

FY2024 Full Year Results

26 August 2024





nib acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and pays respect to Elders past and present across all the lands on which we operate.

We acknowledge the rich and meaningful contribution they make to life and culture in Australia, and we aim to be a partner in improving the quality of life and health of Aboriginal and Torres Strait Islander peoples.



Image: nib Innovate Reconciliation Action Plan artwork 'The Beginning' by Michelle Kerrin, descendant of the Arrernte and Luritja clan groups from the Northern Territory, born and raised on the lands of the Larrakia people.

Disclaimer

The material in this presentation is a summary of the results of nib holdings limited (nib) for the 12 months ended 30 June 2024 and/or its related bodies corporate (Group) and an update on nib's activities. The material in this presentation is current as at the date of preparation, being 26 August 2024. Further details are provided in nib's 2024 Annual Report and results announcement released to ASX on 26 August 2024. The Group has adopted AASB 17 Insurance Contracts (AASB 17) on a retrospective basis. As a result, the Group has restated certain comparative amounts in the financial results included in this presentation, however these restatements are unaudited.

Not a recommendation, offer or invitation

This presentation is not a financial product, investment advice or a recommendation, offer or invitation by any person or to any person to sell or purchase securities in nib in any jurisdiction. This presentation contains general information only and does not take into account the investment objectives, financial situation and particular needs of individual investors. This presentation has been prepared to assist sophisticated investors. Investors should make their own independent assessment of the information in this presentation and obtain their own independent advice from a qualified financial adviser having regard to their objectives, financial situation and needs before taking any action.

Distribution may be restricted

The distribution of this presentation including in jurisdictions outside Australia, may be restricted by law. Any person who receives this presentation must seek advice on and observe any such restrictions. Nothing in this presentation constitutes an offer or invitation to issue or sell, or a recommendation to subscribe for or acquire securities in any jurisdiction where it is unlawful to do so. An investment in nib securities is subject to investment and other known and unknown risks, some of which are beyond the control of nib. nib does not guarantee any particular rate of return or the performance of nib securities. Shareholders should note that past performance of nib, including the historical trading price of nib's shares, cannot be relied upon as an indicator of (and provides no guidance as to) future performance, including the future trading price of nib shares.

No representation or warranty

No representation or warranty, express or implied, is made as to the fairness, accuracy, reliability, completeness or correctness of information contained in this presentation, including the accuracy, likelihood of achievement or reasonableness, fairness, accuracy, reliability, completeness or correctness of any forecasts, prospects, returns or statements in relation to future matters contained in this presentation (**forward-looking statements**).

Whilst the forward-looking statements are based on current views, expectations and beliefs as at the date they are expressed, such forward-looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of nib and its Directors), which may cause the actual results or performance of nib to be materially different from any future results or performance, expressed or implied, by such forward-looking statements. Accordingly, there can be no assurance or guarantee that these forward-looking statements will be realised.

In particular, readers are cautioned not to place undue reliance on forward-looking statements, particularly in light of current economic uncertainties, disruption caused by the lingering impacts of the COVID-19 pandemic in addition to the ongoing conflict in the Ukraine, Middle East and generalised geo-political uncertainty. nib is under no obligation to update any of the forward-looking statements contained within this presentation, subject to applicable disclosure requirements.

No advice

This presentation provides information in summary form only and is not intended to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Basis of preparation

The financial information disclosed has been prepared on a statutory basis. Due care and consideration should be undertaken when considering and analysing nib's financial performance. All references to dollars are to Australian Dollars unless otherwise stated.

No liability

To the maximum extent permitted by law, neither nib nor its related bodies corporate, Directors, officers, employees or agents, nor any other person, accepts any liability (direct, indirect or consequential) including, without limitation, any liability arising from fault or negligence, for any loss whatsoever arising from the use of this presentation or its contents or otherwise arising in connection with it (whether foreseeable or not).

Other information

This presentation should be read in conjunction with other publicly available material. Further information including historical results and a description of the activities of nib is available on our website: nib.com.au/shareholders.

As referenced in this presentation, if there is a percentage increase or (decrease) between comparative periods, the change shown is the difference between those two percentages.

Any discrepancies between totals and sums of components in this presentation are due to rounding.



Mark Fitzgibbon

Chief Executive Officer &
Managing Director



Our purpose

Your better health and wellbeing

- Deliver deep insight and guidance about how you might best achieve personal health and wellbeing goals and manage risk.
- Connect you with a wide ecosystem of relevant and high quality products, services, programs and providers.
- Render it all accessible and affordable with insurance and other related financial protection and support.



Payer to Partner progress



Active app users

625,000+

Up 21.4% on FY23 with increasing take up of in-app tools



nib members in health management programs¹

22,700+

Up 18% on FY23



Telehealth consults²

176,000+

Up 84.0% on FY23



GreenPass members

67,000+

As at 31 July 2024



No Gap dental locations in FY25

200+

Nationwide and increasing from 11 in FY24



iwi members supported by nib

6,400+

As at 30 June 2024, Toi Ora program supports 5 rōpū (Māori groups)



nib members using Midnight Health

31,000+

As at 30 June 2024



arhi joint replacements through Clinical Partners Program

27%

Up from 20% at 30 June 2023



Prescription medications delivered to the door²

126,000+

Up 43.3% on FY23



nib members using Symptom Checker

13,000+

Since launch in Feb 24 to 30 June 24

Note: Numbers refer to the 12 months to 30 June 2024 unless otherwise stated.

1. Health management programs defined as programs that intend to improve health outcomes for a specific disease, injury or condition, which can be sub-classified as a CDMP. E.g. Silvercloud, Quit Smoking Program.

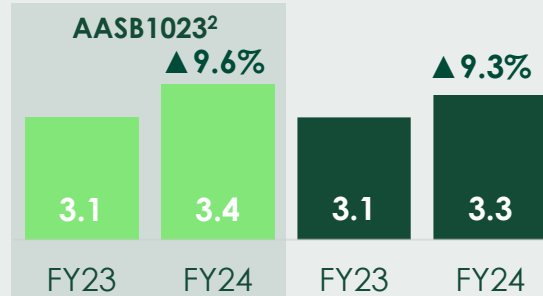
2. Total completed by Midnight Health.

FY24 key commercial overview

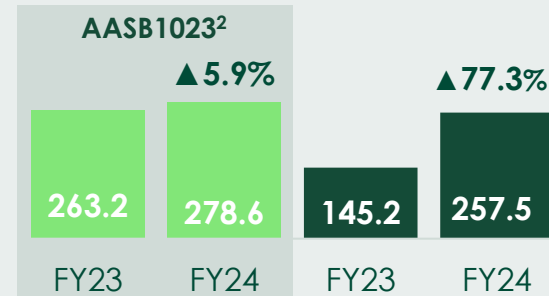
- At a Group level nib continues to grow revenue, earnings and cash flow. ROIC remains strong and EPS stable. PCA ratio of 1.94x. Full year dividend is at the top end of policy range (adjusting for impact of AASB17).
- The FY24 results accommodated some unbudgeted impacts (i.e. arhi premium deferral and nib Thrive integration costs).
- Market conditions for PHI growth have become more challenging given cost of living constraints and some policy settings (e.g. immigration). Yet the PHI system has grown consistently since 2020. arhi net margin has moved back into the target margin range.
- Claims experience is accelerating from an artificially low COVID-19 utilisation base and, together with hospital costs pressures, is placing pressure on premiums and underwriting margins. This inflation is manageable and will normalise in medium term.
- Recovery in students and workers is improving including operating margins. NZ can recover margins through pricing and is growing. We expect similar growth in Travel.
- New health services businesses (Honeysuckle Health and Midnight Health) are demonstrating powerful growth albeit still cash flow negative. They are crucial elements of our P2P strategy.
- nib Thrive made a material contribution to growth and to earnings. Strategy in sync with 'Navigator' model.

FY24 Group financial highlights

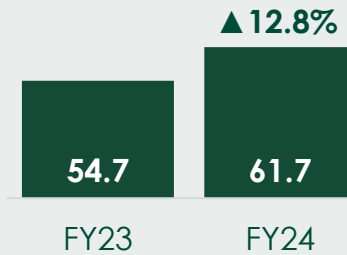
Group revenue¹ \$3.3b



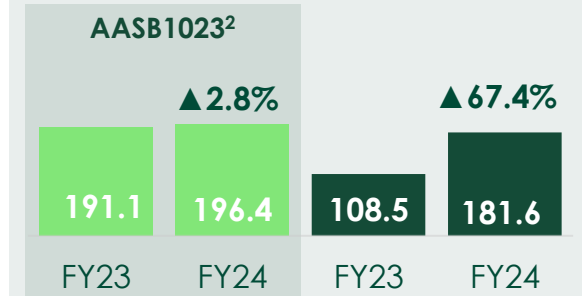
Group UOP \$257.5m



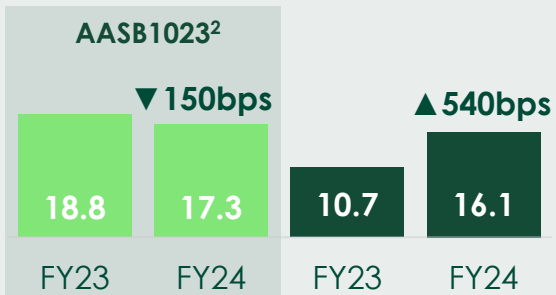
Net investment income \$61.7m



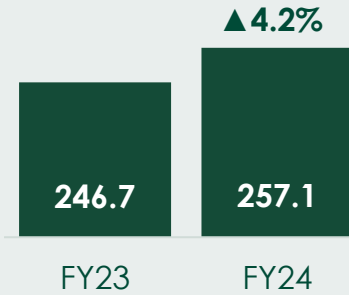
Net profit after tax \$181.6m



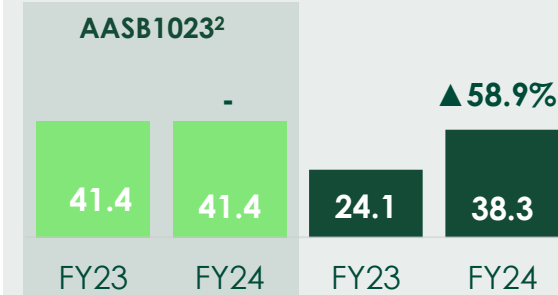
ROIC³ 16.1%



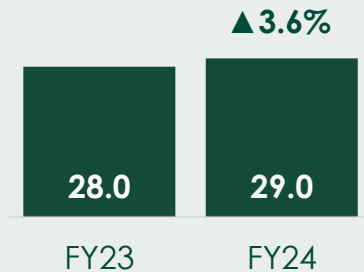
Net operating cash \$257.1m



Earnings per share⁴ 38.3 cps



Total dividend 29.0 cps Fully franked



1. Total Group revenue includes insurance revenue net of reinsurance expense, other underwriting revenue and other income.

2. The Group has adopted AASB17 Insurance Contracts (AASB17) on a retrospective basis. As a result, AASB1023 statements are unaudited.

3. ROIC calculated using average shareholders' equity attributable to owners of nib holdings limited and average interest-bearing debt over a rolling 12-month period. Under AASB17, the volatility of earnings increased as there was no DCL.

