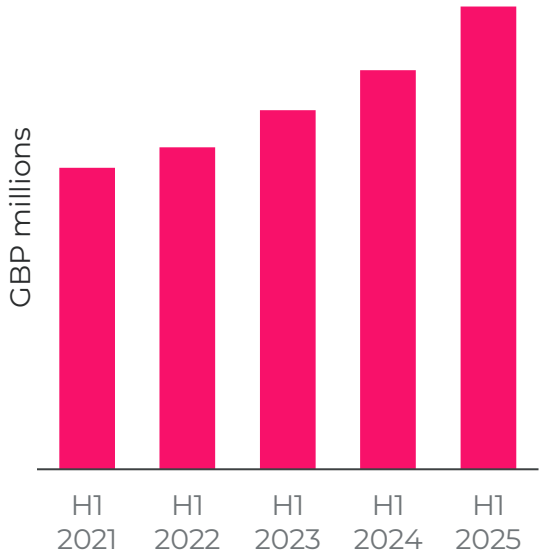
+3% to £57.3m

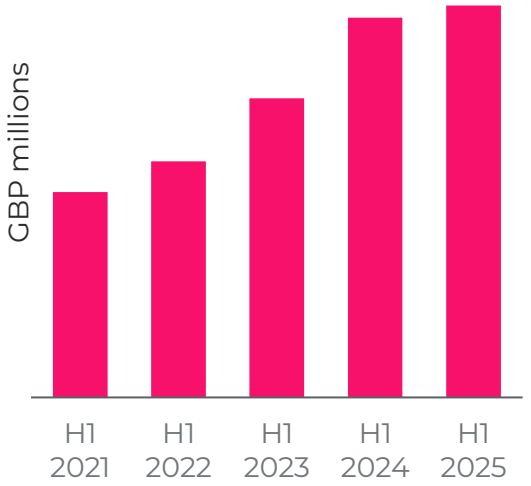
+2% to R1.3bn

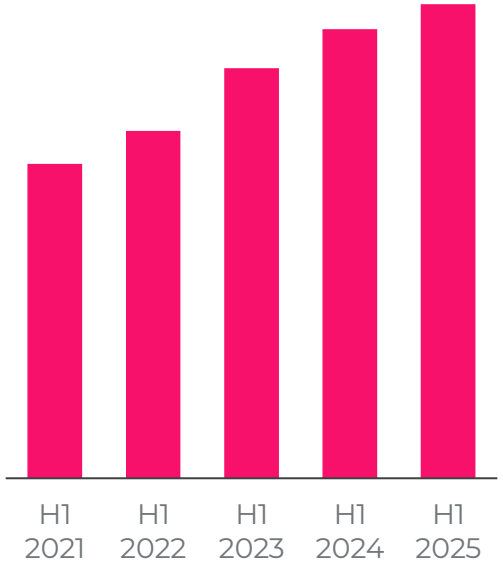
Lives covered

+6% to 1.0m







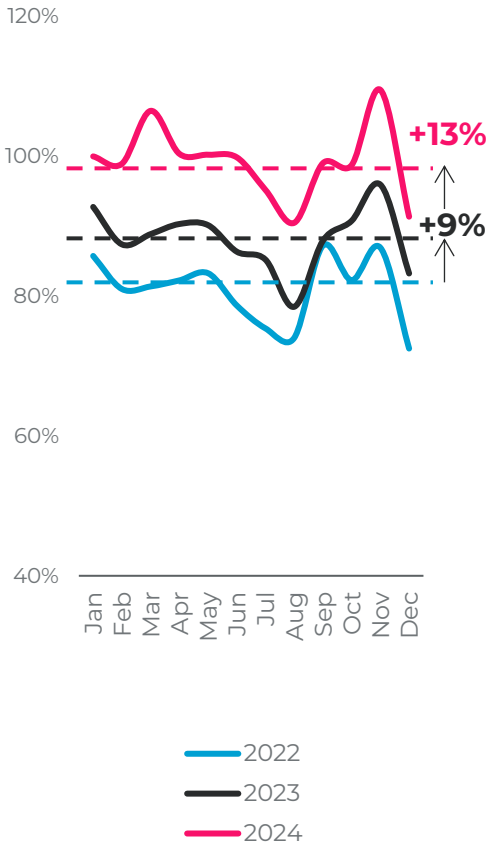


1 Insurance revenue

Retention resilient despite pricing actions, expect recovery of margins

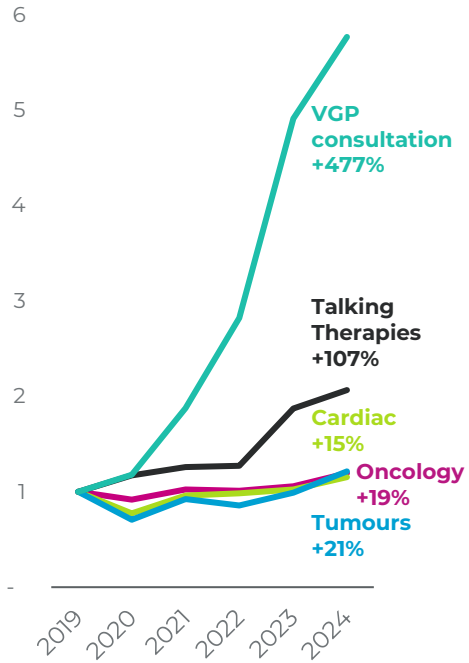
Increase in claims costs

Claims PLPM over time



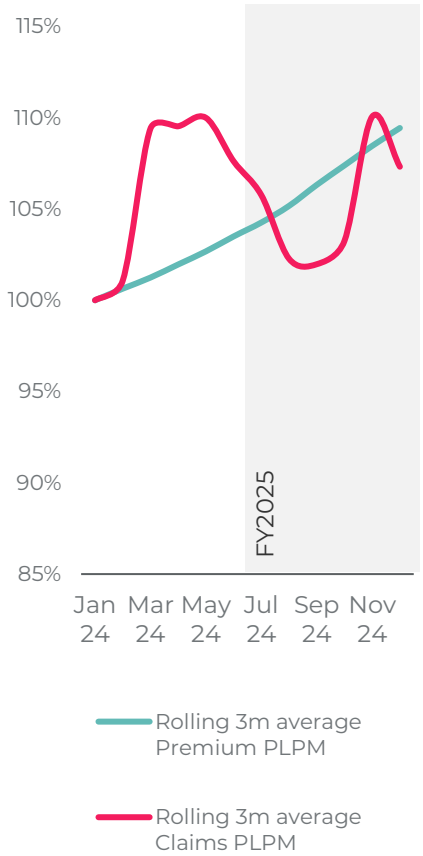
Shift towards primary care

Claim categories PLPM (indexed)



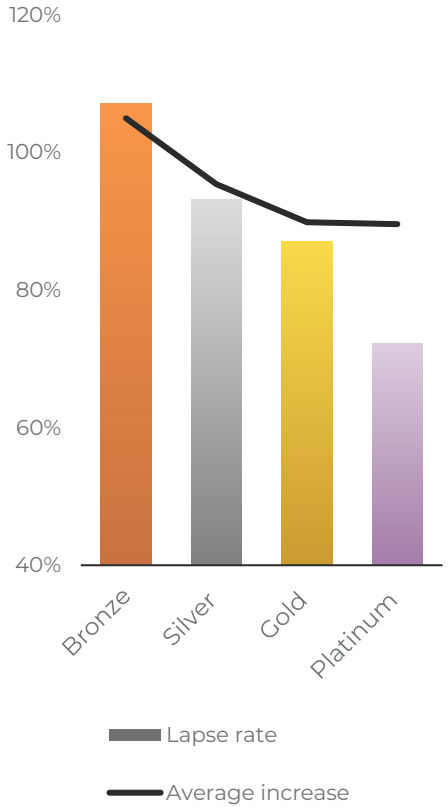
Pricing actions implemented

Premiums vs claims PLPM (rebased to Jan 24)



