

DISCOVERY LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1999/007789/06)
Legal Entity Identifier: 378900245A26169C8132
JSE share code: DSY ISIN: ZAE000022331
JSE share code: DSBP ISIN: ZAE000158564
Debt company code: DSYI
Company tax reference number: 9652/003/71/7
("Discovery" or "the Company" or "the Group")

AUDITED CONSOLIDATED ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025 AND CASH DIVIDEND DECLARATION

KEY FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

	Unit	June 2025	June 2024	Change
Group earnings¹				
Normalised profit from operations	R million	15 210	11 761	29%
Profit attributable to ordinary shareholders	R million	9 471	7 468	27%
Normalised headline earnings	R million	9 781	7 511	30%
Headline earnings	R million	9 625	7 384	30%
Basic earnings per share	Cents	1 402.2	1 110.3	26%
Basic headline earnings per share	Cents	1 447.0	1 117.0	30%
Basic normalised headline earnings per share	Cents	1 470.4	1 136.2	29%
Returns, cash conversion and dividends				
Normalised return on equity ¹	%	15.4	13.5	
Annualised return on opening embedded value (RoEV)	%	15.7	13.2	
Final dividend per share	Cents	201.00000	152.00000	32%
Cash conversion ^{1,2}	%	77	65	
Growth drivers				
Income from non-insurance business lines ²	R million	6 643	5 906	12%
New business annualised premium income (API) ²	R million	26 486	26 958	(2%)
Financial position and embedded value				
Net asset value ¹	R million	65 699	54 451	21%
Embedded value	R million	126 554	110 354	15%
Basic embedded value per share	R	189.85	166.95	14%
Financial leverage ratio (FLR) ¹	%	16.8	20.3	

1 Prior year restated refer to section D.1.1 in the Audited Results and cash dividend declaration for the year ended 30 June 2025 (Annual Results).

2 Refer to Annexure A of Annual Results; New business API increased 8% when excluding Sasolmed in prior year.

Note: Annual Results available at <https://www.discovery.co.za/corporate/financial-results>

Discovery Group achieved strong growth across its operations in the year ended 30 June 2025, evidenced by a 29% growth in normalised operating profit to R15 210 million and significant growth in cash conversion, now at 77%. Headline earnings and normalised headline earnings both increased by 30%, to R9 625 million and R9 781 million, respectively, resulting in the normalised return on equity increasing to 15.4%, from 13.5% in the prior year.

The Group delivered a strong performance in an environment characterised by increased geopolitical complexities and uncertainty around global policy shifts and trade tensions. In the year under review, economic growth remained below potential in many regions in which the Group operates, although interest rate reductions provided a better backdrop for investment markets. Risks remain elevated, however the acceleration of technological and demographic trends underpin the relevance of the Group's Vitality Shared-value model and unique data, positioning the Group uniquely for continued growth.

STRONG IN-PERIOD PERFORMANCE FROM BOTH COMPOSITES AND FINANCIAL RESILIENCE IN AN UNCERTAIN ENVIRONMENT

Discovery has emerged strongly from its cycle of significant investment, which focused on creating new avenues for long-term growth. This has positioned the Group for a new distinct phase of scaled organic growth, with focused execution through its recently formed global composite, Vitality, and its domestic business, Discovery South Africa. Over the year, the Group continued to execute its growth strategy, delivering 29% growth in normalised profit from operations. Headline and normalised headline earnings both increased by 30%, delivering a normalised return on equity of 15.4%, up from 13.5% in the prior year.

The Group's embedded value increased to R126.6 billion, a 15.7% RoEV. This included an increasing contribution from non-covered businesses and robust experience variances over the year, with positive contributions from each business, reflecting the competitive dynamics of the Shared-value Insurance model. The movement in exchange rates and economic basis assumptions were favourable in aggregate.

Total new business API declined 2%, but increased 8% when excluding the large Sasolmed take-on in the prior year, with stronger growth delivered in Vitality. The Group focused on deliberate and disciplined pricing strategies and back-book retention, both leveraging the Vitality

Shared-value Insurance model to optimise margins and returns. This has impacted new business growth in some businesses, compounded by macroeconomic challenges.

Capital ratios remained strong across every regulated business and liquidity at each regulated entity, as well as at the centre, remained well in excess of the required buffers. Debt across the Group decreased over the year and the FLR reduced to 16.8%. Ping An Health Insurance (PAHI) paid its second consecutive annual dividend, at a 35% payout ratio (previously 30%), and the Group's cash conversion ratio increased to 77% of after-tax normalised operating profit, compared with 65% in the prior year, notwithstanding the strong growth in normalised profit from operations.

BUSINESS UNIT PERFORMANCE

R million	Normalised profit from operations June 2025	% change (Current year vs prior year)	New business API June 2025	% change (Current year vs prior year)
Discovery Health	4 259	7%	9 573	(14%)
Discovery Life	5 525	14%	3 203	(10%)
Discovery Invest	1 987	29%	3 430	4%
Discovery Insure ¹	817	229%	1 361	(2%)
Discovery Bank	(68)	(85%)		
Other initiatives and central costs	(515)	91%	546	33%
Discovery SA	12 005	22%	18 113	(8%)
VitalityHealth	1 188	173%	2 851	3%
VitalityLife	637	70%	2 499	28%
Vitality Network	554	4%		
VHI – Ping An Health Insurance (PAHI)	1 206	7%	3 023	22%
VHI – Other	(291)	(25%)		
Other initiatives and central costs ²	(89)	(54%)		
Vitality (UK and VG) composite	3 205	70%	8 373	16%
Normalised profit from operations	15 210	29%		
New business API³			26 486	(2%)

¹ Includes Discovery Insure's share of equity-accounted profits of its associates.