4. Statutory earnings per share includes losses from discontinued operations and calculated over a 12-month period.



Nick Freeman
Group Chief Financial Officer



Group income statement

Financial performance (\$m)	FY24	FY23	Change
Insurance revenue	3,211.6	2,939.3	▲ 9.3%
Incurred claims	(2,487.2)	(2,330.5)	▲ 6.7%
Other insurance expenses – marketing	(191.9)	(174.5)	▲ 10.0%
Other insurance expenses – NZ DAC adj.	-	4.7	▼ 100.0%
Other insurance expenses – other	(259.5)	(270.8)	▼ 4.2%
Net reinsurance cost	(16.6)	(14.9)	▲ 11.4%
Underlying insurance service result	256.4	153.3	▲ 67.3%
Other underwriting revenue	4.7	4.8	▼ 2.1%
Underlying insurance operating result	261.1	158.1	▲ 65.1%
Other income and expenses	(3.6)	(12.9)	▼ 72.1%
Underlying operating profit (UOP)	257.5	145.2	▲ 77.3%
Amortisation of acquired intangibles	(12.6)	(10.7)	▲ 17.8%
Amortisation of acquired intangibles – one-off	(1.7)	-	n/a
One-offs, M&A and integration costs	(21.7)	(8.9)	▲ 143.8%
Statutory operating profit	221.5	125.6	▲ 76.4%
Net finance costs	(17.4)	(13.8)	▲ 26.1%
Net investment income	61.7	54.7	▲ 12.8%
Profit before tax	265.8	166.5	▲ 59.6%
Tax	(83.2)	(57.4)	▲ 44.9%
Loss from discontinued operations	(1.0)	(0.6)	▲ 66.7%
Net profit after tax	181.6	108.5	▲ 67.4%

UOP of \$257.5m up 77.3% or 5.9% under AASB1023

- Strong top line growth driven by policyholder growth across all insurance segments.
- Claims growth of 6.7% elevated in both AU and NZ due to lower PCP and inflationary pressures.
- Marketing expense growth of 10.0% slightly ahead of revenue due to increased investment in iih.
- Non-marketing expenses declined by 4.2% (+1.3% growth after normalising for prior year asset write-offs), reflecting a focus on expense reductions.
- Increase in amortisation of acquired intangibles mainly driven by nib Thrive acquisitions.
- One-off transactions, M&A and integration costs were largely due to nib Thrive (acquisitions and accelerated integration).
- Improved investment income, up 12.8%.
- Effective tax rate of 31.3%, due to non-deductible Midnight Health losses.

nib Group P&L AASB17 to AASB1023

AASB17 basis¹

Financial performance (\$m)	FY24	FY23	Change
Premium revenue	3,211.6	2,939.3	▲ 9.3%
Claims expense	(2,487.2)	(2,330.5)	▲ 6.7%
Claims and Risk equalisation (RE)	(2,487.2)	(2,330.5)	▲ 6.7%
COVID-19 provision (Claims/RE)	-	-	-
Net reinsurance cost	(16.6)	(14.9)	▲ 11.4%
Other underwriting revenue	4.7	4.8	▼ 2.1%
Marketing expenses	(191.9)	(169.8)	▲ 13.0%
Other expenses	(259.5)	(270.8)	▼ 4.2%
Other income and expenses ²	(3.6)	(12.9)	▼ 72.1%
Underlying operating profit	257.5	145.2	▲ 77.3%

AASB1023 basis¹

Financial performance (\$m)	FY24	FY23	Change
Premium revenue	3,232.7	2,942.1	▲ 9.9%
Claims expense	(2,487.2)	(2,219.3)	▲ 12.1%
Claims and Risk equalisation (RE)	(2,487.2)	(2,328.8)	▲ 6.8%
COVID-19 provision (Claims/RE)	-	109.5	▼ 100.0%
Net reinsurance cost	(16.6)	(14.9)	▲ 11.4%
Other underwriting revenue	4.7	6.5	▼ 27.7%
Marketing expenses	(191.9)	(169.8)	▲ 13.0%
Other expenses	(259.5)	(268.5)	▼ 3.4%
Other income and expenses ²	(3.6)	(12.9)	▼ 72.1%
Underlying operating profit	278.6	263.2	▲ 5.9%

1. Financial performance tables formatted per AASB1023, with the exception of net reinsurance which is shown separately. The Group has adopted AASB17 Insurance Contracts (AASB17) on a retrospective basis. As a result, AASB1023 statements are unaudited.

2. Includes share of net profit/(loss) of associates and joint ventures.

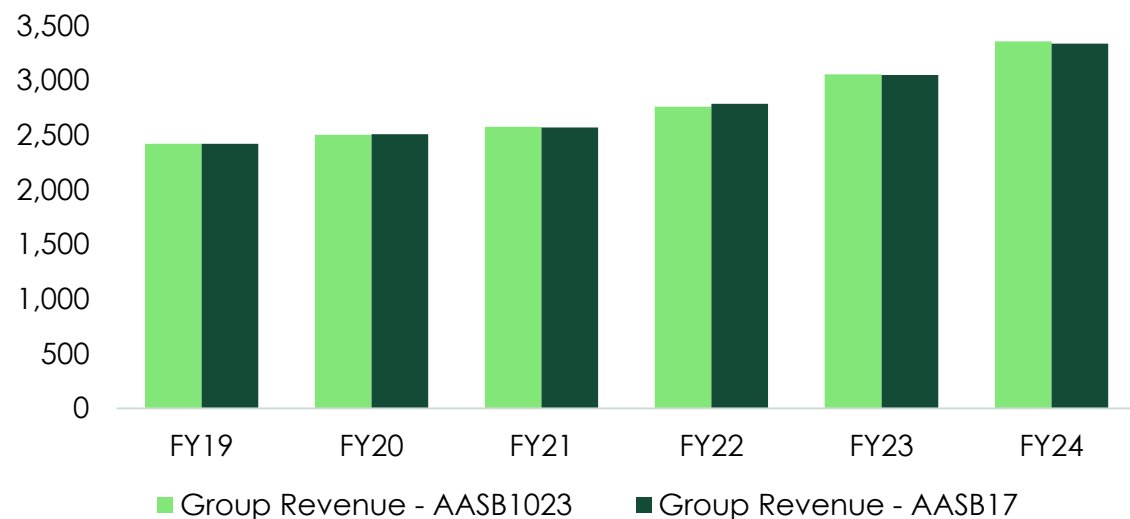
Revenue and UOP growth – AASB17 vs AASB1023

Revenue is similar and UOP is more volatile under AASB17, but ends up in a similar place over the periods

FY2019 – FY2024 cumulative UOP reconciliation (\$m)

Cumulative UOP FY2019 – FY2024 AASB1023	1,330.9
Cumulative UOP FY2019 – FY2024 AASB17	1,328.4
Variance	2.5
Join offers to impact FY25	(5.5)
ishi UPL discounting, NZ health & life insurance adjustment	8.0
Adjustments total	2.5

Group Revenue^{1,2}



Underlying operating profit (UOP)¹





Ed Close

**Chief Executive Australian
Residents Health Insurance**



Australian residents health insurance

Financial performance (\$m)	FY24	FY23	Change
Insurance revenue	2,640.3	2,433.8	▲8.5%
Insurance service costs	(2,419.4)	(2,324.7)	▲4.1%
Incurred claims	(2,130.2)	(2,030.4)	▲4.9%
Other insurance services expenses	(289.2)	(294.3)	▼1.7%
Net reinsurance cost	(6.1)	(5.5)	▲10.9%
Underlying insurance service result	214.8	103.6	▲107.3%
Other revenue and expenses	5.3	6.1	▼13.1%
Underlying operating profit (UOP)	220.1	109.7	▲100.6%
Key metrics			
Policyholders (#)	714,724	697,115	▲2.5%
Lapse (%)	13.8	11.5	▲230bps
Net policyholder growth (%)	2.5	4.7	▼220bps
Net promoter score (NPS) ¹	+33	+34	▼1
Gross margin (%)	19.2	16.4	▲280bps
Management expense ratio (MER) (%)	11.0	12.1	▼110bps
Marketing MER (%)	4.6	4.7	▼10bps
Other MER (%)	6.4	7.4	▼100bps
Net margin (%)	8.2	4.3	▲390bps

Strong UOP result driven by growth and cost containment supporting return of margins to target range

- UOP of \$220.1m up 100.6% (or 8.2% under AASB1023).
- Policyholder growth of 2.5%, above the anticipated industry growth. Whitelabel, DTC and Broker channel sales up vs FY23.
- Strongest July sales on record following new product launches – net policy growth of 6,772 for the period 1 July to 16 August, up 42.4% vs 4,757 in FY23.
- Insurance revenue up 8.5% driven by growth, pricing and continued low downgrading of -0.3%.
- Incurred claims up 4.9% and paid claims per policy (including risk equalisation) grew 5.7% driven by hospital. This is at the high end of our long term outlook of 4-6%, but the claims remain below pre-COVID trajectory.
- Reduction in other insurance service expenses of 1.7% driven by cost containment initiatives.
- NPS down 1 point to +33 following two premium increases in FY24.

Australian residents health insurance – HY trend

Margins moving back to target range in 2H24 – on both a AASB17 and AASB1023 basis

AASB17 basis¹

Financial performance (\$m)	2H24	1H24	2H23	1H23
Underlying operating profit	91.5	128.6	9.1	100.6
Key metrics (%)				
Gross margin (%)	18.2	20.2	13.7	19.3
Management expense ratio (MER) (%)	11.4	10.5	13.2	11.1
Marketing MER (%)	5.1	4.1	5.3	4.1
Other MER (%)	6.3	6.4	7.8	7.0
Net margin (%)	6.7	9.7	0.5	8.2

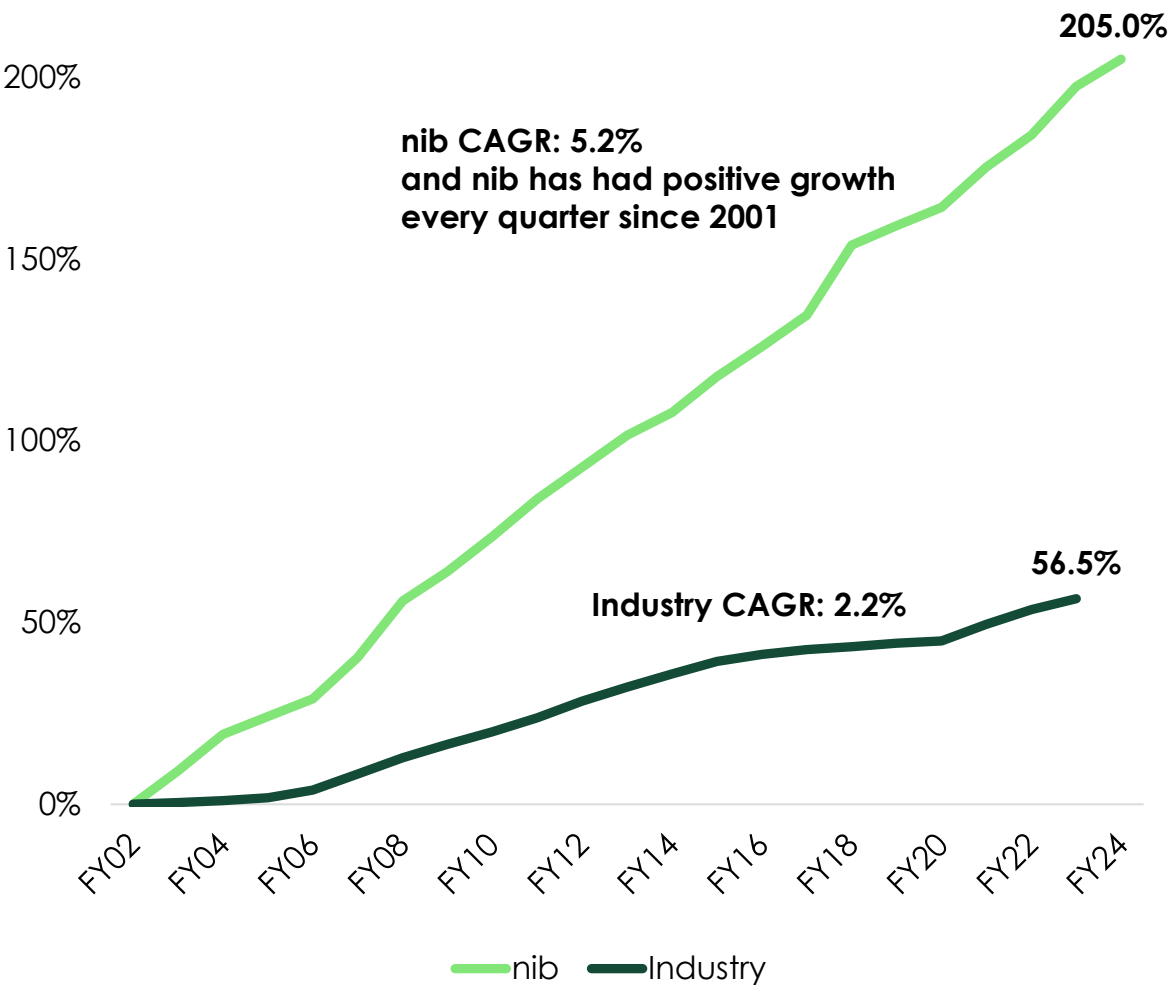
AASB1023 basis¹

Financial performance (\$m)	2H24	1H24	2H23	1H23
Underlying operating profit	94.8	146.4	116.3	106.6
Key metrics (%)				
Gross margin (%)	18.4	21.3	22.5	19.5
Management expense ratio (MER) (%)	11.4	10.4	13.3	10.9
Marketing MER (%)	5.1	4.0	5.3	4.0
Other MER (%)	6.3	6.4	8.0	6.9
Net margin (%)	6.9	10.9	9.3	8.6

