AIA Group Limited

友邦保險控股有限公司

(Incorporated in Hong Kong with limited liability)

Stock Codes: 1299 (HKD Counter) and 81299 (RMB Counter)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

AIA DELIVERS EXCELLENT RESULTS IN THE FIRST HALF OF 2025

VONB UP 14 PER CENT

OPAT PER SHARE UP 12 PER CENT; UFSG PER SHARE UP 10 PER CENT

INTERIM DIVIDEND PER SHARE UP 10 PER CENT

The Board of AIA Group Limited (the "Company") is pleased to announce the Group's financial results for the six months ended 30 June 2025. Growth rates are shown on a constant exchange rate basis unless otherwise stated:

New business performance and embedded value

- Value of new business (VONB) up 14 per cent[(1)] to US$2,838 million
- 3.4 pps increase in VONB margin to 57.7 per cent
- Annualised operating ROEV of 17.8 per cent, up 290 basis points from 14.9 per cent in full year 2024
- EV Equity of US$73.7 billion, up 5 per cent per share over the first half on an actual exchange rate basis

IFRS earnings and free surplus generation

- Operating profit after tax (OPAT) of US$3,609 million, up 12 per cent per share
- On track to achieve OPAT per share CAGR target of 9 to 11 per cent from 2023 to 2026[(2)]
- Underlying free surplus generation (UFSG) of US$3,569 million, up 10 per cent per share

Dividend and capital

- US$3,710 million returned to shareholders in the first half through dividend and share buy-backs
- Interim dividend increased by 10 per cent to 49.00 Hong Kong cents per share
- Shareholder capital ratio of 219 per cent at 30 June 2025

Lee Yuan Siong, AIA's Group Chief Executive and President, said:

"AIA has delivered an excellent operating and financial performance in the first half of 2025, demonstrating that we have the right strategic priorities to leverage the unparalleled opportunities for life and health insurance in Asia. We have achieved strong VONB growth of 14 per cent[(1)] for the Group with positive growth from 13 out of our 18 markets.

"Premier Agency, the core of our unrivalled distribution platform, grew VONB by 17 per cent through a combination of a higher number of active agents and enhanced productivity as our agents increasingly benefit from the transformational power of Gen AI and our cumulative technology investments. The scale and quality of our Premier Agency sets AIA apart and we have been the number one global Million Dollar Round Table (MDRT) multinational company for the last 11 years with more than double the number of MDRT members than our nearest competitor. Our partnership distribution channel complements our agency as we work closely with market-leading banks and financial intermediaries to provide tailored solutions to their customers. This fast-growing channel delivered an 8 per cent VONB increase in the first half, building on last year's exceptional growth.

"We have said many times that adding successive layers of profitable new business compounds over time to support higher growth in earnings and cash generation for the long term. This compounding is clearly evident in a further acceleration in the first half, with OPAT and UFSG per share growth of 12 per cent and 10 per cent respectively. Following our prudent, sustainable and progressive dividend policy, the Board has declared a 10 per cent increase in the interim dividend to 49.00 Hong Kong cents per share.

"Asia is the most attractive region in the world for life and health insurance. The strong fundamental growth drivers of rising wealth, low insurance penetration levels and limited social welfare coverage continue to power the long-term exceptional prospects for AIA's business. I am confident that AIA's geographical diversification and focus on the disciplined execution of our strategic priorities will continue to deliver long-term sustainable value for all our stakeholders."

About AIA

AIA Group Limited and its subsidiaries (collectively "AIA" or the "Group") comprise the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets – wholly-owned branches and subsidiaries in Mainland China, Hong Kong SAR(3), Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China), Vietnam, Brunei and Macau SAR(4), and a 49 per cent joint venture in India. In addition, AIA has a 24.99 per cent shareholding in China Post Life Insurance Co., Ltd.

The business that is now AIA was first established in Shanghai more than a century ago in 1919. It is a market leader in Asia (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of US$328 billion as of 30 June 2025.

AIA meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents, partners and employees across Asia, AIA serves the holders of more than 43 million individual policies and over 16 million participating members of group insurance schemes.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock codes "1299" for HKD counter and "81299" for RMB counter with American Depositary Receipts (Level 1) traded on the over-the-counter market under the ticker symbol "AAGIY".

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Notes:

(1) For clarity, the Group's reported VONB growth of 14 per cent in the first half of 2025 includes AIA China's reported VONB decrease of 4 per cent. Before the effects of economic assumption changes, AIA China's VONB increased by 10 per cent in the first half of 2025.

(2) Compound annual growth rate (CAGR) from 2023 to 2026 calculated on a constant exchange rate basis and net of the impact from the top-up tax under the Global Minimum Tax regime.

(3) Hong Kong SAR refers to the Hong Kong Special Administrative Region.

(4) Macau SAR refers to the Macau Special Administrative Region.

FINANCIAL SUMMARY

Performance Highlights

US$ millions, unless otherwise stated	**Six months ended 30 Jun 2025**	Six months ended 30 Jun 2024	YoY CER	YoY AER
New Business				
VONB[6]	**2,838**	2,455	14%	16%
VONB margin	**57.7%**	53.9%	3.4 pps	3.8 pps
ANP	**4,942**	4,546	8%	9%
EV Operating Profit				
Basic EV operating profit per share (US cents)	**55.42**	47.68	15%	16%
EV operating profit	**5,893**	5,350	9%	10%
Operating ROEV	**17.8%**	16.5%	n/a	1.3 pps
IFRS Earnings				
Basic OPAT per share (US cents)	**33.94**	30.18	12%	12%
OPAT	**3,609**	3,386	6%	7%
Operating ROE	**16.2%**	15.3%	n/a	0.9 pps
TWPI	**23,936**	21,086	13%	14%
Free Surplus Generation				
Basic UFSG per share (US cents)	**33.56**	30.22	10%	11%
UFSG	**3,569**	3,391	4%	5%
Net FSG	**2,430**	2,243	7%	8%
Dividends				
Interim dividend per share (HK cents)	**49.00**	44.50	n/a	10%

US$ millions, unless otherwise stated	**As at 30 Jun 2025**	As at 31 Dec 2024	Change CER	Change AER
Embedded Value				
EV Equity per share (US$)	**6.99**	6.64	3%	5%
EV Equity	**73,670**	71,626	0%	3%
Embedded value	**70,853**	69,035	0%	3%
Free surplus	**9,898**	12,554	(22)%	(21)%
Equity and Capital				
Shareholder capital resources	**39,478**	40,439	n/a	(2)%
Shareholder capital ratio	**219%**	236%	n/a	(17) pps
Shareholders' allocated equity per share (US$)	**4.22**	4.11	0%	3%
Shareholders' allocated equity	**44,478**	44,404	(2)%	0%

New Business Performance by Segment

US$ millions, unless otherwise stated	Six months ended 30 Jun 2025 VONB	VONB Margin	ANP	Six months ended 30 Jun 2024 VONB	VONB Margin	ANP	VONB Change(6) YoY CER	YoY AER
Mainland China	**743**	**58.6%**	**1,268**	782	56.6%	1,382	(4)%	(5)%
Hong Kong	**1,063**	**65.8%**	**1,609**	858	65.7%	1,272	24%	24%
Thailand	**522**	**115.7%**	**452**	359	93.1%	386	35%	45%
Singapore	**259**	**47.4%**	**547**	219	52.4%	417	16%	18%
Malaysia	**192**	**68.9%**	**278**	183	64.2%	285	(3)%	5%
Other Markets	**249**	**31.5%**	**788**	224	27.7%	804	14%	11%
Subtotal	**3,028**	**61.2%**	**4,942**	2,625	57.2%	4,546	14%	15%
Consolidated capital requirements	**(46)**	**n/m**	**n/m**	(38)	n/m	n/m	15%	21%
Value of unallocated Group Office expenses	**(71)**	**n/m**	**n/m**	(98)	n/m	n/m	(28)%	(28)%
Group Corporate Centre tax(9)	**(54)**	**n/m**	**n/m**	(16)	n/m	n/m	218%	238%
Total before non-controlling interests	**2,857**	**57.7%**	**4,942**	2,473	53.9%	4,546	14%	16%
Non-controlling interests	**(19)**	**n/m**	**n/m**	(18)	n/m	n/m	6%	6%
Total	**2,838**	**57.7%**	**4,942**	2,455	53.9%	4,546	14%	16%

Notes:

(1) A presentation for analysts and investors, hosted by Lee Yuan Siong, Group Chief Executive and President, is scheduled at 9:00 a.m. Hong Kong time today via live webcast.

The presentation slides will be available from 6:00 a.m. Hong Kong time, and the video presentation along with accompanying transcript will be available later today on AIA's website:

http://www.aia.com/en/investor-relations/results-presentations.html

(2) All figures are presented in actual reporting currency (US dollar) and based on actual exchange rates (AER) unless otherwise stated. Change on constant exchange rates (CER) is calculated using constant average exchange rates for the first half of 2025 and for the first half of 2024, other than for balance sheet items that use CER as at 30 June 2025 and as at 31 December 2024.

(3) Change is shown on a year-on-year basis unless otherwise stated.

(4) VONB is calculated based on assumptions applicable at the point of sale.

VONB for the Group excludes VONB attributable to non-controlling interests.

(5) VONB includes pension business. ANP and VONB margin exclude pension business and are reported before deduction of non-controlling interests.

(6) For clarity, the Group's reported VONB growth of 14 per cent in the first half of 2025 includes AIA China's reported VONB decrease of 4 per cent. Before the effects of economic assumption changes, AIA China's VONB increased by 10 per cent in the first half of 2025.

(7) Operating return on EV (operating ROEV) is calculated as EV operating profit, expressed as a percentage of the opening embedded value. Operating return on shareholders' allocated equity (operating ROE) is calculated as operating profit after tax attributable to shareholders of AIA Group Limited, expressed as a percentage of the simple average of opening and closing shareholders' allocated equity. Both are measured on an annualised basis.

(8) OPAT and OPAT per share are shown after non-controlling interests unless otherwise stated.

(9) Group Corporate Centre tax refers to Bermuda corporate income tax at a rate of 15 per cent, effective from 1 January 2025.

(10) In the context of our reportable segments, Hong Kong refers to operations in the Hong Kong Special Administrative Region (SAR) and the Macau SAR; Singapore refers to operations in Singapore and Brunei; and Other Markets refers to operations in Australia, Cambodia, India, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China) and Vietnam.

(11) The results of Tata AIA Life Insurance Company Limited (Tata AIA Life) and China Post Life Insurance Co., Ltd. (China Post Life) are both reported on a one-quarter-lag basis.

The results of Tata AIA Life and China Post Life are both accounted for using the six-month period ended 31 March 2025 and the six-month period ended 31 March 2024 in AIA's consolidated results for the six-month period ended 30 June 2025 and the six-month period ended 30 June 2024, respectively.