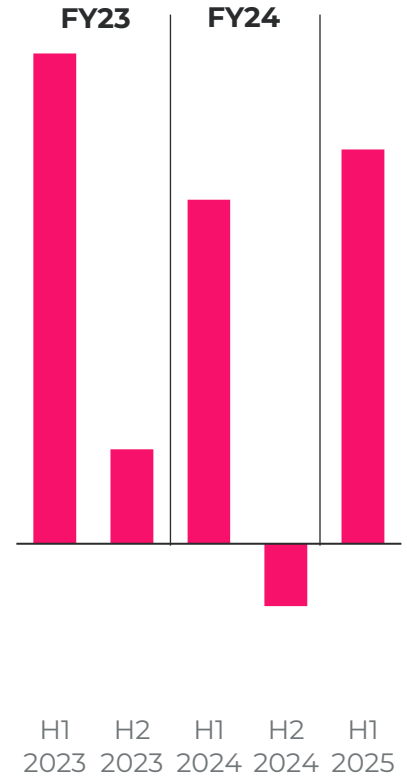
Selective retention of healthier lives

Lapse rates vs premium increase by Vitality status



Expect a recovery of margins

Normalised profit (GBPm)



VitalityLife

Normalised profit*

+8% to £14.1m

+8% to R327m

Premium income

+10% to £217m

+9% to R5bn

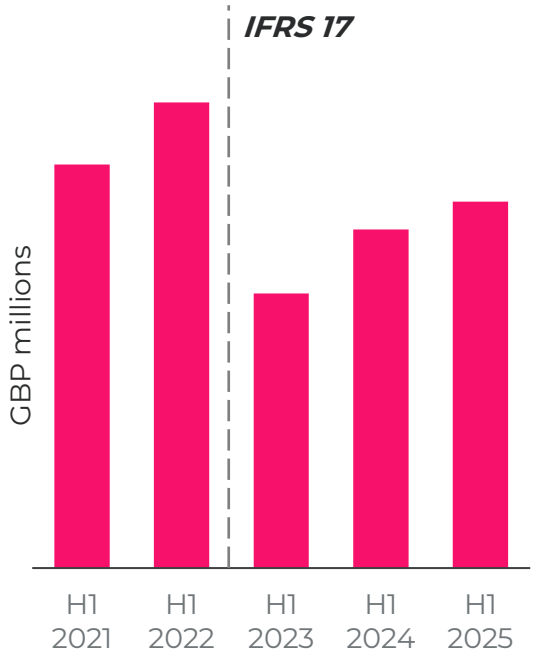
New business

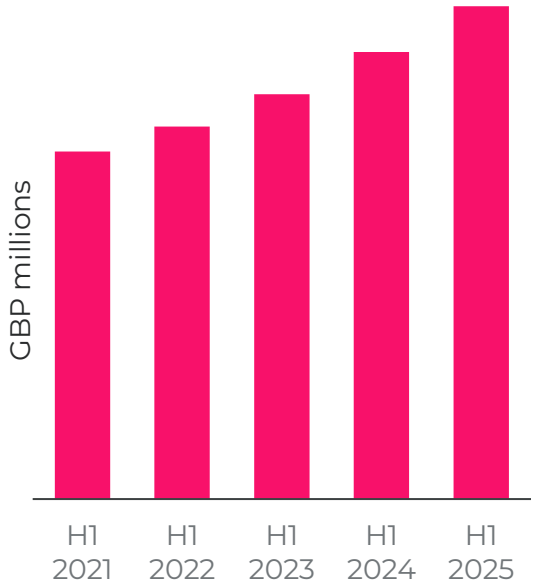
+19% to £47.6m

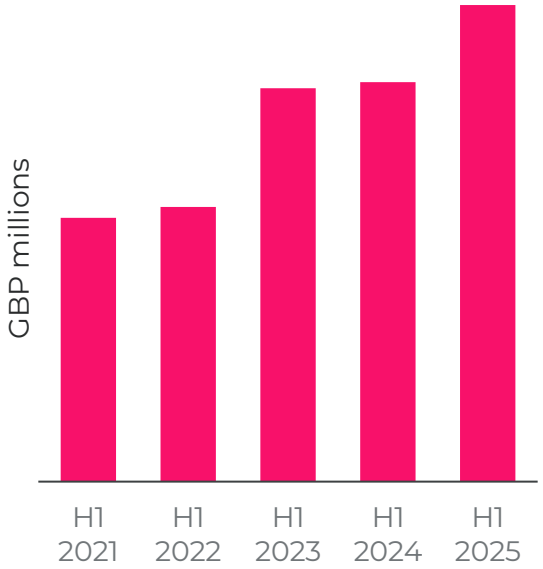
+18% to R1.1bn

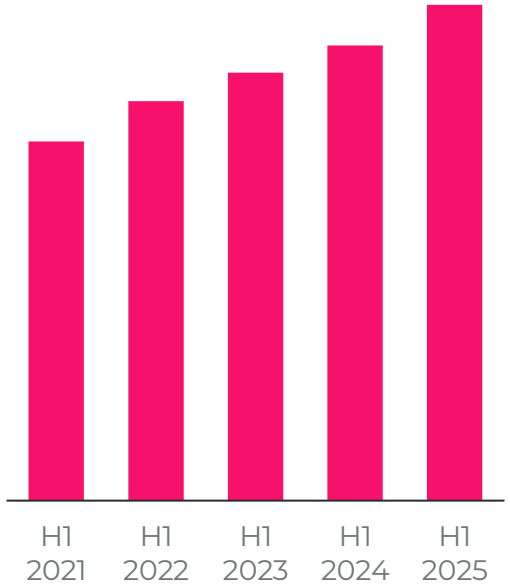
Lives covered

+9% to 852k lives







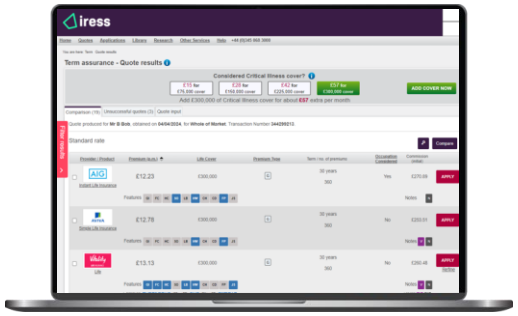


*H1 2024 has been restated for IFRS17 accounting methodology changes applied in 30 June 2024 reporting

Price optimisation in a commoditised, portal-driven market

Sophisticated price optimisation and elasticity provides opportunity for Optimiser to compete on portals