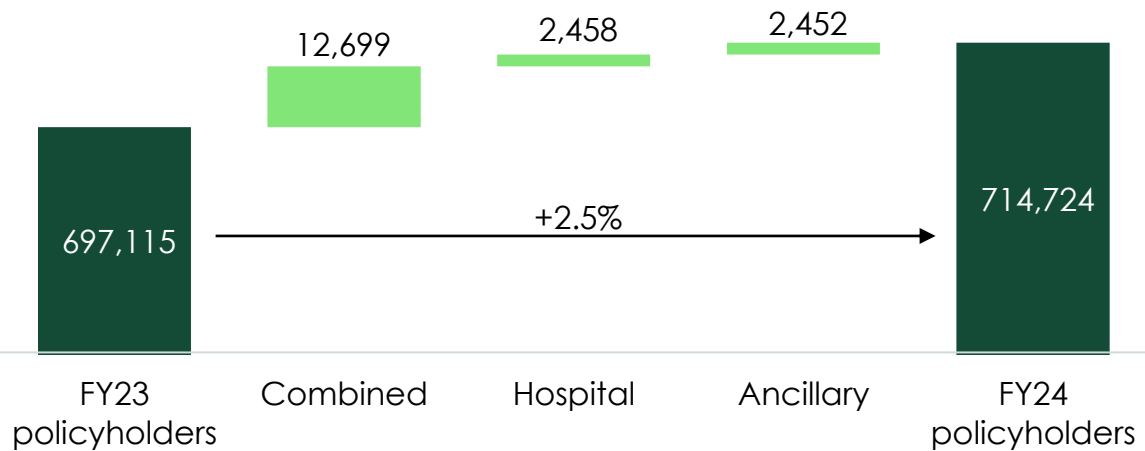
- **Marketing Expenses uplift seasonally in 2H**
- **Non-Marketing Expenses were flat HoH allowing a reduction in Other MER**
 - Investment in digital-first strategy with app usage up 21.4% on FY23
 - Investment in claims automation

arhi policyholder growth continues strongly

Both nib and industry have shown consistent and long-term policy growth



FY24 was another strong year of growth, focused on combined and hospital policies¹



Record start in FY25 with net growth up +42%

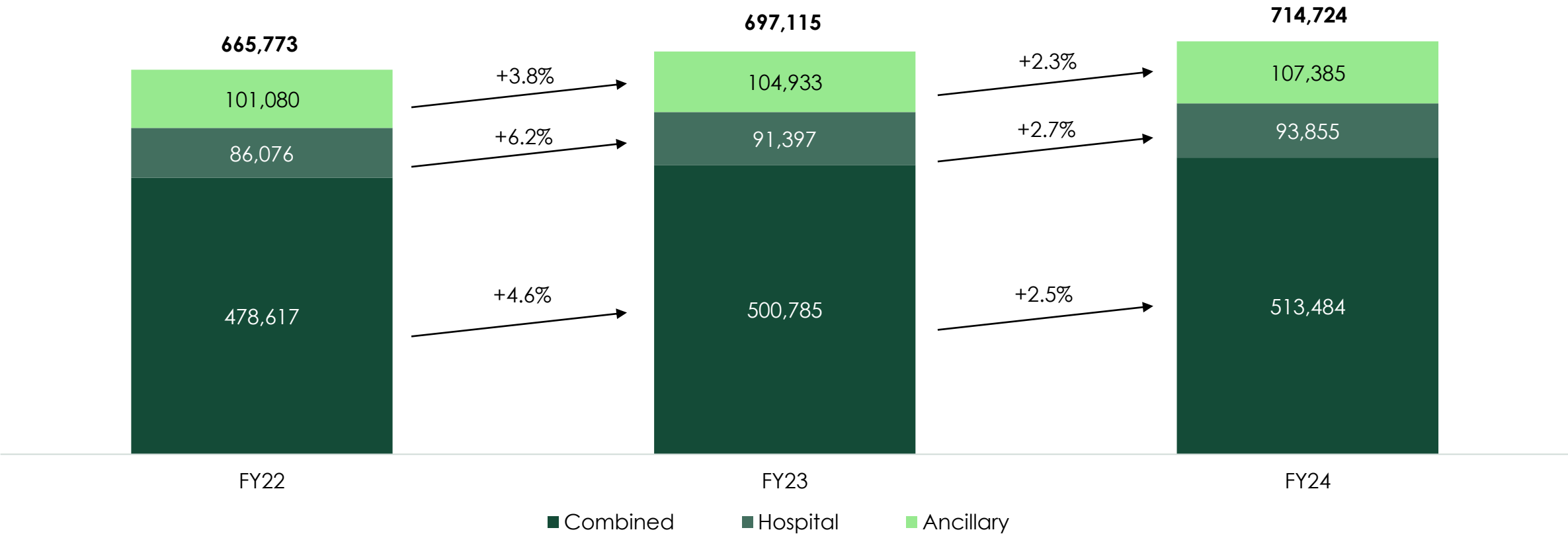
	YTD (16 Aug 24)	PCP	Growth
Opening Policies – 1 Jul	714,724	697,115	2.5%
Net growth	6,772	4,757	42.4%
Closing Policies – 16 Aug	721,496	701,872	2.8%

16 1. Closing policyholder balances for each financial year.



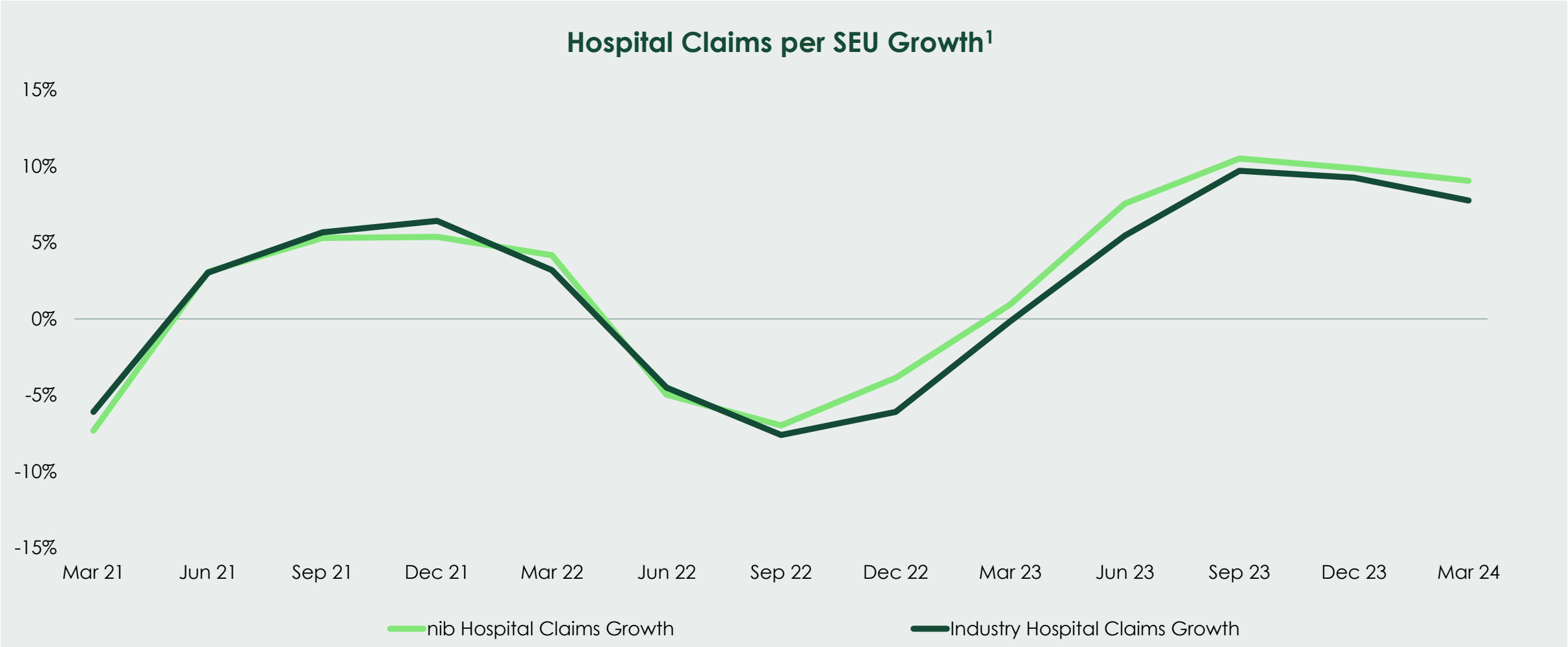
arhi policies trend towards combined and hospital

nib is trending towards combined and hospital policies which are outgrowing ancillary