(12) ANP and VONB for Other Markets include the results from our 49 per cent shareholding in Tata AIA Life. ANP and VONB do not include any contribution from our 24.99 per cent shareholding in China Post Life.

The IFRS results of Tata AIA Life and China Post Life are both accounted for using the equity method.

For clarity, TWPI and new business contractual service margin (CSM) do not include any contribution from Tata AIA Life and China Post Life.

(13) AIA's financial information in this Financial Summary is based on the unaudited interim condensed consolidated financial statements and supplementary embedded value information for the first half of 2025, unless otherwise stated.

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GROUP CHIEF EXECUTIVE AND PRESIDENT’S REPORT

We have made strong progress in executing our strategy in the first half of 2025, delivering double-digit growth across our key operating financial metrics together with substantial cash returns to shareholders.

This performance underscores AIA’s position of strength in the region, supported by powerful and enduring structural tailwinds across Asia. Our extensive breadth and pre-eminent positions in the region’s most dynamic markets, combined with best-in-class proprietary distribution and a trusted brand provide clear and sustained competitive advantages from which we drive sustainable growth. This proven combination has once again delivered superior new business performance, with strong earnings growth and underlying free surplus generation.

We delivered record value of new business (VONB) of US$2,838 million with growth of 14 per cent compared with the same period in the previous year. Profitable new business growth, in turn, helped drive an increase in EV operating profit to US$5,893 million, up 15 per cent per share. AIA also achieved strong earnings growth with operating profit after tax (OPAT) reaching US$3,609 million, up by 12 per cent per share. Our key operating measure of cash generation, underlying free surplus generation (UFSG) of US$3,569 million, increased by 10 per cent per share.

In the first half of 2025, we returned US$3.7 billion to shareholders through the dividend and share buy-backs. As a result of our actions to drive earnings growth and further optimise capital allocation, we generated annualised operating ROEV of 17.8 per cent, up by 290 basis points(1), and an annualised operating ROE of 16.2 per cent, up by 140 basis points(1), both achieving record highs.

The Board has declared an increase of 10 per cent in the interim dividend to 49.00 Hong Kong cents per share. This follows AIA’s established prudent, sustainable and progressive dividend policy, a key component of our overall capital management policy, allowing for the Group’s financial flexibility and investments in future growth opportunities.

AIA operates in the most attractive region in the world for life and health insurance, where social, economic and demographic trends are creating a growing need to protect wealth and incomes. At the same time, rapid increases in health expenditure are fuelling an urgent demand for more effective and affordable healthcare services that deliver improved customer outcomes. With low insurance penetration levels and limited social welfare coverage, these trends are not only accelerating, but also intensifying the societal need for innovative life, health and savings protection solutions that we are exceptionally well-placed to provide.

AIA’s strategy aligns our core strengths with these compelling growth drivers so that we are in a prime position to deliver on our commitments. Through the industry’s foremost proprietary distribution network, we offer a diverse product portfolio, supported by leading technology and innovation. In the first half of 2025, our continued focus on delighting customers has enhanced awareness and accessibility of AIA’s products and services, making us an insurer of choice as we help millions of people live Healthier, Longer, Better Lives. As the largest pan-Asian life and health insurer, our actions have a material impact on the communities in which we operate. Supporting the sustainable development of our markets is another way in which we demonstrate our Purpose.

We have also made good progress in executing our Integrated Healthcare Strategy, reinforcing both the profitability and sustainability of our health business. Health insurance products often serve as the first point of engagement for new customers and provide more frequent opportunities for our agents and partners to interact with them, allowing us to build stronger relationships as we help our customers achieve improved health outcomes.

Through continuous product innovation, our health insurance propositions have become more personalised and combine deeper integration with healthcare providers to help our customers receive the right care in the right setting. We delivered an increase in VONB from health insurance products while reducing unnecessary costs, underpinning the profitability of our health insurance portfolio. At the same time, Amplify Health is accelerating its use of data analytics and artificial intelligence to improve healthcare provider management as well as operational efficiencies, powering our ambitions to make healthcare more accessible, more affordable and more effective for our customers.

We are also embedding artificial intelligence (AI) within our core operations to uplift every aspect of the customer journey, from personalised product recommendations to streamlined claims processing. Advanced analytics and machine learning allow us to better anticipate customer needs and deliver faster, more tailored solutions. At the same time, we are reorienting our processes to maximise the benefits of these technologies, making us a simpler, better connected and more productive organisation. Combined with our ethical AI governance practices, these innovations are central to reinforcing AIA's position as a trusted, forward-looking leader in life and health protection.

In the first half of 2025, we increased our investment in digital tools and platforms, enabling greater efficiency for our distribution and more meaningful engagement with our customers. Premier Agency is the primary driver of the Group's profitable growth and VONB from this channel increased by 17 per cent to US$2,220 million. The key to our success is professional development, training and activity management programmes, honed over many years of experience and boosted by the targeted deployment of data analytics and AI to enhance the efficiency and productivity of our agents.

As a result, our agency ranks as the best in the world by Million Dollar Round Table (MDRT) members, which is the hallmark of professionalism for distributors in our industry. The Group has held this position for 11 consecutive years, and in 2025, AIA Hong Kong, AIA China, AIA Thailand and Tata AIA Life individually ranked as the top four companies globally. Across the region, AIA now has over 19,000 MDRT agents, more than double our nearest multinational competitor, demonstrating the exceptional quality, productivity and ambition of our agents.

Strategic partnerships with banks, financial intermediaries and corporates further extend our distribution reach and VONB from our partnership channel increased by 8 per cent to US$804 million, following the exceptional 43 per cent growth achieved in the first half of 2024. We partner with some of Asia's most respected banks, including Bangkok Bank Public Company Limited (Thailand), Public Bank Berhad (Malaysia), Bank Central Asia (Indonesia) and Bank of the Philippine Islands (Philippines), alongside our regional partnerships with Citibank, N.A. in Hong Kong and Singapore, and The Bank of East Asia, Limited in Hong Kong and Mainland China. In the first half of 2025, bancassurance VONB grew by 10 per cent, building on the strong 61 per cent growth in the same period last year.

In each of our markets, we have talented teams that are committed to expanding AIA's considerable competitive advantages that have been built over decades. I remain immensely grateful for their energy, determination and hard work, which is clearly reflected in the excellent performance delivered during the first half of the year.

Our aim is to drive sustainable value creation through disciplined growth, capital efficiency and a continued focus on shareholder returns. The first half of 2025 confirms that we are on track. More importantly, it underscores that AIA's core strengths remain as relevant to customers in today's rapidly changing and uncertain world as they have ever been.

GROUP PERFORMANCE HIGHLIGHTS

Across the Group, we consistently prioritise writing large-scale, high-quality organic new business as a key driver of shareholder value, generating attractive returns on capital with short payback periods. We do not chase volume for its own sake. Instead, we have built a portfolio of high-quality diversified and recurring profit streams anchored in protection, health and long-term savings that are resilient across economic cycles.

VALUE OF NEW BUSINESS AND EMBEDDED VALUE EQUITY

Strong demand for AIA's products across the region underpinned the Group's VONB growth of 14 per cent to US$2,838 million, which was broad-based with 13 out of 18 markets delivering positive growth. VONB margin increased by 3.4 pps to 57.7 per cent.

Our success in delivering higher profitable new business led to significant growth in EV operating profit to US$5,893 million, up 15 per cent per share. This, in turn, increased EV Equity to US$77,380 million, before returning US$3,710 million to shareholders through the dividend and share buy-backs. Net of these items, EV Equity was US$73,670 million, up 5 per cent per share over the first half of 2025 on actual exchange rates.

IFRS EARNINGS

OPAT, our core measure of operating earnings, was US$3,609 million, up by 12 per cent per share for the first half of 2025.

AIA's insurance service result, a fundamental component of OPAT, grew by 19 per cent to US$3,517 million. This strong growth reflects both the compounding effect of new business and positive claims experience, demonstrating our focus on the quality of the business we write. Operating margin was 15.1 per cent, again reflecting our high-quality and diversified sources of earnings. We are confident that we are on track to achieve our three-year OPAT per share CAGR[2] target of 9 to 11 per cent that we announced in August 2024.

A key driver of OPAT growth is the release of the contractual service margin (CSM). The CSM is our accumulated stock of expected future earnings and is growing because of successive layers of profitable new business added to our large in-force portfolio, which is also supported by positive experience reflecting the high-quality business we write. This has led to underlying CSM growth increasing to 10.3 per cent in the first half of 2025, after contributing US$3,043 million to OPAT. The closing CSM was US$61,380 million.

After the shareholder dividend and share buy-backs totalling US$3,710 million, shareholders' allocated equity of US$44,478 million, was up by 3 per cent per share compared with the end of 2024 on an actual exchange rate basis.

UNDERLYING FREE SURPLUS GENERATION AND CAPITAL

UFSG, our primary operating measure of the Group's cash generation after tax, was US$3,569 million, up by 10 per cent per share, supported by positive operating variances reflecting the usual pattern of higher operating variances in the first half compared with the second half of the year.

Free surplus invested in writing new business decreased by 12 per cent to US$699 million, compared with growth in VONB of 14 per cent, reflecting our disciplined focus on capital allocation and efficient product lines. This generates more value for every dollar of capital we invest in new business.

We target to pay out 75 per cent of annual net free surplus generation (net FSG), which is UFSG less new business investment and expenses, each year through dividends and a share buy-back announced at our annual results. As part of this policy, we also regularly review our capital position and return capital in excess of our needs. Net FSG in the first half of 2025 was US$2,430 million, up by 13 per cent per share.

Free surplus increased to US$13,608 million at 30 June 2025, before returning US$3,710 million to shareholders through the dividend and share buy-backs. Net of these items, free surplus was US$9,898 million and AIA's shareholder capital ratio was 219 per cent as at 30 June 2025.

NEW BUSINESS PERFORMANCE BY MARKET

AIA Hong Kong grew VONB by 24 per cent to US$1,063 million with new business sales across domestic customers and Mainland Chinese visitors recording strong double-digit VONB growth in the first half. Our market-leading agency increased new recruits by 15 per cent and active new agents by 25 per cent. Agency VONB increased by 35 per cent, contributing more than 70 per cent of AIA Hong Kong's total VONB. Partnerships achieved 10 per cent VONB growth, building on the exceptional growth of 41 per cent achieved in the first half of 2024, supported by an excellent performance from The Bank of East Asia, Limited.

VONB for **AIA China** was US$743 million, an increase of 10 per cent with momentum accelerating in the second quarter to 15 per cent VONB growth year-on-year, before the effects of economic assumption changes. After these effects, VONB reduced by 4 per cent and VONB margin increased to 58.6 per cent. Premier Agency contributed more than 80 per cent of AIA China's VONB.