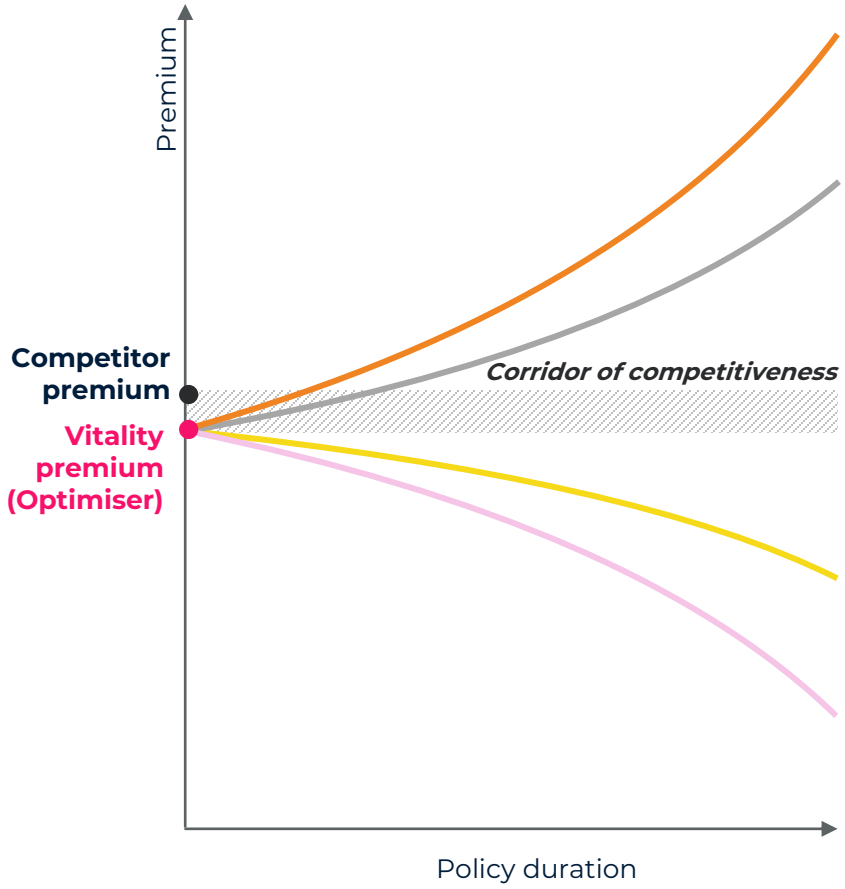
Portal-driven market



iress

IPIPELINE®

Illustrative pricing



Optimiser allows us to compete on portals where price plays an important role

Up to 30% *lower than standard plan rates*

61% *of cases, Optimiser is cheapest*

1% *away from the cheapest, on average*

Dynamic rating enables us to accurately account for controllable risk throughout the policy duration

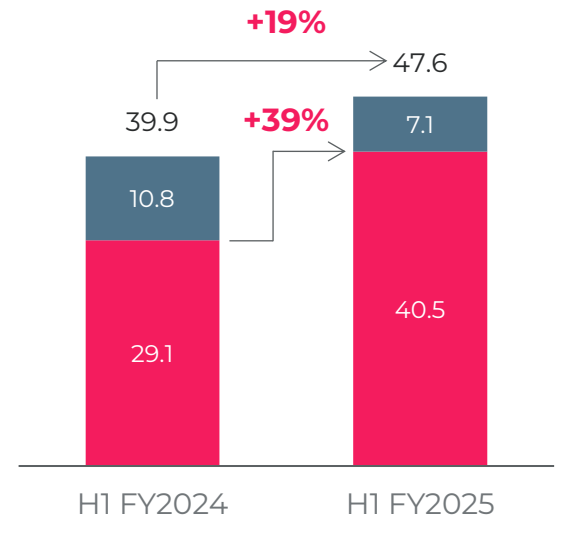
Regular and ongoing engagement through interactions that drive positive behaviour change

Exceptional new business growth in a stagnant market

39% net growth, despite a flat market

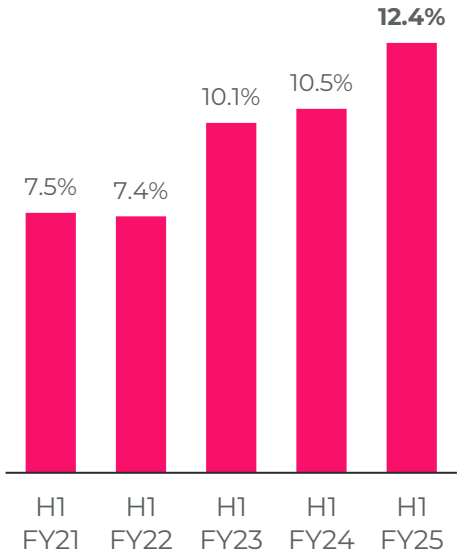
VL new business growth
+19% vs market excl VL **-1%**[1]

New business (£m)



Establishing solid market share

VitalityLife market share[1]

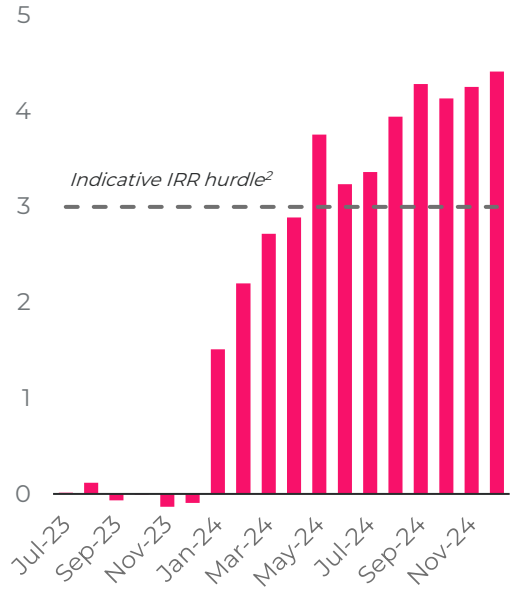


Key competitors:

Legal & General · AVIVA · ROYAL LONDON · ZURICH

Growing net new business value

New business net value (£m)



Significant change in value

VL continues to generate strong levels of net new business value. If maintained, VL's CSM and RA will grow for the year

£24.3m from -£0.2m in H1 FY24

New business net value (£m)[3] (CSM and RA, less onerous new business)

£2.6m from -£5.7m in H1 FY24

VNB (£m)

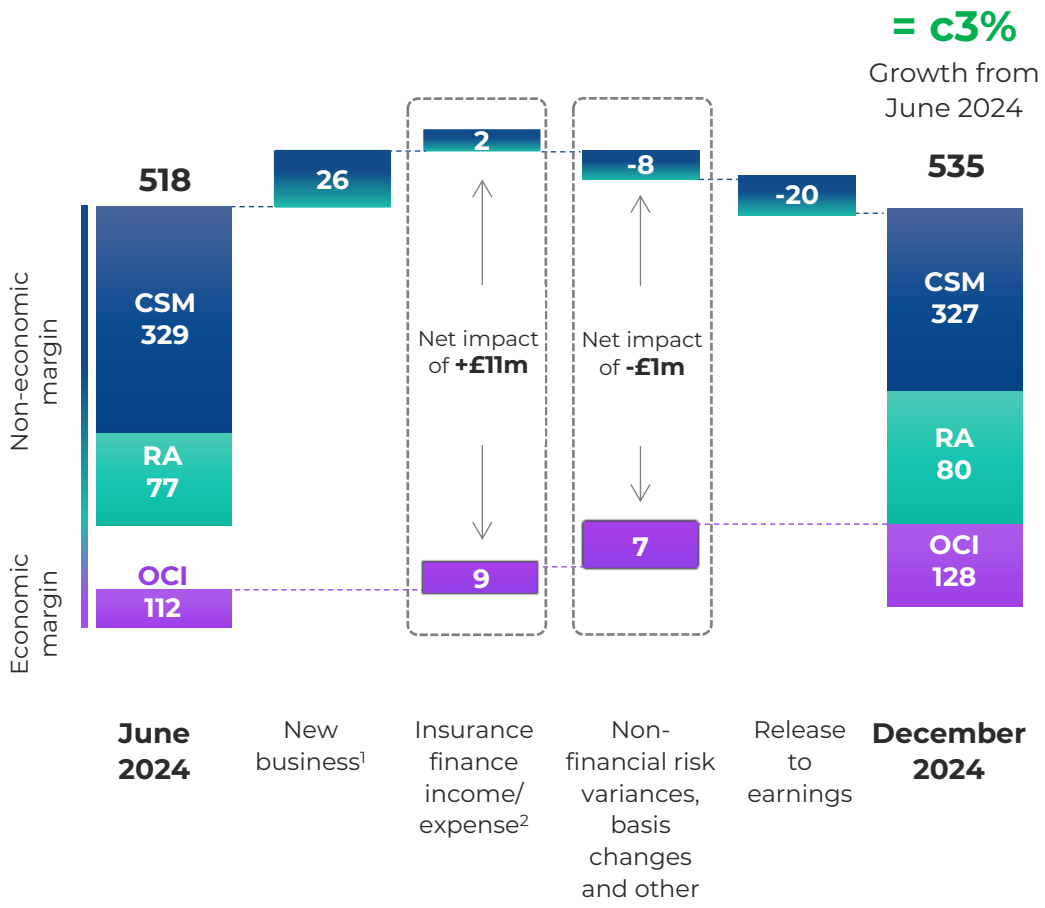
1. GenRe Protection Pulse; 2. IRR hurdle line is indicative of the average monthly level of net new business value required to achieve VL's internal IRR hurdle rate, but in practice this will vary dependent on the relative level of fixed expenses, new business and profitability; 3. CSM & RA" on NB excludes the impact of new reinsurance contracts attaching to the in-force book in the period. The total CSM and RA on all contracts incepted in the period was £13.3m (new business net value excluding financing)