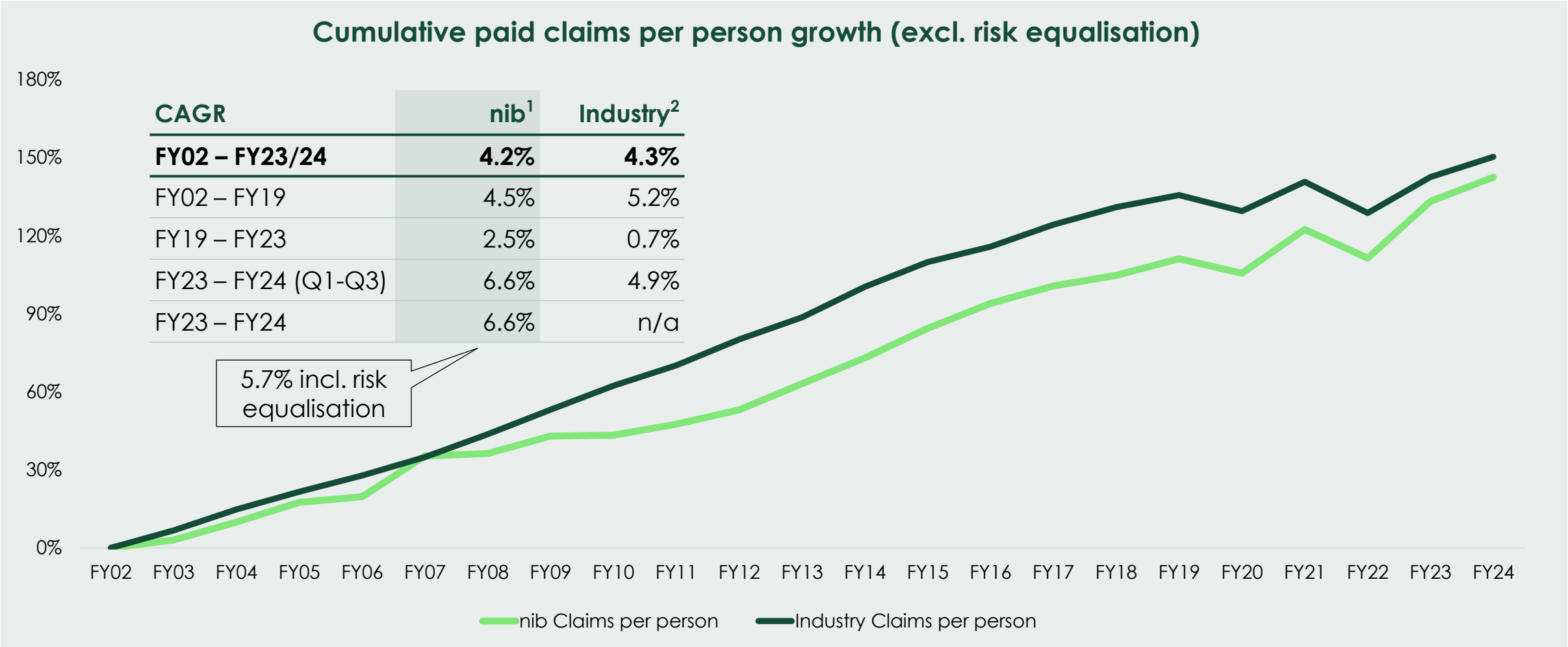
Hospital claims growth

FY24 saw elevated claims growth across nib and industry



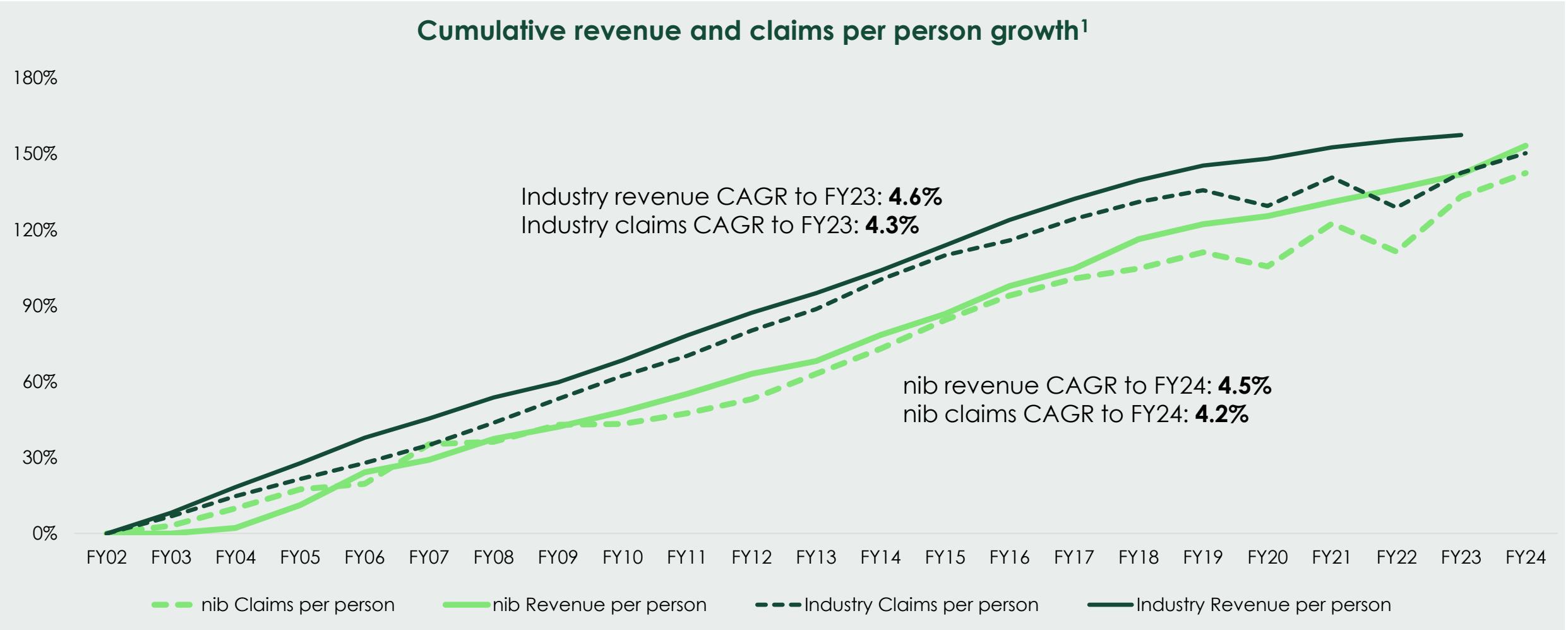
Overall arhi claims growth

We still see long-term inflation at ~4%, with shorter term risk towards 6% as we normalise from low inflation during COVID



arhi revenue growth vs claims growth

Both nib and the industry have been able to price in claims inflation





Nick Freeman
Group Chief Financial Officer



International inbound health insurance

Financial performance (\$m)	FY24	FY23 ¹	Change
Insurance revenue	192.8	162.0	▲19.0%
Insurance service costs	(165.0)	(135.9)	▲21.4%
Incurred claims	(115.4)	(91.9)	▲25.6%
Other insurance services expenses	(49.6)	(44.0)	▲12.7%
Net reinsurance cost	(5.6)	(6.2)	▼9.7%
Underlying insurance service result	22.2	19.9	▲11.6%
Other revenue and expenses	2.6	2.4	▲8.3%
Underlying operating profit (UOP)	24.8	22.3	▲11.2%
Key metrics			
Policyholders ² (#)	216,684	189,944	▲14.1%
Net policyholder growth ² (%)	14.1	15.7	▼160bps
iwhi net promoter score ³ (NPS)	+57	+51	▲ 6
ishi net promoter score (NPS)	+51	+47	▲ 4
Gross margin (%)	39.8	42.2	▼ 240bps
Management expense ratio (MER) (%)	27.6	29.1	▼ 150bps
Marketing MER (%)	8.2	6.3	▲ 190bps
Other MER (%)	19.4	22.8	▼ 340bps
Net margin (%)	12.3	13.1	▼ 80bps

Continued improvement in UOP result driven by top line growth

- Revenue growth of 19.0% led to a record top line result, with robust policy growth of 14.1% driven by students.
- Gross margin improved in 2H24 to 41.2% (vs 1H24 38.4%).
- MER % reducing to 27.6% through effective cost management with increased marketing investment supporting growth.
- Strong NPS performance follows high engagement in digital channels and P2P functionality.
- Continued to expand P2P and digital offering in FY24 with high uptake of Symptom Checker and in-app consultations by iih members.
- 9,745 sales from iih members into Midnight Health during 2H24, up 180% on 1H24.

1. Comparative information has been restated from 1H24 to conform to presentation in the current period.

2. Policyholder numbers and growth % includes underwritten policies only.

3. Excludes GU Health.

New Zealand

Financial performance (\$m)	FY24	FY23 ¹	Change
Insurance revenue	371.2	336.7	▲10.2%
Insurance service costs	(348.8)	(308.7)	▲13.0%
Incurred claims	(239.1)	(204.6)	▲16.9%
Other insurance services expenses ²	(109.7)	(104.1)	▲5.4%
DAC adjustment	-	4.7	▼100.0%
Net reinsurance cost	(3.3)	(3.1)	▲6.5%
Underlying insurance service result	19.1	29.6	▼35.5%
Other revenue and expenses	0.2	0.5	▼60.0%
Underlying operating profit (UOP)	19.3	30.1	▼35.9%
Key metrics			
Policyholders (#)	164,083	161,303	▲1.7%
Net policyholder growth ³ (%)	1.7	3.2	▼150bps
Residents PHI (%)	3.1	3.8	▼70bps
Net promoter score (NPS)	+27	+35	▼8
Gross margin (%)	35.2	39.1	▼390bps
Management expense ratio (MER) (%)	30.0	30.1	▼10bps
Marketing MER (%)	14.7	13.5	▲120bps
Marketing MER excl. DAC adj. (%)	14.7	14.9	▼20bps
Other MER (%)	15.3	16.6	▼130bps
Net margin (%)	5.2	9.0	▼380bps

1. Comparative information has been restated from 1H24 to conform to presentation in the current period.

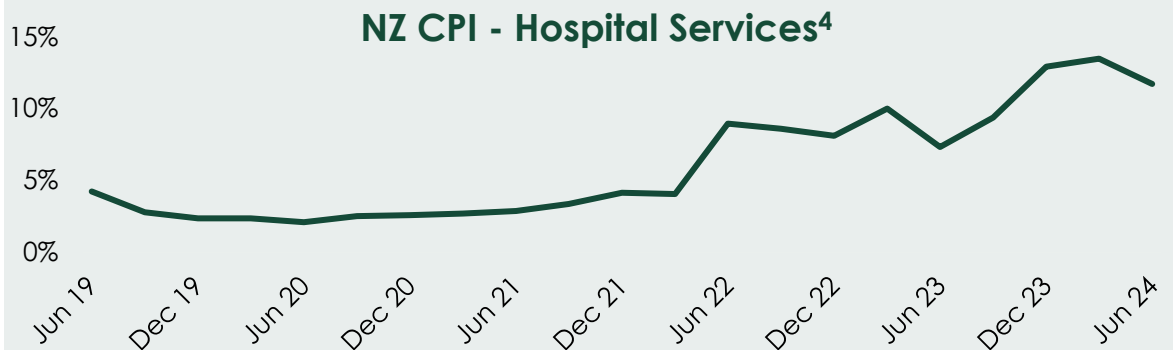
2. Other insurance services expenses includes premium payback liability and other services cost. DAC adjustment shown separately.

3. Net policyholder growth reflects run-off of old closed credit card and mortgage insurance books from life acquisition.

4. Source: Stats NZ Tatauranga Aotearoa.

Strong resident PHI policyholder growth, result impacted by high claims inflation and DAC adjustment in FY23

- Revenue up 10.2% due to policyholder growth and premium increases.
- Resident PHI policyholder growth remains strong at +3.1%.
- Incurred claims up 16.9% due to policyholder growth and claims inflation of 14.9% (service cost 8.7%, utilisation 6.2%).
- Significant claims inflation experienced in last quarter. Industry repricing suggests an industry-wide challenge.
- Improved Other MER % driven by efficiencies from ongoing investment in automation and digital first initiatives.



Financial performance (\$m)	FY24	FY23	Change
Underwriting result	0.3	0.2	▲50.0%
Operating income	87.0	113.2	▼23.1%
Acquisition costs	(34.7)	(63.6)	▼45.4%
Operating expenses	(44.5)	(35.8)	▲24.3%
Underlying operating profit (UOP)	8.1	14.0	▼42.1%
Key metrics			
Gross written premium (GWP) ¹ (\$m)	167.9	224.1	▼25.1%
Gross profit after acquisition costs ² (\$m)	54.2	50.3	▲7.8%
Sales (#)	460,335	728,833	▼36.8%
Domestic	246,816	496,993	▼50.3%
International	213,519	231,840	▼7.9%
Sales excl. Qantas (#)	447,942	462,756	▼3.2%
Net promoter score (NPS)	+55	+45	▲10

Gross profit after acquisition costs (GPAC) increase despite loss of income

- Impact of Qantas contract loss largely as expected with GWP decreasing but GPAC increasing despite headwinds in the travel insurance market.
- Relatively high PCP due to pent-up demand post-COVID.
- Operating expenses increase 24.3% to assist with flow through of claims from high sales in PCP, investment in NPS improvement and adjustment to Group allocations.
- 2H24 operating expenses decreased 2% as efficiency improvements commenced.
- Pleasing uplift in NPS in FY24. Focus on continuing investment in digital servicing and claims automation to enhance customer experience and deliver cost efficiencies.
- Investment in accelerating sales volumes including new underwriting arrangements and new products in UK & Europe.

1. nib Travel is a distributor of travel insurance and earns income from commissions on policies sold, and from emergency travel assistance and other fees. However, gross written premium (GWP) is shown as it is a key performance metric of the business. GWP deducts refunds and policy cancellations.

2. GPAC equals revenue less acquisition costs from both the underwriting and distribution lines of the business.

Financial performance (\$m)	FY24	FY23	Change
Fee income	51.3	14.6	▲251.4%
Operating expenses	(36.0)	(11.5)	▲213.0%
Underlying operating profit (UOP)	15.3	3.1	▲393.5%
Amortisation of acquired intangibles	(7.4)	-	n/a
Amortisation of acquired intangibles – one-off	(1.7)	-	n/a
One-offs, M&A and integration costs	(15.9)	(4.8)	▲231.3%
Statutory operating profit	(9.7)	(1.7)	▲470.6%
Key metrics			
Participants (#)	38,880	27,373	▲42.0%
Organic participant growth – annualised (%)	6.3	n/a	n/a
Operating margin (%)	29.8	21.2	▲860bps

Supporting integrity and sustainability of the NDIS

- We have invested in technology to provide improved support for participants and uplift our capability in fraud detection.
- Invoices that charge over the NDIS price limit or are non-compliant are returned to providers for recoding and resubmission.
- Cases of suspected fraud are referred to the Quality & Safeguards Commission.