AIA China's expansion beyond our five original territories is unlocking further material growth potential with a 36 per cent increase in VONB growth in the first half of 2025 from our new geographies launched since 2019. In March and April 2025, we successfully began operating in Anhui, Shandong, Chongqing and Zhejiang, already achieving a collective agency force of over 1,700 new agents. These four new geographies alone provide access to 100 million target customers, bringing our total target customer base in Mainland China to 340 million. We have ambitious expansion plans, and we aim to grow the VONB from our new geographies by 40 per cent CAGR from 2025 to 2030, before economic assumption changes.

AIA Thailand delivered exceptional VONB growth of 35 per cent to US$522 million as we benefitted from a one-off boost to sales through our market-leading agency ahead of the new industry-wide co-payment rules introduced from March 2025, as previously disclosed. These higher sales combined with favourable shifts in new business product mix, led to an increase in VONB margin to 115.7 per cent. We also delivered positive VONB growth through the bancassurance channel from our strategic partnership with Bangkok Bank Public Company Limited.

In **Singapore**, AIA achieved 16 per cent growth in VONB to US$259 million, including strong sales of our unit-linked long-term savings product in the first quarter of 2025 ahead of the introduction of a new version in April. VONB from our Premier Agency was up by 14 per cent, supported by a 22 per cent increase in agent productivity. Partnership distribution delivered VONB growth of 23 per cent from strong sales to the high-net-worth customer segment and our partnership with Citibank, N.A. grew VONB by strong double-digits.

At **AIA Malaysia**, VONB growth of 18 per cent in our partnership distribution channel was offset by a 16 per cent decrease from agency, leading to a 3 per cent overall reduction in VONB. Following new developments across the Malaysian health insurance market announced in December 2024, our agents spent a significant proportion of their time explaining policy options to existing customers which reduced frontline selling capacity in the short term. However, it strengthened our customer relationships and helped reinforce AIA's reputation for high-quality advice. We saw an uplift in persistency of medical insurance policies as a result as well as month-on-month growth in VONB from new medical products in the second quarter. Recruitment momentum also returned with positive sequential growth in the number of new recruits in the second quarter. Our bancassurance channel delivered strong double-digit VONB growth, driven mainly by our strategic partnership with Public Bank Berhad. This was supported by higher productivity from insurance specialists and the successful launch of a first-to-market life insurance product targeting high-net-worth customers which offers benefits linked to major foreign currencies.

Our **Other Markets** segment grew VONB by 14 per cent to US$249 million with positive growth in 9 out of 11 markets. Notably, Tata AIA Life, our joint venture in India, reported excellent VONB growth in the first half of the year.

I am confident that we will continue to draw upon our deep expertise and more than a century of heritage in Asia, to deliver profitable new business that compounds over time. This creates a virtuous circle, growing our large stock of future earnings, funding further capital investment in organic new business and delivering cash returns to shareholders for the long term.

OUTLOOK

In June 2025, we announced that Mr. Edmund Sze-Wing Tse, Independent Non-executive Chairman and Independent Non-executive Director, informed the Board of his intention to retire from AIA. Sir Mark Tucker will return to AIA as the Independent Non-executive Chairman and an Independent Non-executive Director of the Company effective from 1 October 2025. We are excited to welcome him back to the Group and we look forward to benefitting from his deep experience in financial services and passion for Asia as he leads our Board forward.

Asia presents exceptional long-term growth potential for life and health insurance, supported by enduring demographic and social trends that continue to gain momentum. While near-term geopolitical and global macroeconomic uncertainties persist, they do not detract from the significant opportunities available to AIA in this dynamic and attractive region.

AIA's excellent performance in the first half of 2025 reaffirms my confidence in the strength of our business model and effectiveness of our growth strategy. We are driving sustained, strong momentum across key operating metrics and today's results once again highlight our proven ability to execute with discipline. Our sustainable growth ambitions are bolder than ever, and I am certain we are well-positioned to deliver our commitments as we realise AIA's full potential.

Lee Yuan Siong
Group Chief Executive and President
21 August 2025

Notes:
Growth rates and commentaries are provided on a constant exchange rate (CER) basis, unless otherwise stated.

(1) Compared with full year 2024. On an actual exchange rate (AER) basis.

(2) Compound annual growth rate (CAGR) from 2023 to 2026, calculated on a CER basis and net of the impact from the top-up tax under the Global Minimum Tax regime.

FINANCIAL AND OPERATING REVIEW

GROUP CHIEF FINANCIAL OFFICER'S REVIEW

Growth rates and commentaries are provided on a constant exchange rate (CER) basis, unless otherwise stated.

Summary and Key Financial Highlights

AIA has delivered an excellent performance in the first half of 2025 with double-digit growth in our key financial metrics. We continue to sell high-quality, profitable new business with a 14 per cent increase in VONB to US$2,838 million. In turn, this has supported higher earnings with OPAT up by 12 per cent per share and UFSG, our key operating measure of cash generation, grew by 10 per cent per share. As a result, annualised operating ROE and ROEV both increased to record highs of 16.2 per cent and 17.8 per cent, respectively. The Board has declared a 10 per cent increase in the interim dividend per share. In line with our capital management policy, the total returns to shareholders through dividends and share buy-backs for the financial year 2025 will be determined as part of our 2025 annual results. AIA continues to be exceptionally well positioned to capture profitable new business opportunities, which translate into superior earnings and returns to shareholders in the years to come. We are on track to achieve our 9 to 11 per cent OPAT per share CAGR(1) target from 2023 to 2026.

Embedded Value

AIA's focus on high-quality new business has grown VONB by 14 per cent in the first half of 2025 to a record US$2,838 million. Our key growth engines of Hong Kong, ASEAN and India all achieved more than 20 per cent growth. In the second quarter, AIA China gained momentum and delivered positive VONB growth on a reported basis while underlying growth, before the effects of economic assumption changes, increased to 15 per cent.

Strong VONB growth and more positive operating variances from our proactive in-force management and prudent assumptions helped to deliver EV operating profit of US$5,893 million, up 15 per cent per share, and a 290 basis points(2) increase in annualised operating ROEV to a new high of 17.8 per cent.

Non-operating items, currency translation and other capital movements resulted in a small overall reduction of US$139 million to EV Equity.

EV Equity was US$77,380 million at 30 June 2025 before dividends and share buy-backs, an increase of 8 per cent over the first half of 2025 on an actual exchange rate basis.

After payment of shareholder dividends of US$1,768 million and share buy-backs of US$1,942 million, EV Equity was US$73,670 million at 30 June 2025, up by 5 per cent per share over the first half of 2025 on an actual exchange rate basis.

IFRS Earnings

The direct outcome of compounding profitable new business with recurring earnings over multiple years is that OPAT, our core measure of operating earnings, grew to US$3,609 million, up by 12 per cent per share. This strong growth is net of the first-time impact of the Global Minimum Tax regime(3) (GMT) introduced in Hong Kong effective from 1 January 2025.

A key component of OPAT is the insurance service result, which recorded a 19 per cent increase to US$3,517 million. The higher insurance service result reflects both the layering of new business and improved positive claims experience from our proactive in-force management actions.

The strong growth in OPAT per share underscores the high quality of our business fundamentals as well as our clear and disciplined approach to capital management. Operating ROE increased by 140 basis points[(2)] to a record 16.2 per cent on an annualised basis and operating margin remained strong at 15.1 per cent. We are on track to achieve our 9 to 11 per cent OPAT per share CAGR[(1)] target from 2023 to 2026.

After shareholder dividends and share buy-backs, shareholders' allocated equity was US$44,478 million at 30 June 2025, up by 3 per cent per share over the first half of 2025 on an actual exchange rate basis.

Free Surplus

UFSG, a key operating measure of the Group's cash generation after tax, was US$3,569 million, up 10 per cent per share. Higher UFSG was supported by new business growth and positive operating variances, which reflected our usual pattern over recent years where variances are more positive in the first half compared with the second half.

The continued growth in UFSG and a strategic shift to less capital intensive products across our markets resulted in a net FSG of US$2,430 million in the first half of 2025, up 13 per cent per share.

Free surplus increased from US$12,554 million at 31 December 2024 to US$13,608 million at 30 June 2025, before returns to shareholders of US$3,710 million through dividends and share buy-backs. Net of these items, free surplus was US$9,898 million at 30 June 2025.

Capital Management

In March 2025, under our established capital management policy, we announced a new share buy-back of US$1.6 billion, which was successfully completed on 14 July 2025. Since 2022, we have now returned US$22.3 billion to shareholders through dividends paid and share buy-backs. Our share buy-backs have cumulatively repurchased 1,603 million shares and reduced the outstanding share count by 13 per cent.

The Board has declared an increase of 10 per cent in the interim dividend to 49.00 Hong Kong cents per share, in line with AIA's prudent, sustainable and progressive dividend policy. The total returns to shareholders through dividends and share buy-backs for the financial year 2025 will be determined as part of our 2025 annual results, in accordance with our capital management policy.

The shareholder capital ratio, our principal measure of the overall capital and free surplus position for shareholders, remained strong at 219 per cent at 30 June 2025. This compared with 236 per cent at 31 December 2024, with the reduction largely due to the share buy-backs and the typically larger final dividend paid in the first half of the year. In line with our policy, we intend to review our capital position at our 2025 annual results.

AIA remains exceptionally well positioned to capture the growth opportunities in Asia, the most attractive region in the world for life and health insurance. We are focused on driving high-quality, profitable new business growth that adds substantial layers of recurring earnings and free surplus generation well into the future, giving us confidence in delivering our OPAT growth target[(1)] as well as cash returns to shareholders in the years to come.

Notes:

(1) Compound annual growth rate (CAGR) from 2023 to 2026 calculated on a constant exchange rate basis and net of the impact from the top-up tax under the Global Minimum Tax regime.

(2) Compared with full year 2024. On an actual exchange rate (AER) basis.

(3) Global Minimum Tax regime (GMT) developed as part of Pillar Two of the Base Erosion and Profit Shifting 2.0 (BEPS 2.0) initiative which became effective in Hong Kong from 1 January 2025.

New Business Performance

VONB, ANP AND MARGIN BY SEGMENT

US$ millions, unless otherwise stated	Six months ended 30 June 2025 VONB	Six months ended 30 June 2025 VONB Margin	Six months ended 30 June 2025 ANP	Six months ended 30 June 2024 VONB	Six months ended 30 June 2024 VONB Margin	Six months ended 30 June 2024 ANP	VONB Change YoY CER	VONB Change YoY AER
Mainland China	**743**	**58.6%**	**1,268**	782	56.6%	1,382	**(4)%**	(5)%
Hong Kong	**1,063**	**65.8%**	**1,609**	858	65.7%	1,272	**24%**	24%
Thailand	**522**	**115.7%**	**452**	359	93.1%	386	**35%**	45%
Singapore	**259**	**47.4%**	**547**	219	52.4%	417	**16%**	18%
Malaysia	**192**	**68.9%**	**278**	183	64.2%	285	**(3)%**	5%
Other Markets	**249**	**31.5%**	**788**	224	27.7%	804	**14%**	11%
Subtotal	**3,028**	**61.2%**	**4,942**	2,625	57.2%	4,546	**14%**	15%
Consolidated capital requirements	**(46)**	**n/m**	**–**	(38)	n/m	–	**15%**	21%
Value of unallocated Group Office expenses	**(71)**	**n/m**	**–**	(98)	n/m	–	**(28)%**	(28)%
Group Corporate Centre tax	**(54)**	**n/m**	**–**	(16)	n/m	–	**218%**	238%
Total before non-controlling interests	**2,857**	**57.7%**	**4,942**	2,473	53.9%	4,546	**14%**	16%
Non-controlling interests	**(19)**	**n/m**	**n/m**	(18)	n/m	n/m	**6%**	6%
Total	**2,838**	**57.7%**	**4,942**	2,455	53.9%	4,546	**14%**	16%

VONB grew by 14 per cent in the first half of 2025 to US$2,838 million. Our key growth engines of Hong Kong, ASEAN and India all achieved more than 20 per cent growth. In the second quarter, AIA China gained momentum and delivered positive VONB growth on a reported basis while underlying growth, before the effects of economic assumption changes, increased to 15 per cent.