Value generation of business under IFRS 17

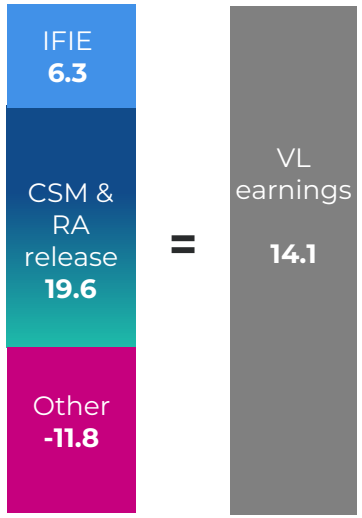
Store of value absorbs variances and plays out as earnings during the period

GBPm

IFRS 17 **stored value** absorbs variances and basis changes



Components of **VitalityLife earnings**



1. Total margins increased by c3% from £518m at June 24 to £535m at December 24
2. Non-economic margins increased slightly from June 24 to December 24. This is an important feature for future earnings
3. Strong levels of margins generated on new business more than offset release of CSM & RA to earnings
4. Non attributable costs, in period cashflow variances and impact of onerous business (after establishing a risk margin) marginally offset CSM & RA release and positive IFIE in earnings

1 New business net value excludes the impact of new reinsurance contracts attaching to the in-force book in the period. The total CSM and RA on new contracts incepted in the period was £16m. The difference is included in 'Non-financial risk, variance, basis changes and other' ; 2 Includes changes to assumptions related to financial risk

Strategic vision for Vitality UK

Focused ambition

*Transforming the **UK health and life insurance markets** through shared value powered by Vitality AI*

Underpinned by clear objectives

Top 3 UK health and life insurer



Highest brand recognition in the market

Trustpilot

Renowned for market-leading customer service



Changing behaviour through hyper-personalisation

Enabled by powerful shared value differentiators

Shared-value product features manage risk over time

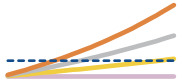
Status-linked excess

- £150
- £100
- £100
- £0

ABC pricing



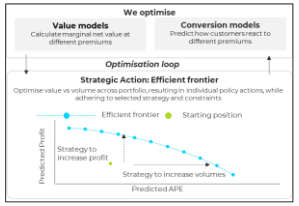
Optimiser



Employer cashback



Advanced price optimisation drives growth in profitable segments



Supported by an aspirational brand

Bold messaging that emphasises insurance as a tool for living a richer, longer life

Vitality helps members live up to

5 years longer

Externally validated

LSE The London School of Economics and Political Science

CLEARCAST

Partnered with leading brands

Virgin active · PUREGYM · Nuffield Health · PELOTON · Allen Carr's EasyWay To Stop Smoking · SECOND NATURE · vue · funnersneed · GARMIN · SPECIALIZED · headspace · Bluecrest · WITHINGS · fitbit · SAMSUNG · CHAMPNEYS · WATCH · FIIT · parkrun · Vitality · POLAR · WeightWatchers · Smith · Mr & Mrs Smith · Expedia · ODEON · Rakuten TV · Mindful Chef · CAFFÈ NERO

Brought to life across the UK

Ambassadors



Sponsorship portfolio



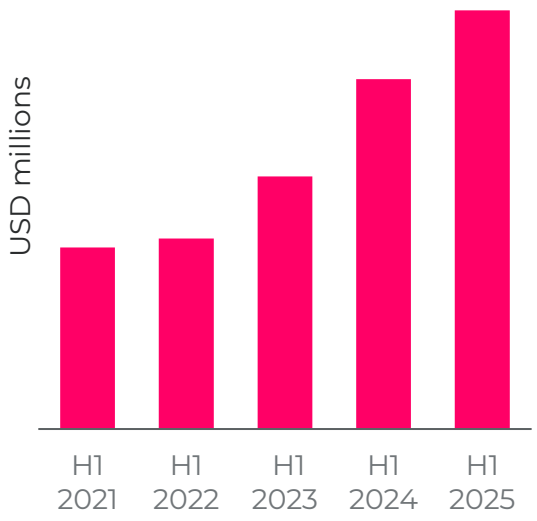

Vitality
Network

Vitality Network

Normalised profit

+20% to $18.9m

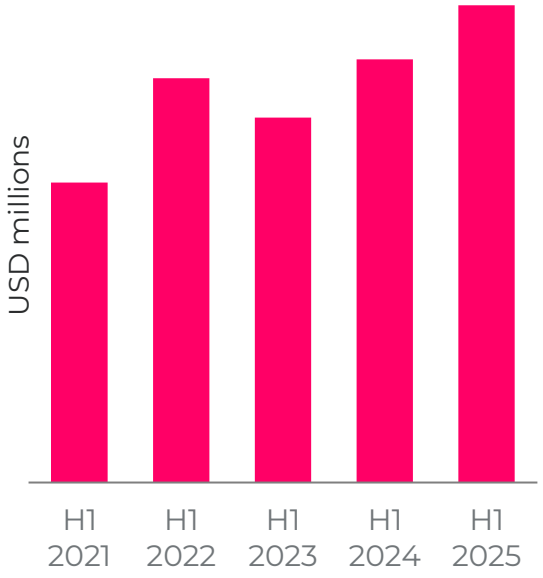
+15% to R339m



Integrated API by insurance partners

+13% to $909m

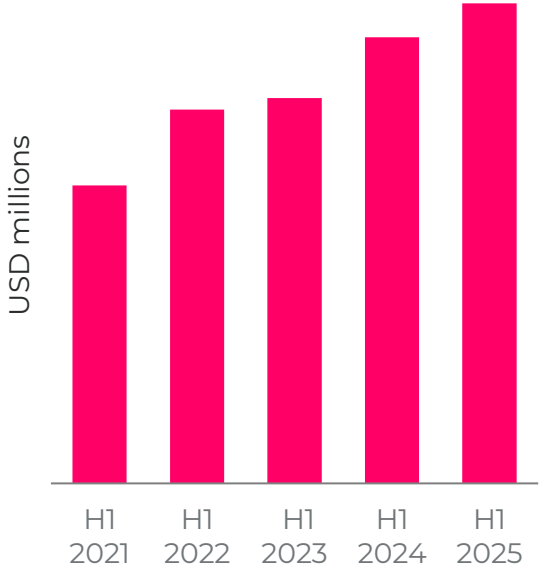
+8% to R16.3bn



Revenue

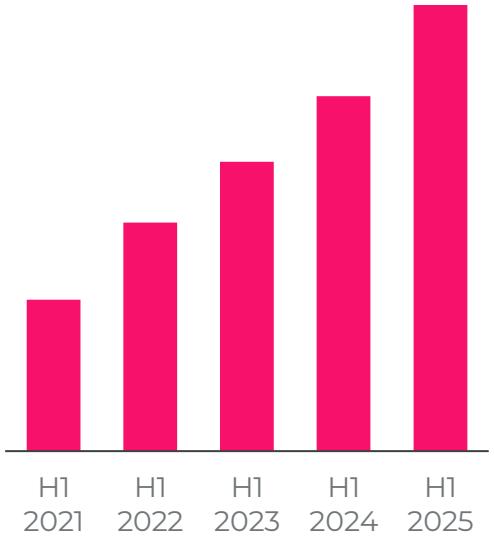
+8% to $54.1m

+3% to R970m



Insurance partners membership

+26% to 6.2m



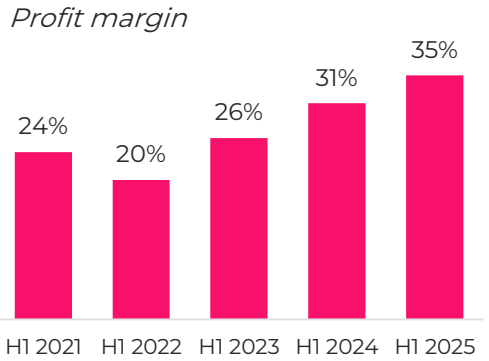
Vitality Network's key strategic focus areas