Strong UOP result amid industry reform

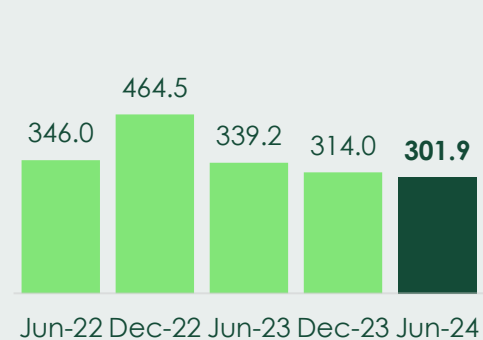
- 'Navigator' model is taking shape with the acquisition of six plan managers, a support coordination business and a digital marketplace platform, totalling \$166.8m¹.
- Completion of two plan manager acquisitions during 1H24, added ~9,000 participants.
- Organic growth 6.3% with focus on growth post-integration under nib Thrive brand.
- Scheme growth slowing (8.3% FY24, 14.2% FY23), but number of participants using a plan manager increased to 63.3% (FY23: 59.9%).
- Kynd 17.3% average increase in active participants and 28.5% average increase in support workers under nib Thrive ownership.
- Operating margin in line with expectations and improving as organisational structure optimisation and technology investment delivers operational efficiencies.
- Technology and business integration on budget and ahead of schedule.

Capital management

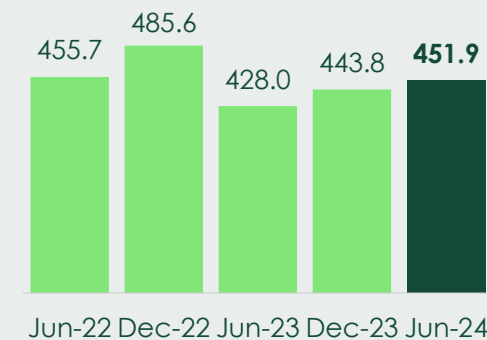
nib Group (\$m)	FY24	FY23 ¹	Change
Net assets	1,043.8	996.8	▲ 4.7%
Net tangible assets ²	301.9	339.2	▼ 11.0%
Debt	264.6	245.9	▲ 7.6%
Leverage ratio (debt/EBITDA) last 12 months ³	0.8x	1.1x	n/a
Gearing ratio %	20.5	20.1	▲ 40bps
nib health funds (\$m)			
Net tangible assets	451.9	428.0	▲ 5.6%
Prescribed capital amount (PCA)	274.9	254.3	▲ 8.1%
Capital base	532.6	493.3	▲ 8.0%
Excess capital above minimum	257.7	239.0	▲ 7.8%
PCA ratio	1.94x	1.94x	n/a
Net assets (\$m)			
Cash and financial assets	1,366.2	1,319.9	▲ 3.5%
Insurance contracts assets	122.2	112.6	▲ 8.5%
Intangible assets	541.0	469.8	▲ 15.2%
Other assets	85.2	110.4	▼ 22.8%
Insurance contracts liabilities	(596.9)	(574.7)	▲ 3.9%
Borrowings	(264.6)	(245.9)	▲ 7.6%
Other liabilities	(209.3)	(195.3)	▲ 7.2%
Group net assets	1,043.8	996.8	▲ 4.7%

- Reduction in Group net tangible assets due to nib Thrive acquisitions in 1H24 and increased software development.
- Improved leverage ratio due to stronger EBITDA offsetting an increase in debt.
- Strong health funds capital with PCA ratio exceeding target range of 1.5 – 1.6x.

**nib Group
net tangible assets (\$m)^{1,2}**



**nib health funds
net tangible assets (\$m)¹**



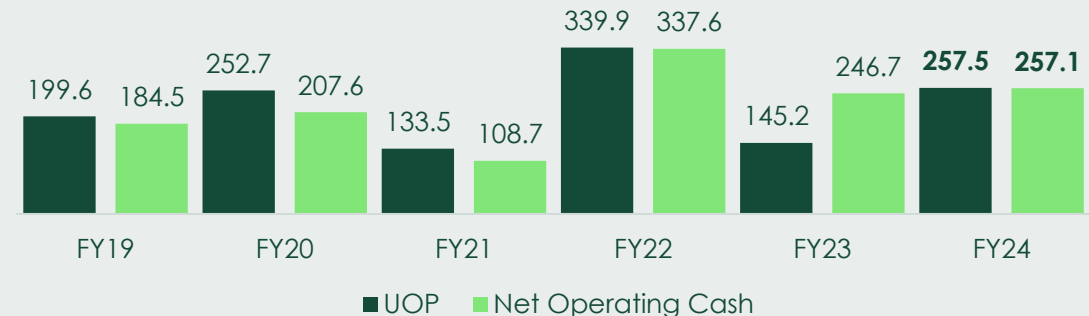
1. Comparative information has been restated to conform to presentation in the current period.
2. Net tangible assets excludes acquisition cash flow asset, charitable foundation and non-controlling interests.
3. EBITDA is calculated over a rolling 12-month period.

Cash flow

Consolidated cash flow (\$m)	FY24	FY23	Change
Operating cash inflows	3,595.5	3,288.2	▲ 9.3%
Operating cash outflows	(3,338.4)	(3,041.5)	▲ 9.8%
Net cash inflow from operating activities	257.1	246.7	▲ 4.2%
Investing cash outflow – PPE and intangibles	(48.6)	(52.3)	▼ 7.1%
Dividends paid	(145.1)	(113.2)	▲ 28.2%
Other ¹	(3.8)	(11.3)	▼ 66.4%
Free cash flow	59.6	69.9	▼ 14.7%
Acquisition of business combination (less cash acquired)	(46.3)	(120.9)	▼ 61.7%
Net proceeds/(payments) from investments (rebalancing investments)	(6.7)	(58.8)	▼ 88.6%
Proceeds from issue of shares	7.2	161.0	▼ 95.5%
Change in borrowings	20.0	(15.0)	▼ 233.3%
Effects of exchange rate changes	(0.4)	0.9	▼ 144.4%
Net movement in cash/cash equivalents	33.4	37.1	▼ 10.0%

- Strong operating cash inflow reflects growth in insurance revenue across PHI businesses. Growth in Midnight Health and the full year operation of nib Thrive has more than offset the reduction in nib Travel.
- Growth in operating outflows was higher than inflows due to growth in claims payments (particularly hospital) outpacing growth in revenue receipts.
- Acquisitions of \$46.3m in FY24 relate to ongoing investment in nib Thrive (although lower than FY23 investment).
- Proceeds from issue of shares in FY23 included \$158.1m raised from the Institutional Placement and Share Purchase Plan.

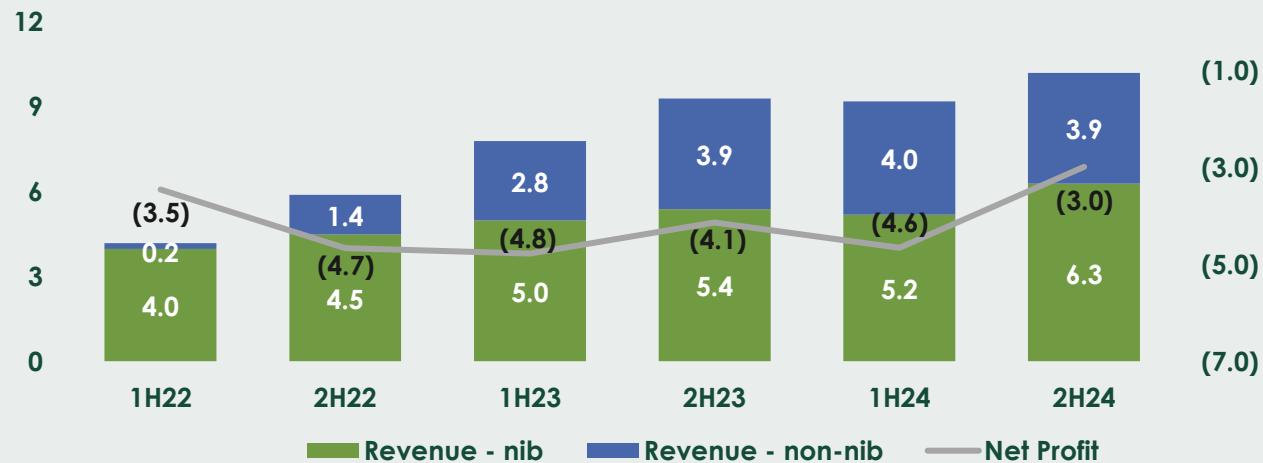
UOP vs Net Operating Cash flow (\$m)



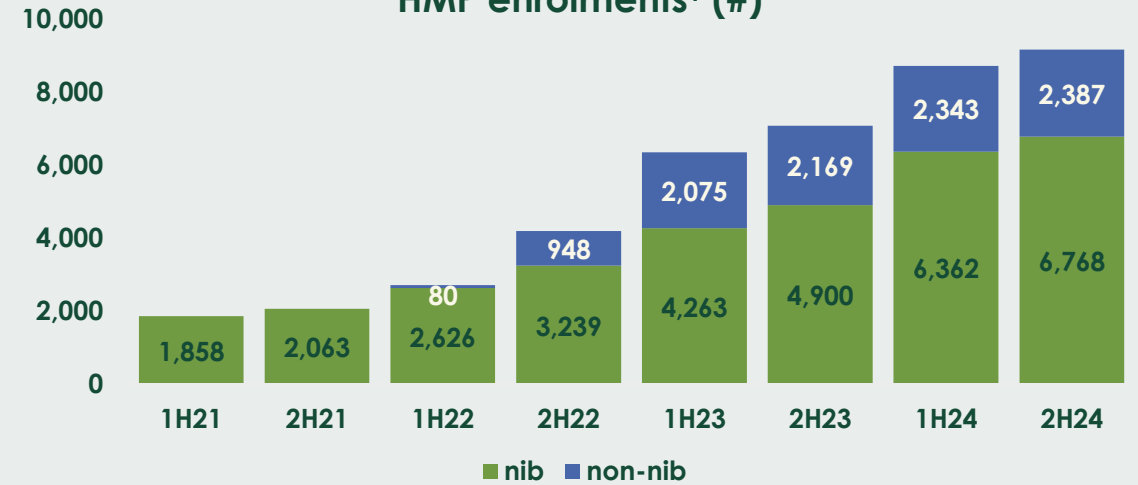
Revenue growth and expanding client base building the foundation for improving profitability

- Revenue growth of 13.4% (FY24 v FY23).
- Expansion of general insurance sector client base in late FY24 will drive ongoing increase in non-nib revenue.
- Improvements in profitability achieved through revenue growth, while holding expense growth below CPI.
- Continued investment in data analytics to target HMPs, evaluate impact of interventions as well as inform and guide strategy.
- nib share of losses in FY24 of \$3.8m improved from \$4.4m in FY23.

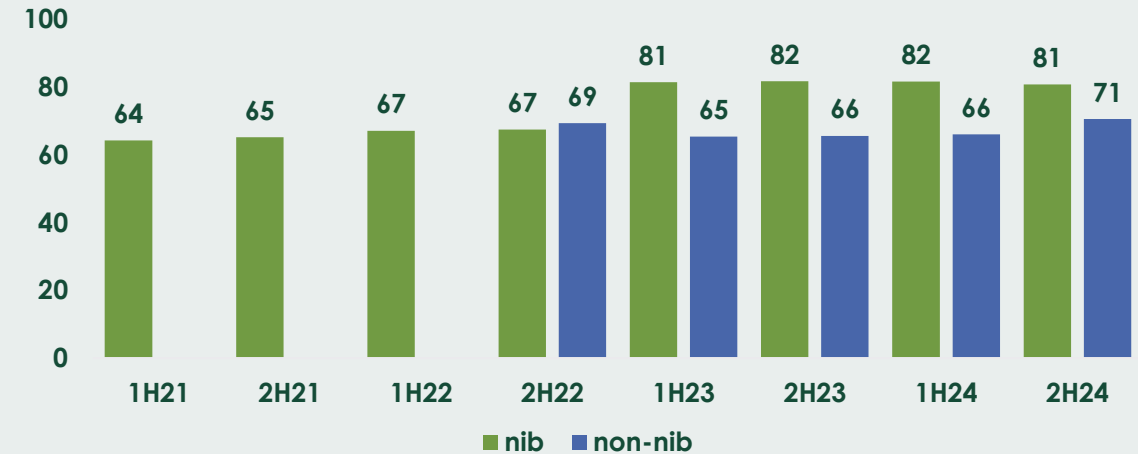
Honeysuckle Health Revenue and Profit² (\$m)



HMP enrolments¹ (#)



HMP NPS



Accelerating revenue growth driving improving performance

- Very strong gross revenue growth of 47% in 2H24 vs 1H24 supported by increasing average revenue per customer.
- Over 25,000 GLP-1 agonist prescriptions. Wegovy to launch Aug 24.
- 12,000 sales from nib members in 2H24, up 270% on 1H24.
- FY24 losses of \$16.3m showing improvement in 2H24 (\$5.9m vs. \$10.4m in 1H24), with breakeven expected in FY26.
- 1H25 focus on launching an Australian-first Corporate Health Program, growth in general telehealth and launch of subscription offering.