Our proprietary agency channel achieved VONB growth of 17 per cent, while our partnerships delivered an 8 per cent increase in VONB.

Annualised new premiums (ANP) grew by 8 per cent to US$4,942 million. VONB margin of 57.7 per cent was up by 3.4 pps compared with the first half of 2024, driven by favourable product mix shift and repricing in Thailand and Mainland China. Margin reported on a present value of new business premium (PVNBP) basis remained stable compared with the first half of 2024 at 11 per cent.

AIA China delivered a resilient performance in the first half of 2025 with VONB up by 10 per cent, before the effects of economic assumption changes. VONB included in the Group's reported results reflects start-of-quarter Chinese government bond spot yields, as well as the reduction of 80 basis points in our long-term investment return assumption made at the end of 2024. On this prudent basis, VONB reduced by 4 per cent while VONB margin increased to 58.6 per cent.

AIA Hong Kong delivered 24 per cent VONB growth in the first half of 2025 with strong double-digit growth from both domestic and Mainland Chinese visitor (MCV) customers, with a balanced mix across the two customer segments, reflecting our well-diversified and growing customer base.

AIA Thailand achieved excellent VONB growth of 35 per cent in the first half of 2025. The growth benefitted from one-off sales of higher-margin individual medical insurance products ahead of the new industry-wide co-payment rules introduced from March 2025, as previously disclosed.

AIA Singapore delivered 16 per cent VONB growth from double-digit growth across both our agency and partnership distribution channels.

In AIA Malaysia, VONB growth of 18 per cent in our partnership distribution channel was offset by a 16 per cent decline from agency, leading to a 3 per cent overall reduction in VONB, reflecting the resilience of our multi-channel distribution model.

In our Other Markets segment, nine out of eleven markets delivered positive VONB growth, leading to 14 per cent growth overall.

Further details are included in the Business Review section of this report.

EV Equity

EV EQUITY MOVEMENT

EV operating profit of US$5,893 million was up by 15 per cent per share in the first half of 2025 and resulted in a 290 basis points[(1)] increase in annualised operating ROEV to a record high of 17.8 per cent. The strong growth in EV operating profit was mainly driven by the continued execution of our growth strategy that delivers high-quality VONB as well as our proactive in-force management which has resulted in more positive operating variances.

Operating experience variances and assumption changes added US$512 million to EV Equity, supported by continued management actions on medical business and improved claims variances, which benefitted from a less severe flu season in the first half of 2025 compared with last year.

Cumulative operating experience variances and assumption changes have added US$4.6 billion to EV Equity since our IPO in 2010, demonstrating our consistent focus on writing high-quality new business, adopting prudent assumptions and proactively managing our in-force portfolio over many years.

Non-operating items, currency translation and other capital movements resulted in a small negative variance of US$139 million on EV Equity. Negative investment return variances of US$1,397 million mainly related to equity market and interest rate movements in Thailand, and were offset by positive currency translation effects of US$1,371 million, as local market currencies strengthened against the US dollar in the first half of 2025.

As per our usual practice, investment return variances include the update to actual spot market yields at 30 June 2025, while our long-term investment return assumptions and risk discount rates are unchanged from those used at the end of 2024.

EV Equity grew by 8 per cent on an actual exchange rate basis over the first half of 2025 to US$77,380 million, before returning US$3,710 million to shareholders through shareholder dividends and share buy-backs.

After these capital returns to shareholders, EV Equity was US$73,670 million at 30 June 2025, up by 5 per cent per share on an actual exchange rate basis over the first half of 2025.

AIA's EV methodology deducts the value of the Group's outstanding medium-term notes and securities (MTNs) at amortised cost. If MTNs were included at fair value, EV Equity would increase by US$696 million to US$74,366 million. Also, our investment in China Post Life is included in the Group's EV Equity at IFRS net asset value and does not reflect any value of in-force business.

Note:
(1) Compared with full year 2024. On an actual exchange rate (AER) basis.

An analysis of the movement in EV Equity is shown as follows:

US$ millions, unless otherwise stated	**Six months ended 30 June 2025** **ANW, goodwill and other intangible assets**	**VIF**	**EV Equity**
Opening EV Equity	**33,118**	**38,508**	**71,626**
Value of new business	**(34)**	**2,872**	**2,838**
Expected return on EV[1]	**2,415**	**413**	**2,828**
Operating experience variances	**370**	**(81)**	**289**
Operating assumption changes	**801**	**(578)**	**223**
Finance costs	**(285)**	**–**	**(285)**
EV operating profit	**3,267**	**2,626**	**5,893**
EV Equity before non-operating items	**36,385**	**41,134**	**77,519**
Investment return variances[2]	**(1,070)**	**(327)**	**(1,397)**
Other non-operating variances	**(325)**	**229**	**(96)**
EV non-operating items	**(1,395)**	**(98)**	**(1,493)**
Total EV Equity profit[3]	**1,872**	**2,528**	**4,400**
Other capital movements	**(17)**	**–**	**(17)**
Effect of changes in exchange rates	**335**	**1,036**	**1,371**
EV Equity before dividends and share buy-back	**35,308**	**42,072**	**77,380**
Dividends	**(1,768)**	**–**	**(1,768)**
Share buy-back	**(1,942)**	**–**	**(1,942)**
Closing EV Equity	**31,598**	**42,072**	**73,670**

US$ millions, unless otherwise stated	Six months ended 30 June 2024 ANW, goodwill and other intangible assets	VIF	EV Equity
Opening EV Equity	34,715	35,438	70,153
Value of new business	(117)	2,572	2,455
Expected return on EV	2,437	276	2,713
Operating experience variances	304	6	310
Operating assumption changes	186	(90)	96
Finance costs	(224)	–	(224)
EV operating profit	2,586	2,764	5,350
EV Equity before non-operating items	37,301	38,202	75,503
Investment return variances	1,077	(580)	497
Other non-operating variances	(1,125)	996	(129)
EV non-operating items	(48)	416	368
Total EV Equity profit	2,538	3,180	5,718
Other capital movements	16	–	16
Effect of changes in exchange rates	(789)	(864)	(1,653)
EV Equity before dividends and share buy-back	36,480	37,754	74,234
Dividends	(1,705)	–	(1,705)
Share buy-back	(1,673)	–	(1,673)
Closing EV Equity	33,102	37,754	70,856

Notes:

(1) For the six months ended 30 June 2025, expected return on EV is net of a notional GMT top-up tax of negative US$136 million calculated on an operating profit basis.

(2) For the six months ended 30 June 2025, investment return variances include a positive US$85 million, representing the difference between the notional GMT top-up tax calculated on an operating profit basis of negative US$136 million and the actual GMT top-up tax incurred of negative US$51 million.

(3) For the six months ended 30 June 2025, total EV Equity profit is net of actual GMT top-up tax incurred of negative US$51 million.

EV EQUITY PER SHARE

US$ millions, unless otherwise stated	**As at 30 June 2025**	As at 31 December 2024	**Change CER**	Change AER
ANW	**28,781**	30,527	**(8)%**	(6)%
VIF	**42,072**	38,508	**6%**	9%
EV	**70,853**	69,035	**–**	3%
Goodwill and other intangible assets[1]	**2,817**	2,591	**6%**	9%
EV Equity	**73,670**	71,626	**–**	3%
Number of ordinary shares outstanding (millions)	**10,543**	10,793	**(2)%**	(2)%
EV Equity per share (US dollars)	**6.99**	6.64	**3%**	5%

Note:

(1) Goodwill and other intangible assets are consistent with the figures in the interim condensed consolidated financial statements and are shown net of tax, amounts attributable to participating funds and non-controlling interests.

EV OPERATING PROFIT PER SHARE

	Six months ended 30 June 2025	Six months ended 30 June 2024	**YoY CER**	YoY AER
EV operating profit (US$ millions)	**5,893**	5,350	**9%**	10%
Weighted average number of ordinary shares outstanding (millions)	**10,634**	11,221	**(5)%**	(5)%
Basic EV operating profit per share (US cents)	**55.42**	47.68	**15%**	16%
Weighted average number of ordinary shares outstanding on diluted basis (millions)[1]	**10,644**	11,227	**(5)%**	(5)%
Diluted EV operating profit per share (US cents)[1]	**55.36**	47.65	**15%**	16%

Note:

(1) Diluted EV operating profit per share includes the effects of the awards under various share-based compensation plans as described in note 25 to the interim condensed consolidated financial statements.

EV AND VONB SENSITIVITIES

Sensitivities for EV and VONB to changes in equity prices and interest rate movements, including resulting management actions, are shown below. Interest rate sensitivities apply a 50 basis points movement in current bond yield curves, long-term investment return assumptions and risk discount rates, including the corresponding effect on asset values. The direction of interest rate sensitivities varies by market.

US$ millions, unless otherwise stated	**As at 30 June 2025** EV	% Change	As at 31 December 2024 EV	% Change
Central value	**70,853**		69,035	
Effect of equity price changes				
10 per cent increase in equity prices	**2,289**	**3.2%**	2,233	3.2%
10 per cent decrease in equity prices	**(2,312)**	**(3.3)%**	(2,248)	(3.3)%
Effect of interest rate changes				
50 basis points increase in interest rates	**(804)**	**(1.1)%**	(580)	(0.8)%
50 basis points decrease in interest rates	**611**	**0.9%**	500	0.7%

US$ millions, unless otherwise stated	**Six months ended 30 June 2025** VONB	% Change	Six months ended 30 June 2024 VONB	% Change
Central value	**2,838**		2,455	
Effect of interest rate changes				
50 basis points increase in interest rates	**29**	**1.0%**	77	3.1%
50 basis points decrease in interest rates	**(54)**	**(1.9)%**	(93)	(3.8)%

Please refer to Section 3 of the Supplementary Embedded Value Information for additional information.