1 Revenue growth through deepening of existing partnerships and pursuit of new opportunities

Strong performance from John Hancock with 29% increase in performance fees

Substantial growth from SLI with 2 million Vitality policies sold

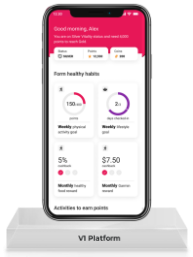
2 Unlock geared profits through operational efficiencies generated from scaling



35% Profit margin for H1FY2025

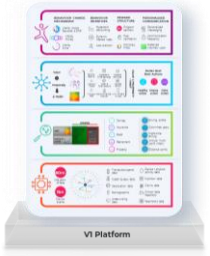
+4% Increase in profit margin from H1FY2024-H1FY2025

3 Evolving Vitality products through hyper-personalisation and Vitality AI



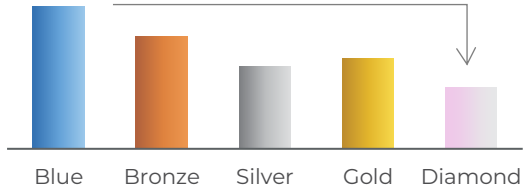
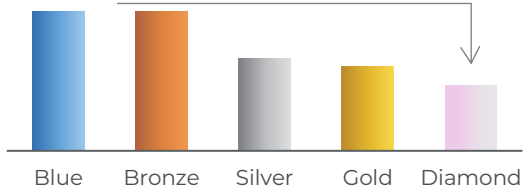
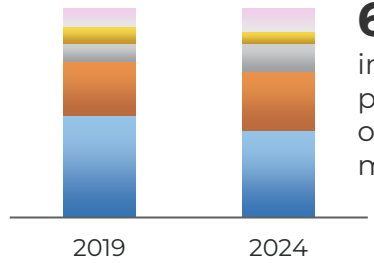
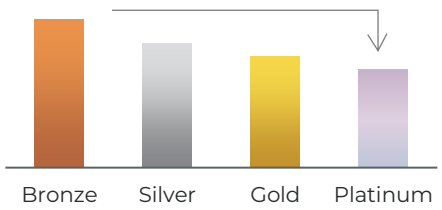
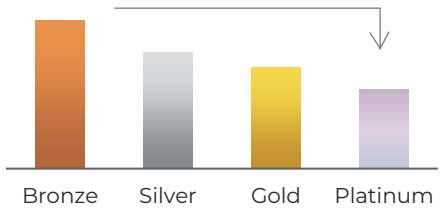
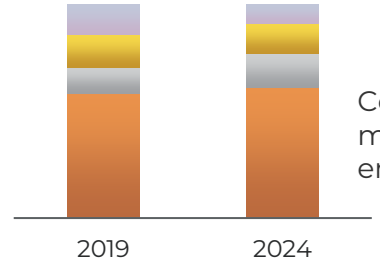
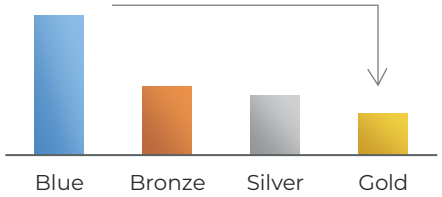
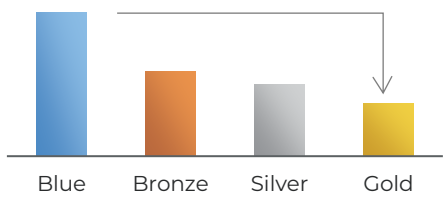
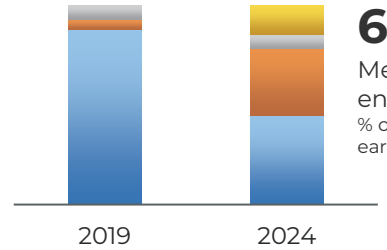
New mobile experience successfully launched across **3 markets** – Pakistan, Netherlands and Ecuador

Rebuild of mobile app to enable greater hyper-personalisation and member engagement



Leveraging Vitality AI to drive engagement

Positive impact of shared value observed across markets

	Claims correlations	Lapse correlations	Member engagement
Discovery Life **27%** market share	**57%** lower 	**53%** lower 	 **6%** increase in proportion of off-Blue members
4th largest life insurance market Vitality Life insurance **~12%** market share	**36%** lower 	**47%** lower 	 Consistent member engagement
3rd largest life insurance market SUMITOMO LIFE Vitality	**70%** lower 	**63%** lower 	 **64%** Member engagement % of members earned a point

Vitality China

平安健康保险

PING AN HEALTH INSURANCE

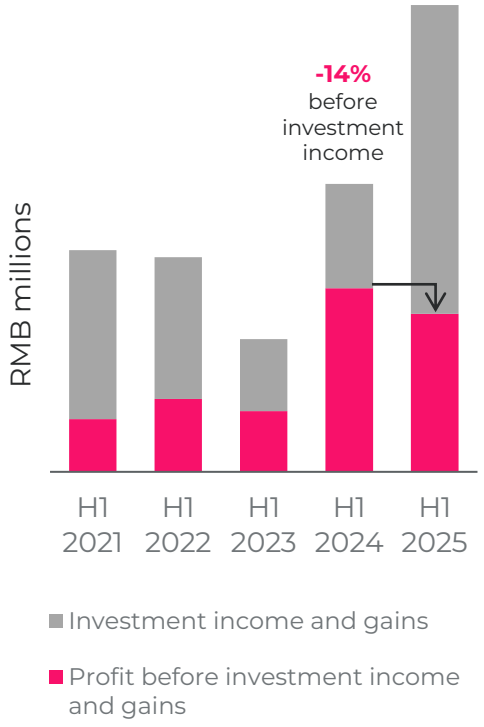
Ping An Health Insurance

Vitality China

PAHI's operating results pre-tax

+62% to RMB906m (RMB226m DSY's share)

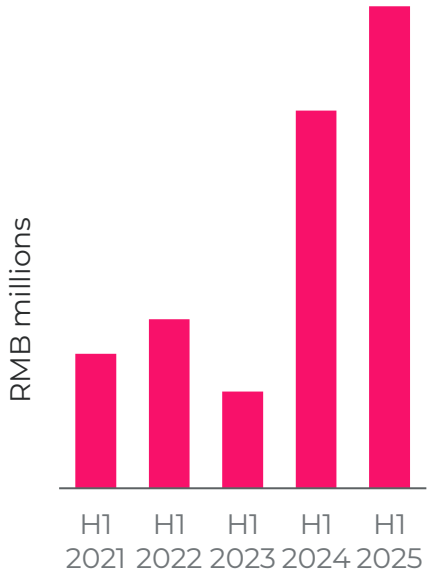
+57% to R2.3bn (R565m DSY's share)



Discovery's operating result after tax

+27% to RMB170m

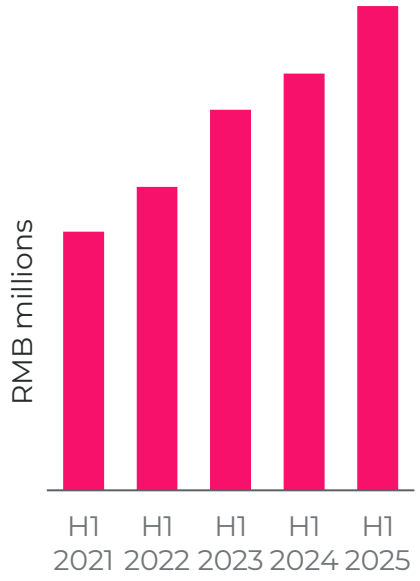
+23% to R424m



PAHI licence earned premium[1]