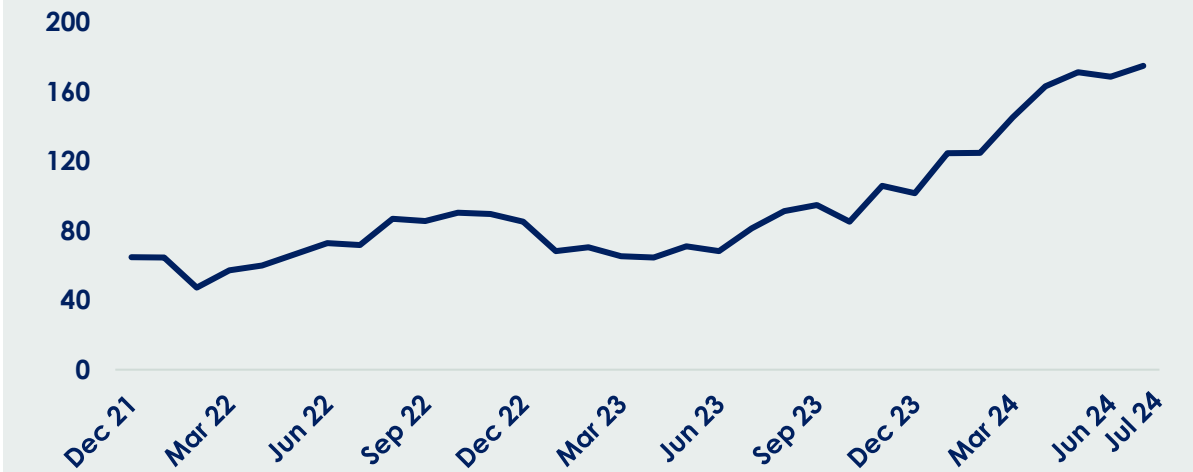
Australians serviced cumulative (#)



Gross Revenue (\$m)¹



Average revenue per customer (\$)²











Roslyn Toms

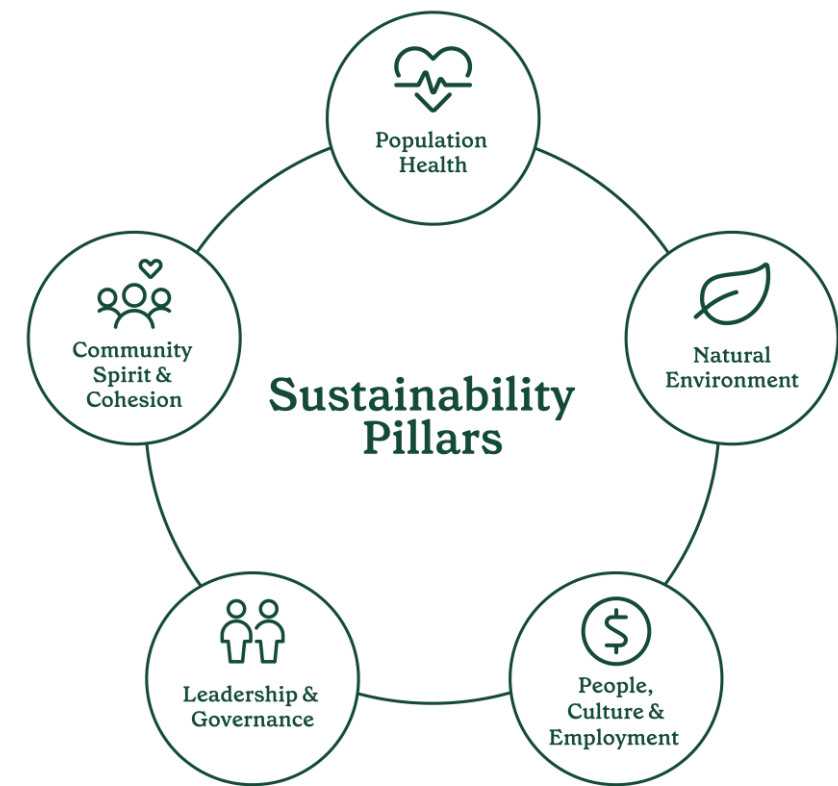
Group Executive Legal &
Chief Risk Officer



Sustainability – FY24 highlights

-  **More than 78k** health assessments or screens undertaken by nib members (annual target 28,000)
-  **22.7k members enrolled in health management programs** (annual target 20,000)
-  **Over 90k members participating in a general health interaction** across the Group (annual target 42,000)
-  **More than 430k** people reached through nib foundation prevention partnerships (annual target 250,000)
-  Our people performed **1,554 volunteering hours** for partners including Ronald McDonald House and OzHarvest

-  Maintained **carbon neutral certification** from Climate Active through the purchase of 100% Australian Carbon Credit Units¹
-  Offered **new career pathways** to people early in their career through graduate programs and internships
-  100% of FY24 **Diversity, Equity and Inclusion Plan** and **Reconciliation Action Plan** deliverables achieved
-  Developed targeted response plan for international students and workers suppliers that have **high inherent modern slavery risk**
-  **Re-certified** our Information Security Management System to meet ISO/IEC 27001:2022 with **zero** non-conformance findings



31 1. Climate Active certification available at nib.com.au/docs/2024-climate-active-carbon-neutral-certificate.

Sustainability – FY25 targets



Population health

- 75,000 members participating in a general health interaction across the Group¹
- 20,000 members enrolled in health management programs across the Group²
- 65,000 health assessments or screens undertaken by nib members³
- Develop a health data store to support personalisation for our health members



Natural environment

- Transition all new nib-controlled locations to 100% renewable energy⁴
- Conduct new climate change scenario analysis
- Enhance internal emissions reporting
- Maintain carbon neutral certification



People, culture & employment

- Ensure 40/40/20 gender mix in Board, heads of business units, team leader and manager positions⁵
- Employee Engagement Score of 79%, Wellbeing Score of 76% and Inclusion Score of 81%
- Gender pay equity in comparable roles 1.5%
- Provide three career pathway programs for people early in their career to join nib



Community spirit & cohesion

- 250,000 people reached via nib foundation's Prevention Partnerships
- More than 20% of our sponsorship funding directly invested in diversity and inclusion initiatives
- 1,700 employee volunteering hours
- Launch next Innovate RAP



Leadership & governance

- Re-assess the modern slavery risk of at least 25 suppliers who have completed a continuous improvement plan⁶
- Review control systems for nib's critical operations and undertake assessment of risks of material service providers in alignment with Prudential Standard Operational Risk Management (CPS 230)
- Develop an AI Policy to ensure the responsible and ethical use of AI that aligns with ISO 42001:2023
- Re-certify nib's Information Security Management System to meet ISO/IEC 27001:2022 (including nib Thrive)

1. General health interaction defined as interactions or services that intend to provide targeted prevention, education, wellbeing and health literacy activities. E.g. wellness vouchers, telehealth GP.

2. Health management programs defined as programs that intend to improve health outcomes for a specific disease, injury or condition, which can be sub-classified as a CDM. E.g. Silvercloud, Quit Smoking Program.

3. Health assessment or screens defined as programs or services that intend to assess health and wellbeing, risk factors or screen for disease, injury or clinical condition. E.g. Health Check, Molemap.

4. Includes locations where nib has assumed control of the office lease during the financial year 2024 period as part of recent acquisitions.

5. Board of Directors includes Non-Executive Directors and the CEO/Managing Director of nib holdings limited.

6. Supplier must have completed a continuous improvement plan at least 12 months prior. Re-assessment to be conducted via a new supplier assessment questionnaire.



Mark Fitzgibbon

Chief Executive Officer &
Managing Director



Business strategy – Payer to Partner (P2P)





Financial protection and support

- Private health insurance
- Travel insurance
- Living benefits (life) insurance
- NDIS plan management



Insight and guidance

- Health checks and Good Health Plan
- Health score
- Symptom checker & E-triage
- Find a provider & program
- Personalised health content & rewards
- Social prescribing
- Disability navigation



Healthcare networks

- Physical
- Virtual
- Home care



Healthcare products and programs

- Health management
- Everyday healthcare
- Population health



Enabling capability

- Super app & digital interoperability
- CRM & Next Best Action
- Digital Identity
- GP practice management integration
- Value based contracting
- Remote monitoring
- Health data strategy & healthcare analytics
- Generative AI
- Electronic health record
- NDIS provider marketplace

FY25 Outlook and beyond

arhi

- FY25 net policyholder growth ~3%.
- Medium to long term underlying claims inflation to revert 4-6% range.
- Ongoing net margin 6-7%.

iihi

- Student arrivals revert to pre-COVID levels with continued margin improvement.
- Continued demand for temporary skilled workers.
- Ongoing net margin 10-15%.

NZ

- FY25 residents PHI net policyholder growth 3-4%.
- Net margin gradually reverting to 8-9% target with pricing and easing post COVID-19 inflation.

Travel

- GWP expected to grow circa 6% p.a. (ex. Qantas).
- Increased automation and operational improvement support growing profitability.

Thrive

- On track to reach ~50,000 participants by end of FY25.
- Further system integration and development.
- Expansion of value proposition and development of 'navigator' model.

Other

- Increased sales and breakeven expected for Honeysuckle Health in FY25 and Midnight Health in FY26.



Questions & Answers



nib Group income statements

AASB1023 – AASB17

The Group has adopted AASB17 *Insurance Contracts* (AASB17) on a retrospective basis. As a result, the Group has restated certain comparative amounts in the financial results included in this presentation, however these restatements are unaudited.

nib Group summary AASB1023



Income statement ¹ (\$m)	2024	2023	2022	2021	2020	2019
Net premium revenue	3,200.6	2,911.5	2,703.4	2,548.8	2,439.6	2,340.8
Net claims incurred	(2,471.7)	(2,203.6)	(2,066.3)	(1,985.5)	(1,933.4)	(1,811.4)
Gross profit	728.9	707.9	637.1	563.3	506.2	529.4
Movement in policy liabilities	-	1.1	(0.3)	n/a	n/a	n/a
Other underwriting revenue	4.7	6.5	6.4	3.8	3.5	3.6
Management expenses	(451.4)	(439.4)	(383.9)	(337.4)	(332.2)	(330.6)
Underwriting result	282.2	276.1	259.3	229.7	177.5	202.4
Other income	153.0	137.5	51.5	24.1	60.1	77.2
Other expenses	(152.8)	(146.0)	(68.2)	(44.1)	(86.7)	(78.3)
Share of net profit/(loss) of associates and joint ventures	(3.8)	(4.4)	(5.6)	(4.8)	(4.0)	(1.0)
Underlying operating profit	278.6	263.2	237.0	204.9	146.9	200.3
Amortisation & impairment of acquired intangibles	(14.3)	(10.7)	(7.7)	(16.8)	(18.4)	(10.2)
One-off transactions, M&A and integration costs	(21.7)	(8.9)	(0.1)	(2.1)	(13.6)	(7.0)
Statutory operating profit	242.6	243.6	229.2	186.0	114.9	183.1
Finance income and costs	(17.4)	(13.8)	(6.7)	(6.8)	(9.7)	(7.7)
Net investment income	61.7	54.7	(30.0)	51.8	16.6	36.1
Profit before tax	286.9	284.5	192.5	231.0	121.8	211.5
Tax	(89.5)	(92.8)	(57.5)	(70.5)	(34.8)	(63.3)
Profit from continuing operations	197.4	191.7	135.0	160.5	87.0	148.2
Loss from discontinued operations	(1.0)	(0.6)	(1.2)	n/a	n/a	n/a
Net profit after tax	196.4	191.1	133.8	160.5	87.0	148.2
Balance sheet (\$m)						
Total assets	2,114.6	2,130.0	1,880.4	1,702.8	1,677.8	1,552.6
Equity	1,045.7	983.9	734.3	706.2	603.1	631.2
Debt	264.6	245.9	260.9	232.3	232.9	233.9