IFRS Earnings

OPERATING PROFIT AFTER TAX COMPOSITION

OPAT, our core measure of operating earnings, grew by 12 per cent per share to US$3,609 million for the first half of 2025, reflecting the compounding effect as we continue to add layers of profitable new business with recurring earnings.

Operating margin remained strong at 15.1 per cent, reflecting our high-quality and diversified sources of earnings, and operating ROE increased by 140 basis points(1) to a record level of 16.2 per cent on an annualised basis, supported by our capital management actions.

The three main components of operating profit are: 1) the insurance service result; 2) the net investment result after expenses; and 3) other fees, revenue and expenses.

The most significant driver of OPAT growth in the first half was the 19 per cent increase in the insurance service result to US$3,517 million. This strong growth in insurance service result reflects both the continued addition of successive layers of new business driving a higher CSM release, and more positive claims variances supported by good progress on our Integrated Healthcare Strategy. The improved claims variances for individual business are included in the operating variances of US$231 million, while those relating to our corporate solutions business are within the US$243 million of risk adjustment release and other.

The net investment result after expenses of US$1,536 million reduced by US$116 million compared with the first half of 2024, primarily driven by a reduced balance of surplus assets following further share buy-backs and approximately US$40 million from lower interest rates in Mainland China.

Other fees, revenue and expenses remained stable compared with the first half of 2024 as higher net other fees and revenue were offset by increased finance costs from our Global Medium-term Note (GMTN) and Securities Programme.

Tax increased due to higher operating profit before tax and included for the first-time the effect of both GMT top-up tax of US$136 million and Bermuda corporate income tax of US$31 million, both of which became effective from 1 January 2025.

The GMT top-up tax is reflected on an operating profit basis as a notional tax charge under Pillar Two of BEPS 2.0. This increased the Group's effective tax rate (ETR) on an operating profit basis from 15 per cent to 18 per cent in the first half of 2025, in line with our previous guidance.

The actual GMT top-up tax incurred in any period is based on net profit before any GMT top-up tax and it will differ from the notional GMT top-up tax calculated on an operating profit basis. In the first half of 2025, actual GMT top-up tax incurred was US$51 million which is reflected in the reported net profit.

The strong growth in OPAT per share underscores the high quality of our business fundamentals as well as our clear and disciplined approach to capital management. Combined with our effective management of the in-force portfolio, we are on track to achieve our 9 to 11 per cent OPAT per share CAGR(2) target from 2023 to 2026.

Notes:

(1) Compared with full year 2024. On an actual exchange rate (AER) basis.

(2) Compound annual growth rate (CAGR) from 2023 to 2026 calculated on a constant exchange rate basis and net of the impact from the top-up tax under the Global Minimum Tax regime.

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
CSM release	**3,043**	2,782	**9%**	9%
Operating variances	**231**	71	**255%**	225%
Risk adjustment release and other	**243**	85	**176%**	186%
Insurance service result	**3,517**	2,938	**19%**	20%
Net investment result	**1,634**	1,744	**(7)%**	(6)%
Investment management expenses	**(98)**	(107)	**(8)%**	(8)%
Net investment result after expenses	**1,536**	1,637	**(7)%**	(6)%
Net other fees and revenue[(1)]	**91**	33	**194%**	176%
Non-attributable expenses under IFRS 17	**(442)**	(433)	**3%**	2%
Finance costs	**(274)**	(229)	**19%**	20%
Other fees, revenue and expenses	**(625)**	(629)	**(1)%**	(1)%
Tax[(2)]	**(819)**	(560)	**45%**	46%
OPAT	**3,609**	3,386	**6%**	7%
Basic OPAT per share (US cents)	**33.94**	30.18	**12%**	12%

Notes:
(1) After adjusting for non-insurance expenses.

(2) Includes GMT top-up tax and Bermuda corporate income tax.

OPAT PER SHARE

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
OPAT	**3,609**	3,386	**6%**	7%
Weighted average number of ordinary shares outstanding (millions)	**10,634**	11,221	**(5)%**	(5)%
Basic OPAT per share (US cents)	**33.94**	30.18	**12%**	12%
Weighted average number of ordinary shares outstanding on diluted basis (millions)[(1)]	**10,644**	11,227	**(5)%**	(5)%
Diluted OPAT per share (US cents)[(1)]	**33.91**	30.16	**12%**	12%

Note:
(1) Diluted OPAT per share includes the effects of the awards under various share-based compensation plans as described in note 25 to the interim condensed consolidated financial statements.

CSM MOVEMENT, NET OF REINSURANCE

Underlying CSM growth[(1)] accelerated to 10.3 per cent on an annualised basis in the first half of 2025, demonstrating the strong execution of our growth strategy over many years.

New business CSM[(2)] increased by 15 per cent to US$4,387 million and the expected return on in-force business added a further US$1,470 million. Together these increased the CSM to US$62,088 million, equivalent to 22 per cent growth on an annualised basis.

Variances and others[(2)] increased the CSM by US$1,036 million in the first half of 2025, largely due to favourable operating assumption changes reflecting the latest experience and management actions on medical business, as well as positive investment return variances in our Hong Kong participating business.

Currency translation effects in the Group's consolidated figures benefitted the CSM by US$1,299 million as our local market currencies strengthened against the US dollar in the first half.

The CSM increased to US$64,423 million before CSM release into OPAT of US$3,043 million, at a stable rate of release compared with the prior year. As a result, the closing CSM was US$61,380 million at 30 June 2025.

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024
Opening CSM	**56,231**	53,115
New business CSM[(2)]	**4,387**	3,776
Expected return on in-force	**1,470**	1,358
CSM before variances and others, exchange rates and release	**62,088**	58,249
Variances and others[(2)]	**1,036**	(172)
Exchange rates	**1,299**	(1,227)
Closing CSM before release	**64,423**	56,850
CSM release	**(3,043)**	(2,782)
Closing CSM	**61,380**	54,068
CSM release rate[(3)]	**9.4%**	9.5%
Underlying CSM growth after CSM release[(1)]	**10.3%**	9.1%

Notes:

(1) Underlying CSM growth refers to the growth in CSM after the CSM release and before variances and others and the effect of exchange rate movements, expressed as a percentage of the opening CSM on an annualised basis.

(2) For the six months ended 30 June 2025, we have reallocated US$83 million relating to reinsurance transactions on in-force business from "New business CSM" to "Variances and others", consistent with how we calculate VONB. The closing CSM balance is unchanged.

(3) Calculated after variances and others and based on end-of-period exchange rates and shown on an annualised basis.

OPAT BY SEGMENT

In all of our reportable segments, successive layers of profitable new business have driven a higher CSM release in the first half.

Claims variances also improved across our reportable segments, supported by the management actions taken and a less severe flu season in the first half of 2025.

Our businesses in Hong Kong, Thailand and Malaysia all achieved double-digit growth in OPAT as a result of business growth as well as improved claims experiences.

AIA China grew OPAT by 7 per cent as a result of in-force portfolio growth and improved claims variances, partly offset by lower interest rates.

AIA Singapore's OPAT grew by 4 per cent as business growth was partly offset by lower investment income on surplus assets due to increased remittances to support the share buy-backs.

Other Markets returned to positive double-digit OPAT growth for the first half of 2025, supported by increase in revenue in MediCard in the Philippines, improved medical claims experience in AIA Indonesia, as well as in-force portfolio growth in AIA Taiwan.

OPAT for Group Corporate Centre (GCC) primarily includes the net investment result on surplus assets held in GCC, unallocated Group Office operating expenses, finance costs and the new top-up tax arising from GMT in the first half of 2025.

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
Mainland China	**873**	827	**7%**	6%
Hong Kong	**1,401**	1,223	**15%**	15%
Thailand	**621**	514	**13%**	21%
Singapore	**355**	343	**4%**	3%
Malaysia	**210**	178	**14%**	18%
Other Markets	**338**	292	**17%**	16%
Group Corporate Centre	**(189)**	9	**n/m**	n/m
Total	**3,609**	3,386	**6%**	7%

OPAT NET INVESTMENT RESULT

The net investment result included in OPAT relates to non-participating business[(1)] and surplus assets.

The investment return on non-participating and surplus assets[(2)] increased by 3 per cent to US$2,968 million compared with the first half of 2024. Growth in the investment return in the period was moderated by a lower balance of surplus assets following further share buy-backs and approximately US$40 million from lower interest rates in Mainland China.

Non-participating insurance finance expenses and others[(3)] of US$1,334 million increased by 19 per cent from US$1,115 million for the first half of 2024, largely driven by the increase in insurance and reinsurance contract liabilities balance.

The net investment result after expenses of US$1,536 million reduced by US$116 million compared with the first half of 2024, primarily due to lower balance of surplus assets.

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
Interest revenue on financial assets	**2,211**	2,191	**–**	1%
Expected long-term investment return for equities and real estate	**757**	668	**12%**	13%
Investment return on non-participating and surplus assets[(2)]	**2,968**	2,859	**3%**	4%
Non-participating insurance finance expenses and others[(3)]	**(1,334)**	(1,115)	**19%**	20%
Net investment result	**1,634**	1,744	**(7)%**	(6)%
Investment management expenses	**(98)**	(107)	**(8)%**	(8)%
Net investment result after expenses	**1,536**	1,637	**(7)%**	(6)%

For participating[(4)] and unit-linked business, investment returns are offset by corresponding movements in contract liabilities as shown below and therefore have no material net effect on the net investment result.

	Six months ended 30 June 2025		
US$ millions, unless otherwise stated	**Participating and unit-linked**	**Non-participating and surplus assets and others**	**Total**
Investment return	**4,686**	**2,968**	**7,654**
Insurance finance expenses and others	**(4,351)[(5)]**	**(1,334)[(3)]**	**(5,685)**
Movement in investment contract liabilities	**(308)**	**–**	**(308)**
Movement in third-party interests in consolidated investment funds	**(27)**	**–**	**(27)**
Net investment result	**–**	**1,634**	**1,634**

Notes:

(1) Non-participating business includes all insurance liabilities under the general measurement model (GMM), covering traditional protection, unit-linked with significant protection benefits, universal life and other participating business without distinct portfolios.

(2) Non-participating and surplus assets are referred to as “Other policyholder and shareholder investments” in the IFRS Balance Sheet section of Group Chief Financial Officer’s Review.

(3) Primarily represents the interest accreted on non-participating business liabilities.

(4) Participating funds and other participating business with distinct portfolios under the variable fee approach (VFA).

(5) Primarily represents the insurance contract liability offset of participating and unit-linked investment return.

TWPI BY SEGMENT

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
Mainland China	**6,774**	5,985	**14%**	13%
Hong Kong	**7,017**	5,930	**18%**	18%
Thailand	**2,450**	2,098	**8%**	17%
Singapore	**2,616**	2,209	**17%**	18%
Malaysia	**1,526**	1,310	**8%**	16%
Other Markets	**3,553**	3,554	**3%**	–
Total	**23,936**	21,086	**13%**	14%

TWPI increased by 13 per cent to US$23,936 million compared with the first half of 2024 and all our reportable segments delivered positive TWPI growth in the first half of 2025.