+16% to RMB8.3bn

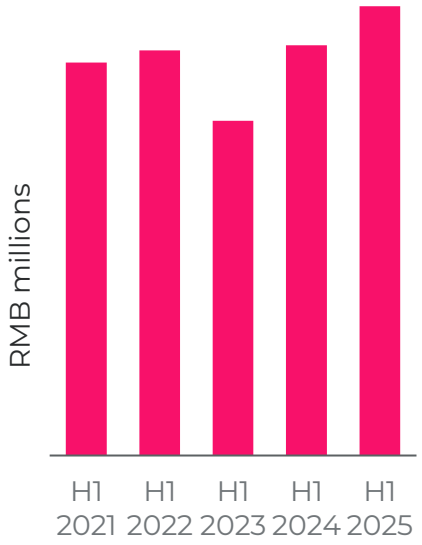
+13% to R20.7bn



PAHI licence new business[1]

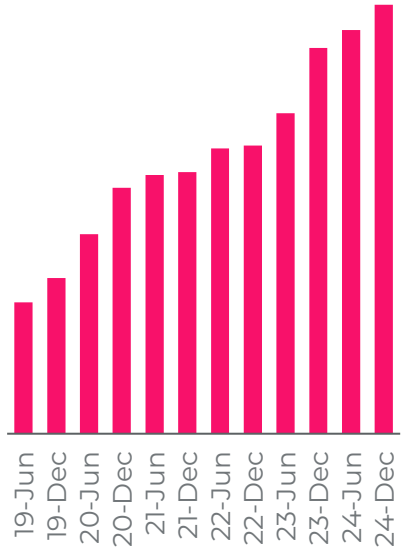
+10% to RMB1.7bn

+6% to R4.4bn



Lives

+11% to 29.1m PAHI licence lives

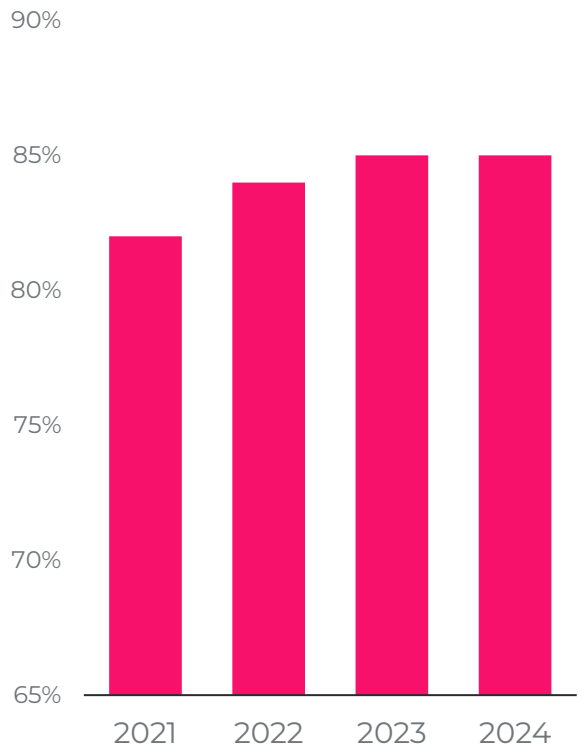


1 100% of PAHI

Superior operational performance and growth

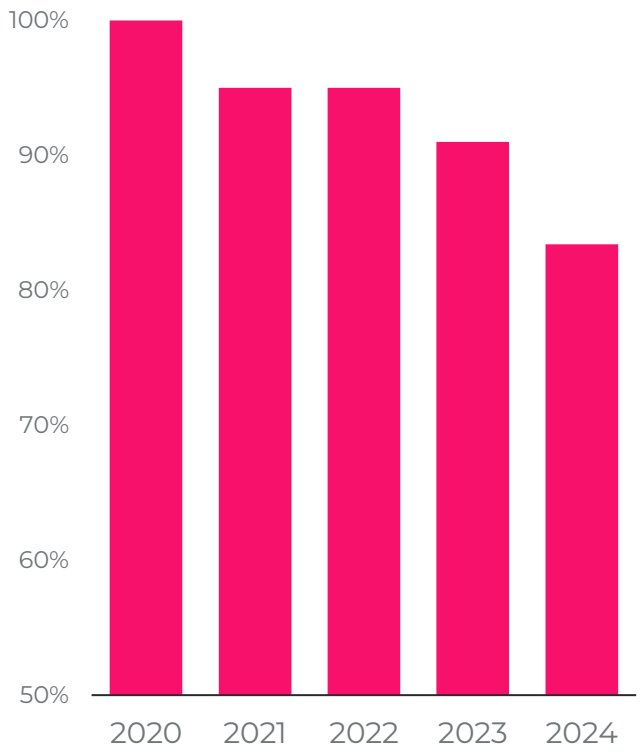
Strong persistency

Reapplication rates (%)



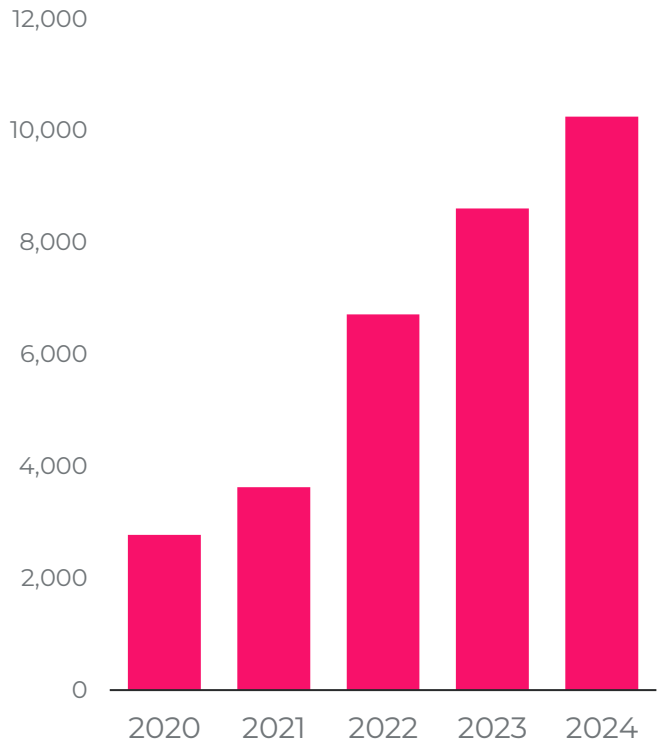
Improving operating performance

Combined ratio (%)



Significant balance sheet growth

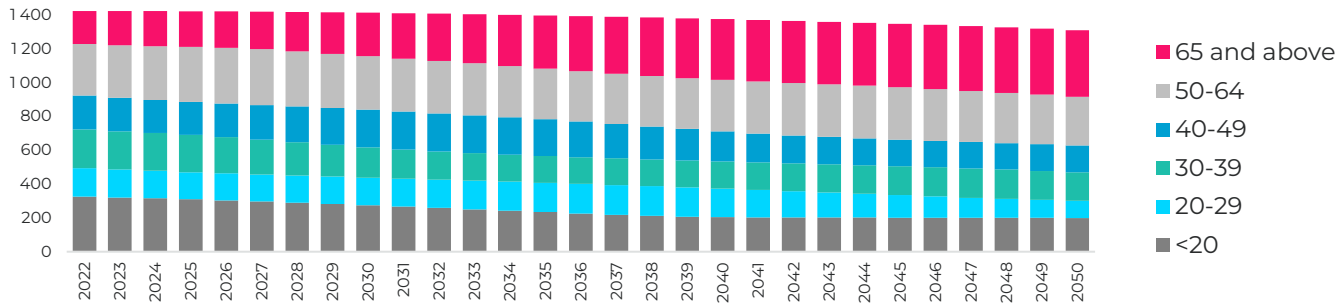
Net asset value (RMB millions)



Increasing demand for private healthcare drives growth in Commercial Health Insurance

China's aging population calls for a high-quality, multi-levelled, Commercial Health Insurance system

China's population by age band[1] (m)



Rising volumes of health risks put pressure on the Social Health Insurance

From 2015 to 2021, China has seen...