nib Group summary AASB17



Income statement ¹ (\$m)	2024	2023	2022	2021	2020	2019
Insurance revenue	3,211.6	2,939.3	2,753.9	2,574.1	2,479.8	2,372.6
Insurance service costs – incurred claims	(2,487.2)	(2,330.5)	(2,000.3)	(2,065.8)	(1,851.8)	(1,827.0)
Insurance service costs – other insurance expenses	(451.4)	(440.6)	(386.1)	(337.8)	(331.4)	(330.6)
Net reinsurance costs	(16.6)	(14.9)	(10.5)	(16.1)	(17.1)	(16.2)
Insurance service result	256.4	153.3	357.0	154.4	279.5	198.8
Other underwriting revenue	4.7	4.8	5.2	3.9	3.8	2.9
Insurance operating result	261.1	158.1	362.2	158.3	283.3	201.7
Other income	153.0	137.5	51.5	24.1	60.1	77.2
Other expenses	(152.8)	(146.0)	(68.2)	(44.1)	(86.7)	(78.3)
Share of net profit/(loss) of associates and joint ventures	(3.8)	(4.4)	(5.6)	(4.8)	(4.0)	(1.0)
Underlying operating profit	257.5	145.2	339.9	133.5	252.7	199.6
Amortisation & impairment of acquired intangibles	(14.3)	(10.7)	(7.7)	(16.8)	(18.4)	(10.2)
One-off transactions, M&A and integration costs	(21.7)	(8.9)	(0.1)	(2.1)	(13.6)	(7.0)
Statutory operating profit	221.5	125.6	332.1	114.6	220.7	182.4
Net finance costs	(17.4)	(13.8)	(6.7)	(6.8)	(9.7)	(7.7)
Net investment income	61.7	54.7	(30.0)	51.8	16.6	36.1
Profit before tax	265.8	166.5	295.4	159.6	227.6	210.8
Tax	(83.2)	(57.4)	(88.5)	(49.2)	(66.4)	(63.1)
Profit from continuing operations	182.6	109.1	206.9	110.4	161.2	147.7
Loss from discontinued operations	(1.0)	(0.6)	(1.2)	n/a	n/a	n/a
Net profit after tax	181.6	108.5	205.7	110.4	161.2	147.7

FY2019 – FY2024 cumulative UOP reconciliation (\$m)

Cumulative UOP FY2019 – FY2024 AASB1023	1,330.9
Cumulative UOP FY2019 – FY2024 AASB17	1,328.4
Variance	2.5
Join offers to impact FY25	(5.5)
ishi UPL discounting, NZ health & life insurance adjustment	8.0
Adjustments total	2.5

nib Group FY23 AASB1023 to AASB17



Income statement (\$m)	FY23 AASB1023	FY23 impact	FY23 AASB17
Insurance revenue	2,942.1	(2.8)	2,939.3
Insurance service costs – incurred claims	(2,219.3)	(111.2)	(2,330.5)
Insurance service costs – other insurance expenses	(438.3)	(2.3)	(440.6)
Net reinsurance costs	(14.9)	-	(14.9)
Insurance service result	269.6	(116.3)	153.3
Other underwriting revenue	6.5	(1.7)	4.8
Insurance operating result	276.1	(118.0)	158.1
Other income	137.5	-	137.5
Other expenses	(146.0)	-	(146.0)
Share of net profit/(loss) of associates and joint ventures	(4.4)	-	(4.4)
Underlying operating profit	263.2	(118.0)	145.2
Amortisation & impairment of acquired intangibles	(10.7)	-	(10.7)
One-off transactions, M&A and integration costs	(8.9)	-	(8.9)
Statutory operating profit	243.6	(118.0)	125.6
Net finance costs	(13.8)	-	(13.8)
Net investment income	54.7	-	54.7
Profit before tax	284.5	(118.0)	166.5
Tax	(92.8)	35.4	(57.4)
Profit from continuing operations	191.7	(82.6)	109.1
Loss from discontinued operations	(0.6)	-	(0.6)
Net profit after tax	191.1	(82.6)	108.5

Summary of adjustments

Price increase deferral	(3.0)
Deferred claims liability	(110.2)
ishi discounting	(1.5)
NZ health	(1.9)
Life insurance reserving adjustment	(1.4)
Operating profit	(118.0)

nib Group FY24 AASB1023 to AASB17

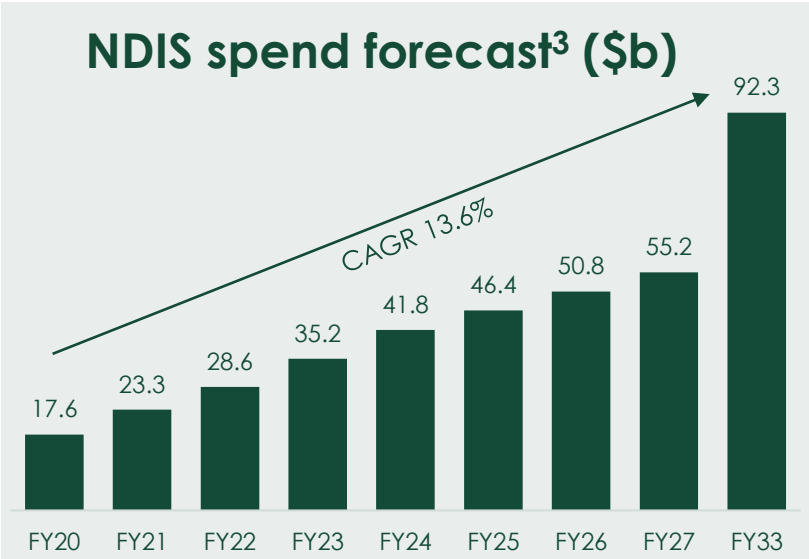
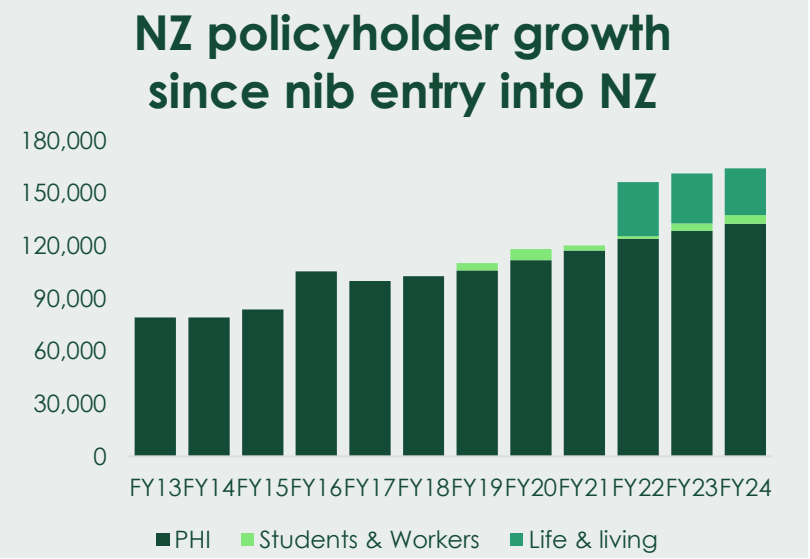
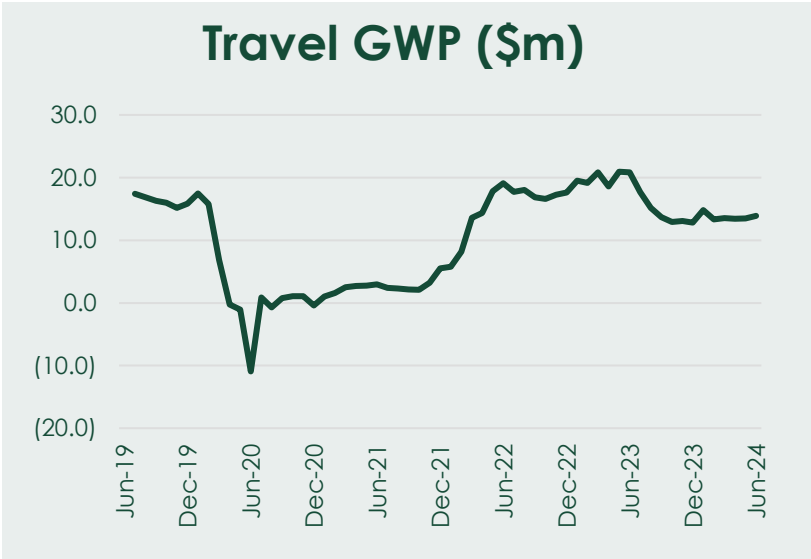
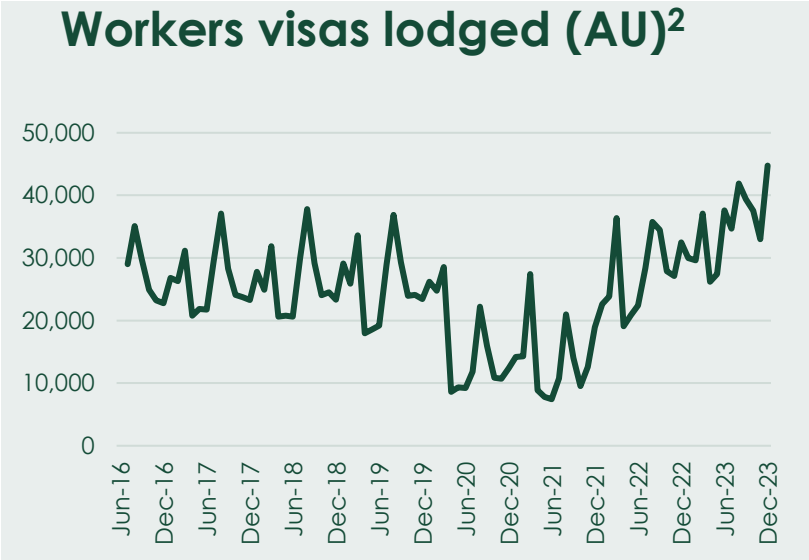
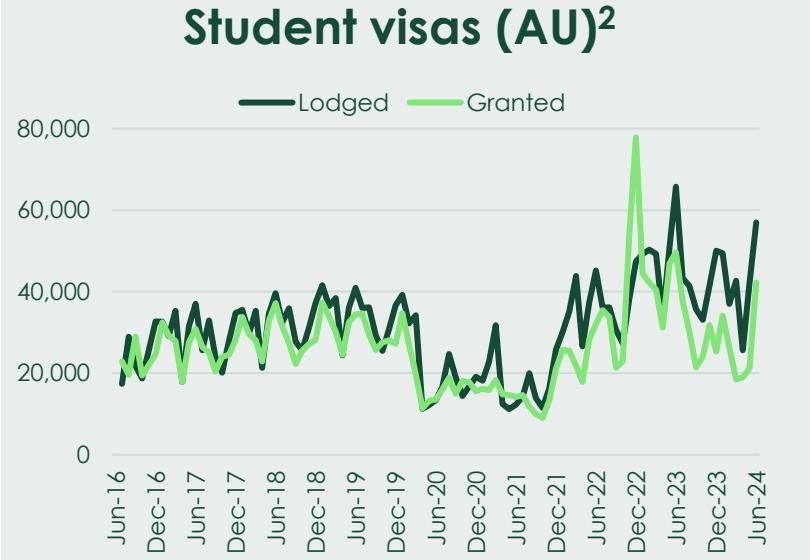
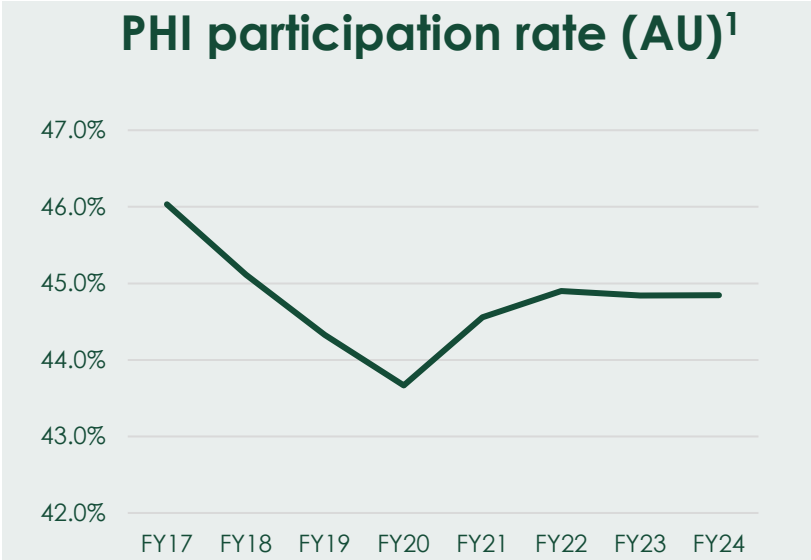


Income statement (\$m)	FY24 AASB1023	FY24 impact	FY24 AASB17
Insurance revenue	3,232.7	(21.1)	3,211.6
Insurance service costs – incurred claims	(2,487.2)	-	(2,487.2)
Insurance service costs – other insurance expenses	(451.4)	-	(451.4)
Net reinsurance costs	(16.6)	-	(16.6)
Insurance service result	277.5	(21.1)	256.4
Other underwriting revenue	4.7	-	4.7
Insurance operating result	282.2	(21.1)	261.1
Other income	153.0	-	153.0
Other expenses	(152.8)	-	(152.8)
Share of net profit/(loss) of associates and joint ventures	(3.8)	-	(3.8)
Underlying operating profit	278.6	(21.1)	257.5
Amortisation & impairment of acquired intangibles	(14.3)	-	(14.3)
One-off transactions, M&A and integration costs	(21.7)	-	(21.7)
Statutory operating profit	242.6	(21.1)	221.5
Net finance costs	(17.4)	-	(17.4)
Net investment income	61.7	-	61.7
Profit before tax	286.9	(21.1)	265.8
Tax	(89.5)	6.3	(83.2)
Profit from continuing operations	197.4	(14.8)	182.6
Loss from discontinued operations	(1.0)	-	(1.0)
Net profit after tax	196.4	(14.8)	181.6



Appendix

Key trends



1. PHI data accessed on 24th July 2024 and obtained from <https://www.apra.gov.au/quarterly-private-health-insurance-statistics>. FY24 figure as at March 2024 due to June 2024 data not being available at time of publication.