OPERATING EXPENSES

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
Operating expenses	**1,751**	1,720	**2%**	2%
Expense ratio	**7.3%**	8.2%	**(0.8) pps**	(0.9) pps

Our disciplined expense management helped limit operating expense growth to 2 per cent and resulted in an 80 basis points improvement in expense ratio based on TWPI to 7.3 per cent for the first half of 2025.

NON-OPERATING MOVEMENT AND NET PROFIT

Net profit of US$2,534 million in the first half of 2025 decreased by 20 per cent per share compared with the first half of 2024.

Net profit includes mark-to-market movements from equity and real estate investments backing non-participating business and shareholder surplus. Short-term investment and discount rate variances mainly reflect the short-term movements in these asset classes compared with our long-term investment return assumptions, these variances were negative US$754 million in the first half of 2025, largely driven by market movements in Thailand.

Other non-operating investment return and other items were negative US$354 million in the first half of 2025, largely due to fair value movement of derivatives held for currency risk management. The negative non-operating variances were more than offset by the positive US$1,254 million from foreign currency translation adjustments that flow directly to shareholders' equity and are not included in net profit.

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
OPAT	**3,609**	3,386	**6%**	7%
Short-term investment and discount rate variances, net of tax(1)	**(754)**	(319)	**138%**	136%
Reclassification of revaluation losses/(gains) for property held for own use, net of tax(1)	**35**	(110)	**n/m**	n/m
Corporate transaction related costs, net of tax	**(2)**	(7)	**(71)%**	(71)%
Other non-operating investment return and other items, net of tax	**(354)**	364	**n/m**	n/m
Net profit	**2,534**	3,314	**(24)%**	(24)%
Basic earnings per share (US cents)	**23.83**	29.53	**(20)%**	(19)%

Note:

(1) Short-term investment and discount rate variances include revaluation gains for property held for own use. This amount is then reclassified from net profit to other comprehensive income to conform to IFRS® Accounting Standards measurement and presentation requirements.

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
Net profit	**2,534**	3,314	**(24)%**	(24)%
Weighted average number of ordinary shares outstanding (millions)	**10,634**	11,221	**(5)%**	(5)%
Basic earnings per share (US cents)	**23.83**	29.53	**(20)%**	(19)%
Weighted average number of ordinary shares outstanding on diluted basis (millions)(1)	**10,644**	11,227	**(5)%**	(5)%
Diluted earnings per share (US cents)(1)	**23.81**	29.52	**(20)%**	(19)%

Note:

(1) Diluted earnings per share includes the effects of the awards under various share-based compensation plans as described in note 25 to the interim condensed consolidated financial statements.

MOVEMENT IN SHAREHOLDERS' ALLOCATED EQUITY

Shareholders' allocated equity is shown before fair value reserve and insurance finance reserve, which management considers to be a view of shareholders' equity that better reflects the long-term nature of our business.

US$ millions, unless otherwise stated	Six months ended 30 June 2025	Year ended 31 December 2024	Six months ended 30 June 2024
Opening shareholders' allocated equity	**44,404**	44,754	44,754
Net profit	**2,534**	6,836	3,314
Dividends	**(1,768)**	(2,328)	(1,705)
Share buy-back	**(1,942)**	(4,150)	(1,673)
Foreign currency translation adjustments	**1,254**	(872)	(1,186)
Purchase of shares held by employee share-based trusts	**(80)**	(43)	(33)
Revaluation gains on property held for own use	**13**	144	91
Other capital movements	**63**	63	49
Total movement in shareholders' allocated equity	**74**	(350)	(1,143)
Closing shareholders' allocated equity	**44,478**	44,404	43,611
Shareholders' allocated equity per share (US dollars)	**4.22**	4.11	3.91
Average shareholders' allocated equity	**44,441**	44,579	44,183

After shareholder dividends and share buy-backs of US$3,710 million, shareholders' allocated equity was US$44,478 million at 30 June 2025, up by 3 per cent per share compared with the end of 2024 on an actual exchange rate basis.

CSM, NET OF REINSURANCE AND PROFIT BEFORE TAX SENSITIVITIES

Sensitivities for CSM and profit before tax to changes in equity prices and interest rate movements, including resulting management actions, are shown below. Interest rate sensitivities apply a 50 basis points movement in current bond yield curves to asset values with a corresponding movement in discount rates applied to the calculation of liabilities.

US$ millions, unless otherwise stated	As at 30 June 2025 CSM	As at 30 June 2025 % Change	As at 31 December 2024 CSM	As at 31 December 2024 % Change
Central value	**61,380**		56,231	
Effect of equity price changes				
10 per cent increase in equity prices	**971**	**1.6%**	893	1.6%
10 per cent decrease in equity prices	**(999)**	**(1.6)%**	(917)	(1.6)%
Effect of interest rate changes				
50 basis points increase in interest rates	**(522)**	**(0.9)%**	(416)	(0.7)%
50 basis points decrease in interest rates	**567**	**0.9%**	427	0.8%

US$ millions, unless otherwise stated	Six months ended 30 June 2025 Profit before tax	Year ended 31 December 2024 Profit before tax
Central value	**3,105**	7,831
Effect of equity price changes		
10 per cent increase in equity prices	**1,454**	1,448
10 per cent decrease in equity prices	**(1,450)**	(1,448)
Effect of interest rate changes		
50 basis points increase in interest rates	**(598)**	(627)
50 basis points decrease in interest rates	**642**	681

Sensitivity analyses on foreign exchange rate risk are included in note 24 to the interim condensed consolidated financial statements.

IFRS Balance Sheet

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

US$ millions, unless otherwise stated	As at 30 June 2025	As at 31 December 2024	Change AER
Assets			
Financial investments	**290,797**	272,151	7%
Investment property	**4,581**	4,570	–
Cash and cash equivalents	**10,056**	8,101	24%
Insurance and reinsurance contract assets	**7,589**	6,702	13%
Other assets	**15,407**	13,930	11%
Total assets	**328,430**	305,454	8%
Liabilities			
Insurance and reinsurance contract liabilities	**241,444**	221,667	9%
Investment contract liabilities	**7,463**	6,967	7%
Borrowings	**14,321**	13,329	7%
Other liabilities	**24,334**	22,678	7%
Less total liabilities	**287,562**	264,641	9%
Equity			
Total equity	**40,868**	40,813	–
Less non-controlling interests	**359**	323	11%
Shareholders' equity	**40,509**	40,490	–
Less			
Fair value reserve	**8,123**	5,744	41%
Insurance finance reserve	**(12,092)**	(9,658)	25%
Shareholders' allocated equity	**44,478**	44,404	–

MOVEMENT IN SHAREHOLDERS' EQUITY

US$ millions, unless otherwise stated	Six months ended 30 June 2025	Year ended 31 December 2024
Opening shareholders' equity	**40,490**	41,111
Net profit	**2,534**	6,836
Fair value gains on assets	**2,379**	5,228
Net finance expenses from insurance contracts and reinsurance contracts held	**(2,434)**	(5,499)
Dividends	**(1,768)**	(2,328)
Share buy-back	**(1,942)**	(4,150)
Foreign currency translation adjustments	**1,254**	(872)
Purchase of shares held by employee share-based trusts	**(80)**	(43)
Revaluation gains on property held for own use	**13**	144
Other capital movements	**63**	63
Total movement in shareholders' equity	**19**	(621)
Closing shareholders' equity	**40,509**	40,490
Number of ordinary shares outstanding (millions)	**10,543**	10,793
Shareholders' equity per share (US dollars)	**3.84**	3.75

ASSETS

Total assets increased to US$328,430 million at 30 June 2025 from US$305,454 million at 31 December 2024, mainly due to positive net investment cash inflows and fair value movements on financial investments, partly offset by the return of capital to shareholders.

LIABILITIES

Total liabilities increased to US$287,562 million at 30 June 2025 from US$264,641 million at 31 December 2024.

Insurance and reinsurance contract liabilities increased to US$241,444 million at 30 June 2025 compared with US$221,667 million at 31 December 2024, mainly due to net cash inflows, changes in fair value of underlying items of contracts measured under the variable fee approach and foreign exchange rate movements.

Investment contract liabilities increased to US$7,463 million at 30 June 2025 compared with US$6,967 million at 31 December 2024, mainly due to equity market and interest rate movements.

Borrowings increased to US$14,321 million at 30 June 2025, compared with US$13,329 million at 31 December 2024. Net proceeds from issuances and redemption of MTNs totalled US$920 million.

Details of commitments and contingencies are included in note 27 to the interim condensed consolidated financial statements.

EQUITY

Management considers that shareholders' allocated equity better reflects the long-term nature of our business and is shown before fair value reserve and insurance finance reserve. Shareholders' allocated equity was US$44,478 million at 30 June 2025.

Shareholders' equity includes other comprehensive income or expense from fair value gains on assets due to unrealised market movements on debt securities. Correspondingly, it also includes the net finance expenses from insurance contracts and reinsurance contracts held due to liability discount rate changes in our non-participating business(1).

In the first half of 2025, fair value gains on debt securities were US$2,379 million, offset by net finance expenses from insurance contracts and reinsurance contracts held of US$2,434 million.

Shareholders' equity increased to US$44,219 million before capital returns to shareholders of US$3,710 million. After capital returns, shareholders' equity was US$40,509 million at 30 June 2025.

Comprehensive equity of US$92,116 million at 30 June 2025 comprised shareholders' equity of US$40,509 million and net CSM of US$51,607 million, and was up 8 per cent per share compared with the end of 2024 on an actual exchange rate basis.

Leverage ratio, which is defined as total borrowings expressed as a percentage of the sum of total borrowings, total equity and CSM net of reinsurance and net of taxes, was 13.4 per cent at 30 June 2025, compared with 13.1 per cent at 31 December 2024. The increase was largely due to an increase in borrowings and reduced equity resulting from capital returns to shareholders, partly offset by the increase in net CSM.

Note:
(1) Excluding unit-linked with significant protection benefits.

US$ millions, unless otherwise stated	**As at 30 June 2025**	As at 31 December 2024	**Change CER**	Change AER
Shareholders' equity	**40,509**	40,490	**(3)%**	–
Net CSM[1]	**51,607**	47,110	**7%**	10%
Comprehensive equity	**92,116**	87,600	**2%**	5%
Comprehensive equity per share (US dollars)	**8.74**	8.12	**5%**	8%
Leverage ratio	**13.4%**	13.1%	**0.6 pps**	0.3 pps

Note:
(1) After allowing for reinsurance, taxes and net of non-controlling interests.