² In the prior year Vitality other initiatives and central costs include closure costs of VitalityInvest

³ New business API increased 8% when excluding Sasolmed in prior year.

WITHIN THE COMPOSITES:

DISCOVERY SOUTH AFRICA

Discovery South Africa delivered 22% growth in normalised profit from operations, reflecting a compelling contribution from each business in the composite. Excellent levels of customer engagement drove strong claims experience and retention across the franchise. A resulting increased Vitality benefit utilisation, and successful launch of the new HealthyFood partner, added to various additional one-off costs at the centre, both of which are expected to ameliorate in FY2026.

- Discovery Bank continued to deliver high-quality growth. Total clients increased by 30%, advances by 39% and deposits by 26%, resulting in strong revenue growth, and its first profitable period during the second half of the financial year, ahead of plan.
- Discovery Health's operating profit increased 7%, with further investment into technology, innovation and AI to drive continued innovation around the Shared-value model and to deepen efficiencies.
- Discovery Life's normalised operating profit increased 14% mainly driven by an exceptional claims experience. New business declined 10% in total and 2% for Individual Life, maintaining its leading market share but in a soft affluent retail protection market.
- Discovery Invest delivered a 29% increase in normalised operating profit given strong growth in the value of assets under management and certain one-off benefits.
- Discovery Insure successfully executed pricing and claims management initiatives which, combined with benign weather conditions, resulted in significant improvement in the claims ratio and a 229% increase in operating profits.

VITALITY

Vitality generated 70% growth in normalised profit from operations, reflecting the excellent progress made in restructuring all the global operations into a focused single business over the past nine months, and particularly strong growth in the UK.

- VitalityHealth's profits increased 173%, driven by effective pricing actions, a stabilising claims environment and rigorous claims and expense management.
- VitalityLife's operating profit recovered strongly, increasing 70%, with new business growing 28% driven by the effective execution of the Shared-value Insurance model.
- Ping An Health Insurance (PAHI) delivered a strong operating and investment result, to generate a 22% increase in pre-tax profit, notwithstanding a sizeable COVID-19 reserve release in the prior year. Discovery's equity-accounted share, after tax and costs, increased by a lower 7%, following the prior year benefit of a tax gain.
- Vitality Network's model gained significant traction with integrated new business API by partners increasing 24% to almost US\$2 billion. Earnings growth was lower, at 4% (7% in US\$), reflecting lower solutions revenues and additional expenditure during the year.
- VHI-Other losses improved 25% to R291 million, following lower losses in Vitality USA and the successful integration of WellSpark Health.

ORDINARY SHARE CASH DIVIDEND DECLARATION

Shareholders are advised that a final gross cash dividend of 201.00000 cents was declared (160.80000 cents net of dividend withholding tax) per ordinary share, out of income reserves. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The number of ordinary shares in issue at the date of declaration is 679 680 841. The salient dates for the dividend will be as follows:

Last day of trade to receive a dividend	Tuesday, 14 October 2025
Shares commence trading "ex" dividend	Wednesday, 15 October 2025
Record date	Friday, 17 October 2025
Payment date	Monday, 20 October 2025

Ordinary share certificates may not be dematerialised or rematerialised between Wednesday, 15 October 2025 and Friday, 17 October 2025, both days inclusive.

DIRECTORS' STATEMENT

This results announcement is the responsibility of the Board of Directors of the Company (Board).

Shareholders and/or investors are advised that this results announcement is a summary of the information contained in the audited annual financial statements for the year ended 30 June 2025 and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on a consideration of the audited annual financial statements available via the JSE link <https://senspdf.jse.co.za/documents/2025/JSE/ISSE/DSY/FY2025.pdf> and published on our website at <https://www.discovery.co.za/corporate/financial-results> on 11 September 2025.

The results announcement has itself not been audited, however, the financial information included herein has been extracted from the audited annual financial statements which have been audited by the independent joint auditors, KPMG Inc. and Deloitte & Touche, who expressed an unmodified audit opinion.

On behalf of the Board

ME Tucker

Chairperson

A Gore

Group Chief Executive

10 September 2025

Directors ME Tucker (UK) (Chairperson), A Gore* (Group Chief Executive), LM Chiume, VN Fakude, R Farber, WM Hlahla, FN Khanyile, D Macready, KC Ramon, M Schreuder, B Swartzberg*, BA van Kralingen, DM Viljoen* (Group Chief Financial Officer)

** Executive.*

Debt officer

DM Viljoen

Registered office and business address

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Transfer secretaries

Computershare Investor Services Proprietary Limited

Equity and Debt Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Company secretary

AC Ceba

Independent auditors

Deloitte & Touche

KPMG Inc.

www.discovery.co.za

SENS release date 11 September 2025