2. Students and Workers data accessed on 6th August 2024 and obtained from <https://www.homeaffairs.gov.au/>. Student lodgement and granted numbers include onshore and offshore primary visas only. Workers lodgements include primary and secondary. Workers June 2024 data is not available at the time of publication.

3. National Disability Insurance Scheme Annual Financial Sustainability Report 2022-23. NDIS Quarterly Report to Disability Ministers June 2024.

Policyholder data

nib Group policyholders (#)	FY24	FY23	FY22	FY21	FY20
Total persons covered	1,878,951	1,813,773	1,715,081	1,644,887	1,616,263
Australian residents health insurance	1,349,587	1,314,131	1,255,265	1,224,320	1,186,805
International (inbound) health insurance ¹	241,668	212,643	181,181	187,410	202,533
New Zealand ¹	287,696	286,999	278,635	233,157	226,925
Total policyholders	1,095,491	1,048,362	986,181	937,762	921,717
Australian residents health insurance	714,724	697,115	665,773	645,152	619,079
International (inbound) health insurance ¹	216,684	189,944	164,133	172,462	184,379
New Zealand ¹	164,083	161,303	156,275	120,148	118,259
Total policyholder growth v PCP	4.5%	6.3%	5.2%	1.7%	3.5%
arhi policyholder growth v PCP	2.5%	4.7%	3.2%	4.2%	1.9%
Australian residents health insurance					
Market share ²	9.7%	9.6%	9.4%	9.3%	9.2%
Average age of hospital persons covered (years)	42.0	41.9	41.6	41.3	40.8
Sales by channel					
Corporate	10.0%	11.7%	14.3%	9.3%	10.5%
Direct to consumer	27.5%	27.5%	30.9%	36.3%	36.2%
Retail brokers	35.7%	36.2%	33.4%	37.5%	29.9%
Whitelabel partners	26.8%	24.6%	21.4%	16.9%	23.4%

1. Underwritten policies for OrbitProtect are included in the International (inbound) health insurance segment.

2. Industry data for June 2024 not available at time of publication. nib FY24 market share as at 31 March 2024.

Other income and expenses

Other income and expenses (\$m) ¹	FY24	FY23	Change
Other income	153.0	137.5	▲11.3%
arhi	2.3	2.8	▼17.9%
iihi	3.7	2.0	▲85.0%
nib NZ	0.4	0.9	▼55.6%
nib Travel	87.0	113.2	▼23.1%
nib Thrive	51.3	14.6	▲251.4%
Honeysuckle Health	n/a	n/a	n/a
Midnight Health – Net Income	6.4	2.4	▲166.7%
Midnight Health Gross Income	27.1	9.9	▲173.7%
Midnight Health CoGS	(20.6)	(7.5)	▲174.7%
Other	1.9	1.6	▲18.8%
Other expenses	(156.6)	(150.4)	▲4.1%
arhi	-	-	-
iihi	(2.8)	(1.0)	▲180.0%
nib NZ	(0.2)	(0.5)	▼60.0%
nib Travel	(79.2)	(99.4)	▼20.3%
nib Thrive	(36.0)	(11.5)	▲213.0%
Honeysuckle Health	(3.8)	(4.4)	▼13.6%
Midnight Health	(22.7)	(17.3)	▲31.2%
Other	(11.9)	(16.3)	▼27.0%
Net other income & expenses	(3.6)	(12.9)	▼72.1%

1. Table includes underlying income and expenses and share of net loss from joint venture. Does not include one-off transactions and amortisation of acquired intangibles.

Statutory operating profit

Underlying to Statutory operating profit (\$m)	FY24	FY23	Change
Underlying operating profit (UOP)	257.5	145.2	▲77.3%
nib Thrive	(25.0)	(4.8)	▲420.8%
Amortisation of acquired intangibles	(7.4)	-	n/a
Amortisation of acquired intangibles – one-off	(1.7)	-	n/a
M&A and integration costs	(15.9)	(4.8)	▲231.3%
Other	(11.0)	(14.8)	▼25.7%
Amortisation of acquired intangibles	(5.2)	(6.7)	▼22.4%
Impairment of intangibles	-	(4.0)	▼100.0%
Other one-off transactions and M&A	(5.8)	(4.1)	▲41.5%
Total one-offs, M&A and amort of acquired intangibles	(36.0)	(19.6)	▲83.7%
Statutory operating profit	221.5	125.6	▲76.4%

- Total one-offs, M&A and amortisation of acquired intangibles has increased \$16.4m driven by investment in nib Thrive.
- One-off Thrive amortisation of acquired intangibles of \$1.7m reflects prior period impact following finalisation of purchase price allocation.
- Other amortisation of acquired intangibles has reduced due to accelerated amortisation of some historical acquired customer contracts in FY23.

Investments and finance expense

\$m	FY24	FY23
Defensive Net investment income ¹	42.5	33.7
Net investment return (%)	3.7	3.2
Funds invested	1,162.1	1,122.6
Growth Net investment income	19.2	21.0
Net investment return (%)	9.7	10.4
Funds invested	204.1	197.3
Total Net investment income ¹	61.7	54.7
Net investment return (%)	4.6	4.2
Funds invested	1,366.2	1,319.9

\$m	FY24	FY23	Change
Net finance expense	(17.4)	(13.8)	▲26.1%
Finance costs	(15.5)	(11.7)	▲32.5%
Interest on lease liabilities	(2.1)	(2.3)	▼8.7%
Finance income	0.2	0.2	-
Interest coverage ratio	19x	16x	n/a
Effective tax rate (%)	31.3	34.5	▼320bps
Dividend per share (cps)	29.0	28.0	▲3.6%

Note: Numbers refer to 30 June 2024 or the 12 months to 30 June 2024 unless otherwise stated.

1. Investment income includes returns on operating cash.

	Consolidated			Australian investment portfolio			New Zealand investment portfolio			nib foundation investment portfolio		
	Balance (\$m)	Allocation (%)	Net return (\$m)	Balance (\$m)	Allocation (%)	Net return (\$m)	Balance (\$m)	Allocation (%)	Net return (\$m)	Balance (\$m)	Allocation (%)	Net return (\$m)
Cash	598.3	45.6	27.1	544.4	48.1	24.1	46.8	28.2	2.6	7.1	50.9	0.4
Fixed interest	508.6	38.8	14.3	386.1	34.1	7.1	119.2	71.8	7.0	3.3	24.1	0.2
Total defensive	1,106.9	84.4	41.5	930.5	82.3	31.3	166.0	100.0	9.6	10.4	75.0	0.6
Australian shares	80.3	6.1	8.9	77.7	6.9	8.6	-	-	-	2.6	18.7	0.3
Global shares – hedged	20.6	1.6	2.7	20.1	1.8	2.6	-	-	-	0.5	3.6	0.1
Global shares – unhedged	40.5	3.1	6.1	40.1	3.5	6.1	-	-	-	0.4	2.7	-
Unlisted property	19.6	1.5	(0.5)	19.6	1.7	(0.5)	-	-	-	-	-	-
Listed property	43.1	3.3	2.0	43.1	3.8	2.0	-	-	-	-	-	-
Total growth	204.1	15.6	19.2	200.7	17.7	18.8	-	-	-	3.5	25.0	0.4
Total²	1,311.0	100.0	60.6	1,131.2	100.0	50.0	166.0	100.0	9.6	13.9	100.0	1.0

2. Investment portfolio of \$1,311.0m + operating cash of \$55.2m = \$1,366.2m. This reconciles to cash and cash equivalents of \$275.3m, financial assets at amortised cost of \$6.0m and financial assets at fair value through profit or loss of \$1,084.9m which totals \$1,366.2m in the 2024 Annual Report.

Glossary

Term	Definition
1H	Six months ended/ending 31 December of the relevant financial year
2H	Six months ended/ending 30 June of the relevant financial year
AASB1023	AASB1023 General Insurance Contracts
AASB17	AASB17 Insurance Contracts
APRA	Australian Prudential Regulation Authority
arhi	Australian residents health insurance, inclusive of GU Health unless otherwise stated
AU	Australia
AUD	Australian dollar
bps	Basis points (1.0% = 100 bps)
CAGR	Compound annual growth rate
CDMP	Chronic disease management program
CoGS	Cost of goods sold
CPI	Consumer price index
cps	Cents per share
CRM	Customer relationship management
DAC	Deferred acquisition costs
DCL	Deferred claims liability
DTC	Direct to consumer
EBITDA	Earnings before interest expense, tax, amortisation (apart from lease assets) and depreciation
EPS	Earnings per share
FY	Financial year ended/ending 30 June
Group	nib holdings Group
GPAC	Gross profit after acquisition costs equals revenue less acquisition costs from both the underwriting and distribution lines of the business.
GWP	Gross written premium
HMP	Health management program
HY	Half year ended/ending 30 June or 31 December
iihi	International inbound health insurance (ishi & iwhi combined), inclusive of GU Health unless otherwise stated
ishi	International students health insurance
iwhi	International workers health insurance
Lapse	Lapse is the number of policy lapses divided by the average of the opening and closing policyholder counts

Term	Definition
LIC	Liability for incurred claims is an entity's obligation to investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not yet been reported, and other incurred insurance expenses
MER	Management expense ratio
M&A	Mergers and acquisitions
NDIS	National Disability Insurance Scheme
Net margin	Underlying insurance service result as a percentage of insurance revenue net of reinsurance expense
Net policyholder growth	Total policies as at the end of the reporting period less total policies as at 30 June of the prior financial year (12-month growth).
Net premium revenue	Premium revenue net of reinsurance expense
NPAT	Net profit after tax
NPS	Net promoter score (transactional) number of promoters less number of detractors
NZ	New Zealand
NZD	New Zealand dollar
OSC	Outstanding claims liability
Other underwriting revenue	Revenue from underwriting activities excluding insurance revenue/premium revenue
P2P	Payer to Partner strategy
PCA	Prescribed capital amount
PCP	Prior comparative period
PHI	Private health insurance
PPE	Property, plant and equipment
RAP	Reconciliation Action Plan
RE	Risk equalisation
ROIC	Return on invested capital. Calculated using average shareholders' equity attributable to owners of nib holdings limited and average interest-bearing debt over a rolling 12-month period.
SEU	Single equivalent unit
Underlying insurance operating result	Underlying insurance service result plus other underwriting revenue
Underlying operating profit (UOP)	It comprises of underlying insurance operating result and other income and expenses, including non-underwriting businesses. It excludes amortisation of acquired intangibles, one-off transactions (integration of acquired business, establishment of business costs as well as extraordinary legal fees), merger and acquisition costs, finance costs, net investment income and income tax
UPL	Unearned premium liability