TOTAL INVESTMENTS

US$ millions, unless otherwise stated	**As at 30 June 2025**	**Percentage of total**	As at 31 December 2024	Percentage of total
Total policyholder and shareholder	**273,257**	**88%**	255,333	88%
Total unit-linked contracts and consolidated investment funds	**35,999**	**12%**	33,288	12%
Total investments	**309,256**	**100%**	288,621	100%

UNIT-LINKED CONTRACTS AND CONSOLIDATED INVESTMENT FUNDS

US$ millions, unless otherwise stated	**As at 30 June 2025**	**Percentage of total**	As at 31 December 2024	Percentage of total
Unit-linked contracts and consolidated investment funds				
Debt securities	**6,405**	**18%**	5,883	18%
Loans and deposits	**39**	**–**	71	–
Interests in investment funds and exchangeable loan notes	**19,718**	**54%**	18,110	54%
Equity shares	**8,929**	**25%**	8,413	25%
Cash and cash equivalents	**900**	**3%**	810	3%
Derivative financial instruments	**8**	**–**	1	–
Total unit-linked contracts and consolidated investment funds	**35,999**	**100%**	33,288	100%

POLICYHOLDER AND SHAREHOLDER INVESTMENTS

US$ millions, unless otherwise stated	As at 30 June 2025	Percentage of total	As at 31 December 2024	Percentage of total
Participating funds and other participating business with distinct portfolios[1]				
Government bonds	**23,336**	**8%**	22,050	9%
Government agency bonds	**7,017**	**3%**	6,894	3%
Corporate bonds and structured securities	**40,264**	**15%**	39,499	15%
Loans and deposits	**788**	**–**	392	–
Subtotal – Fixed income investments	**71,405**	**26%**	68,835	27%
Investment funds with debt instruments as underlying	**3,207**	**1%**	3,126	1%
Others	**41,368**	**15%**	37,250	15%
Subtotal – Interests in investment funds and exchangeable loan notes	**44,575**	**16%**	40,376	16%
Equity shares	**6,078**	**2%**	6,115	2%
Investment property and property held for own use	**3,572**	**2%**	3,614	1%
Cash and cash equivalents	**3,742**	**2%**	1,917	1%
Derivative financial instruments	**536**	**–**	338	–
Subtotal participating funds and other participating business with distinct portfolios	**129,908**	**48%**	121,195	47%
Other policyholder and shareholder				
Government bonds	**72,920**	**27%**	65,870	26%
Government agency bonds	**7,867**	**3%**	7,508	3%
Corporate bonds and structured securities	**31,746**	**12%**	30,514	12%
Loans and deposits	**4,005**	**1%**	3,579	1%
Subtotal – Fixed income investments	**116,538**	**43%**	107,471	42%
Investment funds with debt instruments as underlying	**2,207**	**1%**	2,188	1%
Others	**9,043**	**3%**	8,366	3%
Subtotal – Interests in investment funds and exchangeable loan notes	**11,250**	**4%**	10,554	4%
Equity shares	**4,537**	**1%**	5,269	2%
Investment property and property held for own use	**4,831**	**2%**	4,755	2%
Cash and cash equivalents	**5,414**	**2%**	5,374	2%
Derivative financial instruments	**779**	**–**	715	1%
Subtotal other policyholder and shareholder	**143,349**	**52%**	134,138	53%
Total policyholder and shareholder	**273,257**	**100%**	255,333	100%

Note:

(1) Participating fund business is written in a segregated statutory fund with regulations governing the division of surplus between policyholders and shareholders.

Other participating business with distinct portfolios, representing Hong Kong participating business, are supported by segregated investment assets and explicit provisions for future surplus distribution.

Total financial investments held in respect of policyholders and shareholders increased to US$273,257 million at 30 June 2025 compared with US$255,333 million at 31 December 2024.

Fixed income investments, including debt securities, loans and term deposits held in respect of policyholders and shareholders, totalled US$187,943 million at 30 June 2025 compared with US$176,306 million at 31 December 2024.

Government bonds and government agency bonds increased to US$111,140 million from US$102,322 million and represented 59 per cent of fixed income investments at 30 June 2025, compared with 58 per cent at 31 December 2024.

Corporate bonds and structured securities increased to US$72,010 million from US$70,013 million accounting for 38 per cent of fixed income investments at 30 June 2025, compared with 40 per cent at 31 December 2024.

The average credit rating of the fixed income portfolio including government bonds remained stable at A, compared with the position at 31 December 2024. The average credit rating of the fixed income portfolio excluding domestic government bonds[(1)] remained stable at A at 30 June 2025, compared with the position at 31 December 2024. The corporate bond portfolio was well diversified with over 1,600 issuers and an average holding size of US$40 million.

At 30 June 2025, 2 per cent of the total bond portfolio was rated below investment grade or not rated, representing approximately US$3.1 billion in value. Approximately US$110 million of bonds, representing 0.1 per cent of our total bond portfolio, were downgraded to below investment grade during the period.

The expected credit loss (ECL) provision for bond asset holdings measured either at amortised cost or fair value through other comprehensive income decreased by US$151 million in the first half of 2025. The ECL provision represented 0.3 per cent of the bond portfolio at 30 June 2025, reflecting overall quality of AIA's investments.

Interests in investment funds and exchangeable loan notes held in respect of policyholders and shareholders increased to US$55,825 million from US$50,930 million and represented 20 per cent of total financial investments held in respect of policyholders and shareholders at 30 June 2025, which remained stable compared with 31 December 2024.

Equity shares held in respect of policyholders and shareholders decreased to US$10,615 million at 30 June 2025, compared with US$11,384 million at 31 December 2024.

Cash and cash equivalents held in respect of policyholders and shareholders increased to US$9,156 million at 30 June 2025 compared with US$7,291 million at 31 December 2024.

Note:

(1) Domestic government bonds refer to bonds issued in local or foreign currencies by the government where the respective business unit operates.

Capital

FREE SURPLUS

The Group's free surplus is the excess of adjusted net worth over required capital, including consolidated reserving and capital requirements, after deducting certain assets not eligible for regulatory capital purposes. Free surplus provides the Group with the financial flexibility to invest in profitable growth and absorb the effects of capital market stress.

Free surplus increased from US$12,554 million at 31 December 2024 to US$13,608 million at 30 June 2025 before returning capital to shareholders through dividends and share buy-backs. The increase was due to net FSG of US$2,430 million, partly offset by investment return variances and other items of negative US$1,376 million. Investment return variances were mainly from equity market and interest rate movements in Thailand. Other items which reduced free surplus included US$390 million related to the additional growth capital provided to China Post Life and the acquisition of New Medical Centre Holding Limited in Hong Kong, US$210 million from foreign exchange translation and US$169 million following a local regulatory reserving change in Thailand.

After dividends of US$1,768 million and share buy-backs of US$1,942 million, free surplus was US$9,898 million at 30 June 2025.

The following table summarises the change in free surplus over the period:

US$ millions, unless otherwise stated	Six months ended 30 June 2025	Six months ended 30 June 2024
Opening free surplus	**12,554**	16,329
UFSG	**3,569**	3,391
Free surplus used to fund new business	**(699)**	(788)
Unallocated Group Office expenses	**(138)**	(152)
Finance costs and other capital movements	**(302)**	(208)
Net free surplus generation (Net FSG)	**2,430**	2,243
Investment return variances and other items	**(1,376)**	(634)
Free surplus before dividends and share buy-back	**13,608**	17,938
Dividends	**(1,768)**	(1,705)
Share buy-back	**(1,942)**	(1,673)
Closing free surplus	**9,898**	14,560

UNDERLYING FREE SURPLUS GENERATION (UFSG)

UFSG is a key operating metric that measures the amount of free surplus after tax generated from in-force business over the period before investment in new business, unallocated Group Office expenses, finance costs, investment return variances and other non-operating items.

UFSG increased to US$3,569 million, up 10 per cent per share compared with the first half of 2024.

UFSG comprises of expected distributable earnings from in-force business, expected return on free surplus and assets backing MTNs, operating variances and a recurring diversification benefit from adding profitable new business to our in-force portfolio.

US$ millions, unless otherwise stated	Six months ended 30 June 2025	Six months ended 30 June 2024	YoY CER	YoY AER
Expected return on free surplus and assets backing MTNs	**676**	698	**(3)%**	(3)%
Expected distributable earnings from in-force business	**2,105**	1,956	**7%**	8%
Diversification benefit due to new business	**344**	427	**(20)%**	(19)%
Other operating variances	**580**	310	**82%**	87%
GMT top-up tax in the current period[(1)]	**(136)**	–	**n/m**	n/m
UFSG	**3,569**	3,391	**4%**	5%
Basic UFSG per share (US cents)	**33.56**	30.22	**10%**	11%

Expected distributable earnings from in-force business increased by 7 per cent to US$2,105 million, reflecting successive layers of new business generating attractive returns. Our effective claims management of the in-force portfolio has helped improve other operating variances to US$580 million compared with the first half of 2024.

Adding new business to the in-force portfolio further diversifies underlying risks and leads to a lower total cost of reserving and capital. This recurring diversification benefit from new business added US$344 million to UFSG in the first half of 2025.

Other operating variances were US$580 million in the first half of 2025, reflecting our usual pattern over recent years with more positive variances in the first half compared with the second half.

NET FREE SURPLUS GENERATION (NET FSG)

Net FSG is calculated as UFSG less free surplus used to fund new business, unallocated Group Office expenses, finance costs and other capital movements. Net FSG and all of its components are shown net of relevant taxes.

Free surplus invested in writing new business decreased by 12 per cent to US$699 million with a shift to less capital intensive products, resulting in VONB growing faster than new business investment. This generates more value for every dollar of capital we invest in new business. The free surplus invested in writing new business of US$699 million in the first half of 2025 resulted in an addition of US$3,537 million to the discounted value of projected after-tax distributable earnings[(2)].

Unallocated Group Office expenses were lower at US$138 million, while finance costs and other capital movements increased to US$302 million for the first half of 2025.

As a result, net FSG was US$2,430 million for the first half of 2025, up 13 per cent per share.

Notes:

(1) For the six months ended 30 June 2025, notional GMT top-up tax in the current period of negative US$136 million is calculated on an operating profit basis. Closing free surplus is net of actual GMT top-up tax incurred of negative US$51 million. The difference of positive US$85 million is largely driven by investment return variances.

(2) Please refer to Section 5.4 of the Supplementary Embedded Value Information on the treatment of GMT top-up tax.

UFSG PER SHARE

	Six months ended 30 June 2025	Six months ended 30 June 2024	YoY CER	YoY AER
UFSG (US$ millions)	**3,569**	3,391	**4%**	5%
Weighted average number of ordinary shares outstanding (millions)	**10,634**	11,221	**(5)%**	(5)%
Basic UFSG per share (US cents)	**33.56**	30.22	**10%**	11%
Weighted average number of ordinary shares outstanding on diluted basis (millions)(1)	**10,644**	11,227	**(5)%**	(5)%
Diluted UFSG per share (US cents)(1)	**33.53**	30.20	**10%**	11%

Note:

(1) Diluted UFSG per share includes the effects of the awards under various share-based compensation plans as described in note 25 to the interim condensed consolidated financial statements.