+20%	Rise in diabetes & kidney diseases disability adjusted life years (DALYs)[2]
+13%	Rise in neoplasms DALYs[2]
+12%	Rise in cardiovascular disease DALYs[2]

+3.6%

Increase in Commercial Health Insurance spending as a share of China's total healthcare expenditure[3]

-1.8%

Decrease in Social Health Insurance spending as a share of China's total healthcare expenditure[3]

Evolving factors drive further private healthcare demand

Macroeconomic factors

Renewed fiscal and monetary stimuli to counter past macroeconomic headwinds, unleashing the health sector's underlying growth[4]

Micro-sectoral factors

Expected expansion of tax incentives for Commercial Health Insurance[5]

Rising demand for original medicine drives health insurance demand[6]

Fiscal constraints shift healthcare spending pressure towards households[7]

Sources: 1. China Briefing (2021) | 2. Institute for Health Metrics and Evaluation (n.d.) | 3. China Macro Group (2024) | 4. Reuters (2024) | 5. National Financial Regulatory Authority (2024) | 6. BBC (2025) | 7. China Pharmaceutical Innovation and Research Development Association (2024)

PAHI continues to grow in a competitive market

Vitality China

Health insurance premiums written by specialised health insurers

RMB71.1bn (9%)

Total health insurance premiums written by all financial institutions in China

RMB822.5bn (100%)

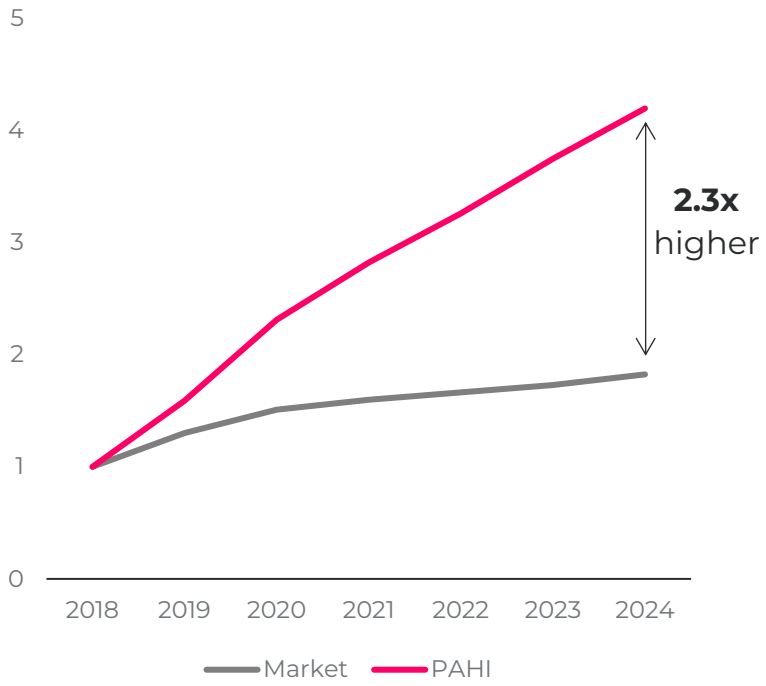
Profit margin rank	Market share rank		Scale *Q1 – Q3 2024*	
1	2	平安健康保险 PING AN HEALTH INSURANCE	RMB15.6bn	PAHI leads health & wellness service-driven specialised health insurance. Through its health **ecosystem** of "**insurance + health services + health management**", PAHI ensures that policyholders are not only insured against disease but also actively manage and improve their health. It leverages the **shared-value model** of insurance to retain customers and control risk
2	1	PICC	RMB44.0bn[1]	An early entrant in the specialised health insurance, PICC Health is a **state-owned entity** that leverages government resources and holds competitive position in **"policy-backed health insurance"** market (e.g., major illness insurance). Its business is integrated with the SHI, reaching a large population in **third- and fourth- tier cities and rural areas**
3	3	太平洋保险 CPIC	RMB6.0bn	CPIC Health products lead towards **standardisation**. Its strengths lie in its cooperative network with public hospitals and group supplementary medical insurance for **corporate employees**
4	4	FOSUN HEALTH 复星联合健康保险	RMB4.3bn	Fosun Health has the advantageous access to **Fosun Pharma**'s pharmaceutical and medical products and innovation. Fosun Health focuses on the **integration between medicine and insurance** and is known for covering **innovative drugs** and **cutting-edge treatment**
5	5	瑞华保险	RMB1.2bn	Ruihua Health Assurance' products are tailored to four clearly defined market segments: **special care** (for chronic conditions), **urgent care** (for high end customers), **long-term care** (for elderly), and **affordable solutions**. Ruihua focuses on digitalisation, technology integration, and customer service, making it popular amongst the **digitally-savvy** customers

1 PICC health insurance premiums included RMB11bn of major illness insurance, which is beyond the business scope of PAHI

Strong performance relative to market

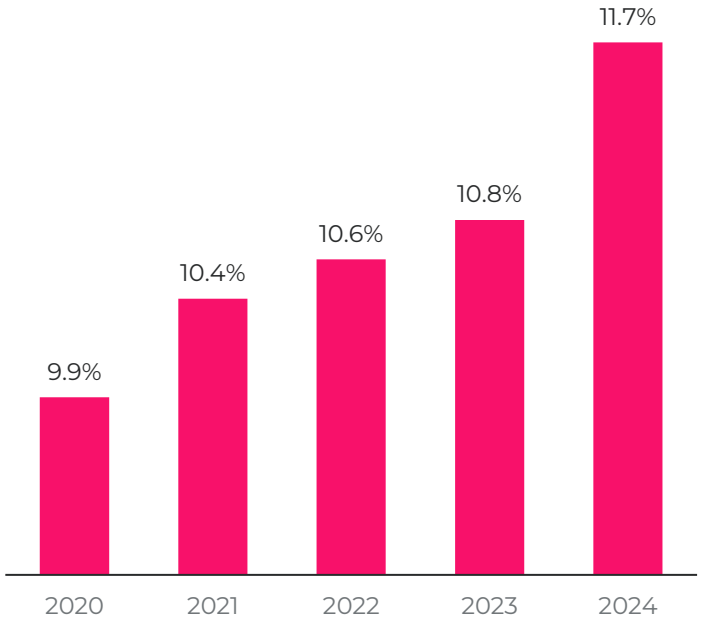
High growth relative to market

Revenue growth (rebased)



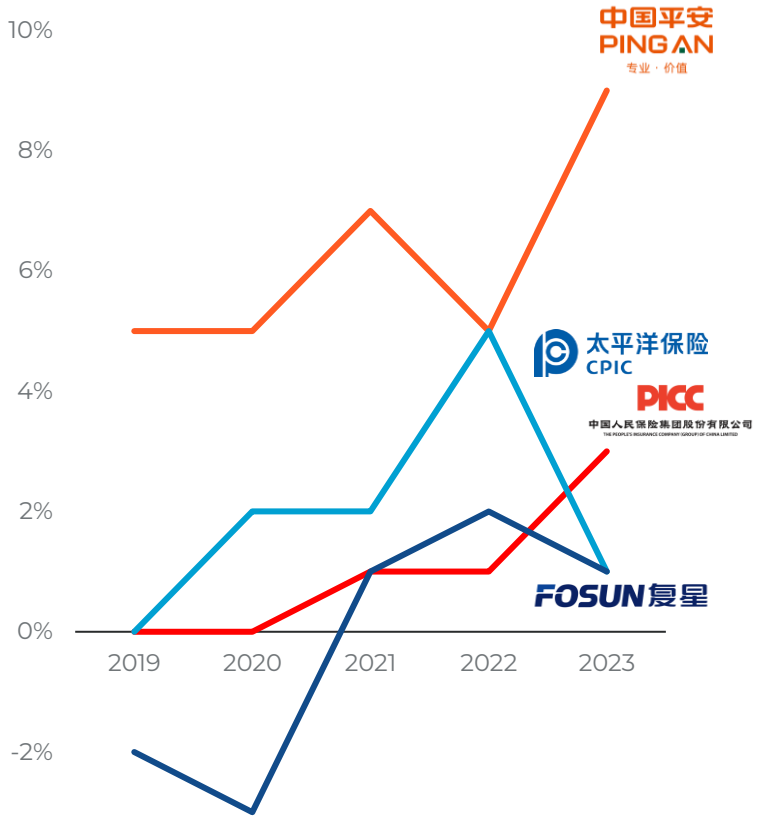
Growing market share

PAHI market share (%)[1]



Superior operational performance

Net profit margin



Note: 1. PAHI's market share of accessible sectors of the market


Vitality
VHI

Vitality Health International (Other)

Vitality USA

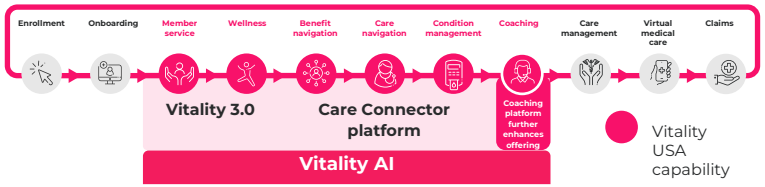
1. Acquisition of WellSpark, from EmblemHealth, a prominent New York health plan administrator

WellSpark

2. Continued progress in sales to US health plans, a key strategic segment, and expansion into significant Medicare Advantage market

MEDICAL MUTUAL OF OHIO · BlueCross BlueShield · EmblemHealth

3. Strong progress in product and technology implementation, particularly Vitality AI, and execution of cost efficiencies



amplifyhealth

1. Successful deployment of nine health tech solutions across six Asian markets[1]



2. Integrated product stack now included in Amplify Health's overall proposition for deployment to AIA markets and external clients

Products (SaaS)	*Digital Health Engagement* *Payment Integrity* *Claims Administration* *Business Intelligence* *Clinical Informatics*	**Business Solutions** *Advisory* *Managed Services*
Healthtech Launchpad (PaaS)	*Innovation Accelerator*	
Data Platform (DaaS)	*Data Commercialisation Enabler*	

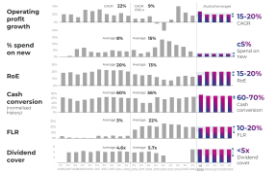
Note: Quantium Health, which is part of VHI, has not been included in this update

1. Excludes deployments by Amplify Health (Hong Kong) Limited



In summary

Key insights from H1 FY2025 performance



1 Growth

Profit growth	% spend on New	Cash conversion ratio	RoE	FLR	Interim dividend growth
27%	**5%**	**75%**	**15%**	**18%**	**34%**



2 Consistency

Normalised profit growth

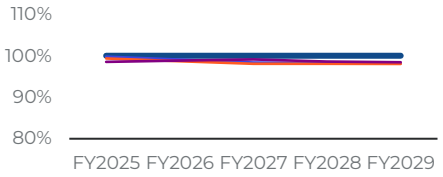
Health	Life	Invest	Insure	Bank	VH	VL	VN	PAHI
+8%	**+15%**	**+46%**	**>100%**	**+57%**	**+14%**	**+8%**	**+15%**	**+23%**



3 Resilience

1. Liability matching
2. Interest rates hedged
3. Currency matching
4. Appropriate liquidity buffers
5. Mitigate lapse risk
6. Monitor new initiatives

Set of defined risk principles



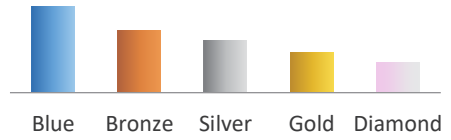
Resilient to stresses



4 Shared value



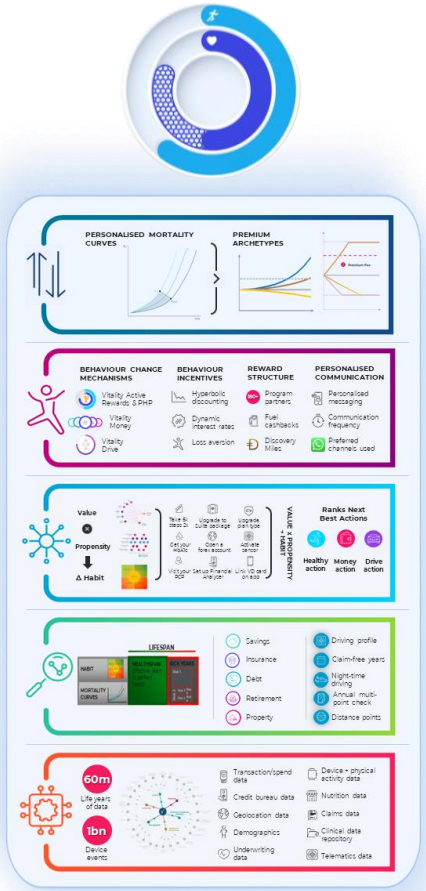
Using shared-value model in response to industry trends



Significant status correlations

Strong prospects for growth in the Group's new lifecycle

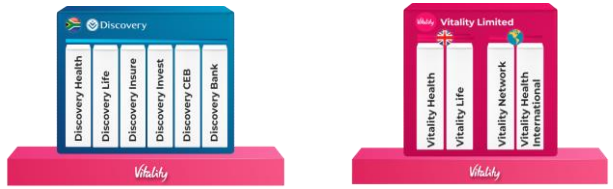
Vitality AI next dimension of shared-value model



Strong growth from the composites

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

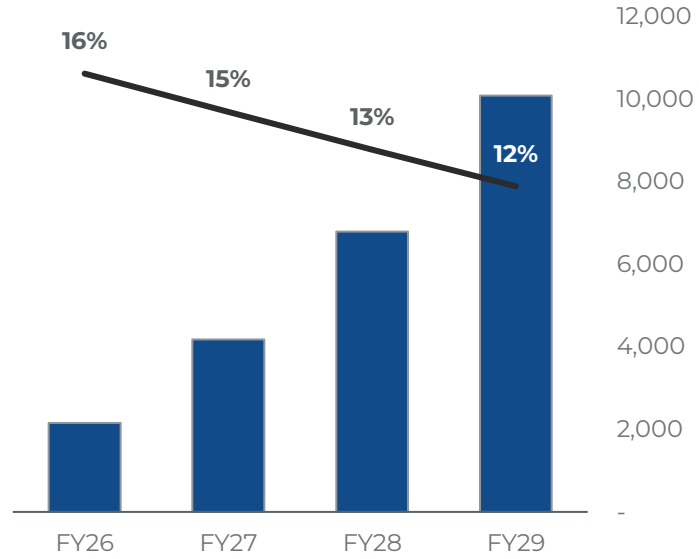
20% to 30%
average earnings growth p.a. (FY25-FY29)



15-20%
CAGR

Strong growth gives resilience and optionality

Illustrative Group leverage and accumulated excess cash at the centre*



Up to cR10bn excess cash generated over the next five years

Excess cash available to
- Repay debt and/or
- Invest in new initiatives and/or
- Increase dividend payout

**65% cash conversion ratio from target profit growth (assuming constant debt and 5.0x dividend cover) generates strong net cash flow and cash to centre (assuming 50% retained in business)*
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

Presentation disclaimer

This presentation contains information extracted from the Discovery Group's unaudited condensed consolidated interim financial statements for the six months ended 31 December 2024. This results presentation and the unaudited condensed consolidated financial statements have not been reviewed or reported on by Discovery's independent joint auditors.

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.

Unaudited Interim Results

and cash dividend declaration for the six months ended 31 December 2024