CAPITAL MANAGEMENT

Our capital management policy provides greater clarity on how we deliver capital returns to shareholders. It includes a payout ratio target of 75 per cent of annual net FSG as well as a commitment to regularly review our capital position and return capital in excess of our needs.

As a result of the policy, we announced a new share buy-back of US$1.6 billion in March 2025, following the completion of the US$12.0 billion share buy-back in February 2025.

Since we began buying back shares in March 2022, we have repurchased approximately 1,564 million shares for an aggregate value of US$13,255 million up to 30 June 2025. We completed the US$1.6 billion share buy-back on 14 July 2025 with the repurchase of the outstanding US$345 million in July 2025. As a result, we have now returned US$22.3 billion to shareholders through dividends paid and share buy-backs since 1 January 2022. Our share buy-backs have cumulatively repurchased 1,603 million shares at an average price of HK$66 per share and reduced the outstanding share count by 13 per cent.

The Board has declared an increase of 10 per cent in the interim dividend to 49.00 Hong Kong cents per share, in line with AIA's prudent, sustainable and progressive dividend policy. The total returns to shareholders through dividends and share buy-backs for the financial year 2025 will be determined in our annual results in accordance with our capital management policy. In line with our policy, we intend to review our capital position at our 2025 annual results.

SHAREHOLDER CAPITAL RESOURCES

The shareholder capital ratio, our principal measure of the overall capital and free surplus position for shareholders, remained strong at 219 per cent at 30 June 2025. This compared with 236 per cent at 31 December 2024, with the reduction largely due to the share buy-backs and the typically larger final dividend paid in the first half of the year.

The following table shows a summary of the shareholder capital resources as at 30 June 2025.

US$ millions, unless otherwise stated	**As at 30 June 2025**	As at 31 December 2024
Shareholder capital ratio(1)	**219%**	236%
Shareholder capital resources	**39,478**	40,439
Free surplus(2)	**9,898**	12,554
Required capital(2)	**18,063**	17,154
Eligible Tier 2 debt capital(3)	**11,517**	10,731

Notes:

(1) The shareholder capital ratio is defined as the shareholder capital resources as a percentage of required capital.

(2) Free surplus and required capital are as shown in our EV reporting.

(3) Eligible Tier 2 debt capital is as shown in our Group LCSM.

The Group currently targets for the shareholder capital ratio to comfortably exceed 200 per cent.

GROUP LCSM SOLVENCY POSITION

Under the GWS capital adequacy rules, the Group's solvency is measured based on the LCSM, which aggregates the available capital, minimum capital requirements and prescribed capital requirements measured under the regulatory requirements of each entity within the Group.

In the first half of 2025, the Group LCSM coverage ratio remained strong at 254 per cent, compared with 257 per cent at 31 December 2024.

Eligible group capital resources increased from US$77,650 million to US$80,063 million, mainly from in-force generation and the issuance of eligible subordinated securities, partly offset by capital returns to shareholders.

The group prescribed capital requirement (GPCR) increased from US$30,159 million to US$31,579 million, mainly due to new business written during the period.

As a result, the Group LCSM surplus increased from US$47,491 million to US$48,484 million.

Tier 1 group capital remained stable at US$49,873 million compared with US$49,316 million at 31 December 2024, as in-force generation was broadly offset by capital returns to shareholders.

The group minimum capital requirement (GMCR) increased from US$14,131 million to US$14,872 million, mainly from new business written during the period.

The following table shows a summary of the Group LCSM solvency position on the GWS basis as at 30 June 2025.

US$ millions, unless otherwise stated	**As at 30 June 2025**	As at 31 December 2024
Group LCSM coverage ratio[1]	**254%**	257%
Tier 1 group capital coverage ratio[2]	**335%**	349%
Eligible group capital resources	**80,063**	77,650
Tier 1 group capital	**49,873**	49,316
Tier 2 group capital	**30,190**	28,334
Group prescribed capital requirement (GPCR)	**31,579**	30,159
Group minimum capital requirement (GMCR)	**14,872**	14,131
Group LCSM surplus	**48,484**	47,491

A shareholder view of the Group LCSM is also presented to show the position excluding the Group's participating business[3] and for comparability with other companies that report on this basis.

The Group LCSM coverage ratio on the shareholder basis is defined as the ratio of eligible group capital resources to the GPCR with both items excluding participating business. The ratio reduced from 316 per cent at 31 December 2024 to 307 per cent at 30 June 2025 mainly due to capital returns to shareholders.

	As at 30 June 2025		As at 31 December 2024	
US$ millions, unless otherwise stated	**GWS basis**	**Shareholder basis[3]**	GWS basis	Shareholder basis[3]
Group LCSM coverage ratio	**254%[1]**	**307%**	257%[1]	316%
Eligible group capital resources	**80,063**	**56,830**	77,650	56,360
GPCR	**31,579**	**18,514**	30,159	17,814
Group LCSM surplus	**48,484**	**38,316**	47,491	38,546

Notes:

(1) The Group LCSM coverage ratio on the GWS basis is referred to as the "eligible group capital resources coverage ratio" in the GWS framework and is defined as the ratio of the eligible group capital resources to the GPCR.

(2) The Tier 1 group capital coverage ratio is defined in the GWS framework as the ratio of the Tier 1 group capital to the GMCR.

(3) Excludes the contribution from participating funds and other participating business with distinct portfolios except for Brunei and Macau Special Administrative Region (SAR). Participating businesses in Brunei and Macau SAR are not considered as participating funds or other participating business with distinct portfolios under applicable local regulatory regimes within our LCSM reporting.

At 30 June 2025, eligible group capital resources in the GWS framework included the following items, which are included within Tier 2 group capital:

(i) US$7,107 million[1] of subordinated securities. Subordinated securities with a fixed maturity receive full capital credit up to the date that is 5 years prior to the date of maturity, with the capital credit then reducing at the rate of 20 per cent per annum until maturity. Subordinated securities with a maturity where principal repayment is subject to contractual conditions are not expected to be subject to capital credit amortisation. Perpetual subordinated securities receive full capital credit unless they are redeemed; and

(ii) US$4,410 million[1] of senior notes issued before designation that have been approved by the HKIA as capital. Prior to maturity, the approved senior notes receive full capital credit until 14 May 2031, after which the capital credit reduces at the rate of 20 per cent per annum until 14 May 2036.

Note:
(1) The amounts represent the carrying value of MTNs contributing to eligible group capital resources.

GROUP LCSM COVERAGE RATIO SENSITIVITIES

Group LCSM coverage ratio sensitivities arising from changes to the central assumptions from equity prices and interest rate movements, applied consistently as those used within EV reporting, are shown below.

Interest rate sensitivities apply a 50 basis points movement in current bond yield curves to asset values with a corresponding movement in discount rates applied to the calculation of liabilities. The amount of eligible debt capital is equal to the carrying value and is unchanged in the sensitivity calculations. The direction of interest rate sensitivities varies by market.

	As at 30 June 2025	As at 31 December 2024
Central value	**254%**	257%
Impact of equity price changes		
10 per cent increase in equity prices	**–**	–
10 per cent decrease in equity prices	**1 pps**	–
Impact of interest rate changes		
50 basis points increase in interest rates	**(11) pps**	(10) pps
50 basis points decrease in interest rates	**12 pps**	10 pps

RECONCILIATION BETWEEN GROUP LCSM SOLVENCY POSITION AND SHAREHOLDER CAPITAL

The table below shows a reconciliation of capital resources and capital requirement between the Group LCSM solvency position and the shareholder capital.

	As at 30 June 2025		As at 31 December 2024	
US$ millions, unless otherwise stated	**Capital resources**	**Capital requirement**	Capital resources	Capital requirement
Group LCSM solvency position	**80,063**	**31,579**	77,650	30,159
Adjustments for:				
Removal of participating surplus and others[1]	**(24,533)**	**(13,667)**	(21,594)	(12,913)
Different capital requirements under EV for AIA China[2]	**(7,038)**	**(4,312)**	(7,403)	(4,117)
Reflecting EV consolidated reserving and capital requirements	**(9,014)**	**4,463**	(8,214)	4,025
Shareholder capital	**39,478**	**18,063**	40,439	17,154

Notes:
(1) Mainly reflects the removal of surplus of participating funds and other participating business with distinct portfolios.

(2) Adjustment from C-ROSS solvency basis to China Association of Actuaries (CAA) EV basis in line with local requirements.

HOLDING COMPANY FINANCIAL RESOURCES

Holding company financial resources increased to US$13,606 million before shareholder dividends of US$1,768 million and US$1,942 million capital returns to shareholders through the share buy-back programme.

Capital flows from subsidiaries increased from US$1,469 million in the first half of 2024 to US$3,162 million in the first half of 2025, primarily due to differences in the timing of capital remittances.

Borrowings added US$920 million, while investment income, mark-to-market movements in debt securities and others increased holding company financial resources by US$309 million.

After total capital returns to shareholders, holding company financial resources were US$9,896 million at 30 June 2025.

The movements in holding company financial resources are summarised as follows:

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024
Opening holding company financial resources	**9,110**	8,140
Capital flows from subsidiaries	**3,162**	1,469
Corporate activity including acquisitions	**(134)**	(53)
Net capital flows to holding company	**3,028**	1,416
Settlement of intercompany loans receivables	**506**	–
Increase in borrowings[1]	**920**	152
Interest payments on borrowings[1]	**(267)**	(208)
Investment income, mark-to-market movements in debt securities and others	**309**	390
Closing holding company financial resources before dividends and share buy-back	**13,606**	9,890
Dividends paid	**(1,768)**	(1,705)
Share buy-back	**(1,942)**	(1,673)
Closing holding company financial resources	**9,896**	6,512

Assets recoverable and liabilities repayable within 12 months as follows:

US$ millions, unless otherwise stated	**As at 30 June 2025**	As at 30 June 2024
Loans to/amounts due from subsidiaries[2]	**423**	144
Medium-term notes and securities[3]	**(250)**	(750)
Net other assets and other liabilities	**(297)**	(259)

Notes:

(1) Borrowings principally include medium-term notes and securities; other intercompany loans; and amounts outstanding, if any, from the Company's US$2,980 million unsecured committed credit facilities.

(2) As at 30 June 2025, loans to/amounts due from subsidiaries was US$423 million (31 December 2024: US$910 million). US$423 million was recoverable within 12 months after 30 June 2025 (30 June 2024: US$144 million).

(3) As at 30 June 2025, medium-term notes and securities placed to the market was US$14,321 million (31 December 2024: US$13,246 million). US$153 million was repayable within 12 months after 30 June 2025 (30 June 2024: US$750 million). Details of the medium-term notes and securities placed to the market are included in note 20 to the interim condensed consolidated financial statements.

Global Medium-term Note and Securities Programme

Under our Global Medium-term Note and Securities Programme, the Company issued two unlisted fixed rate medium-term notes and one listed fixed rate subordinated dated securities in the first half of 2025.

On 6 May 2025, the Company issued unlisted US dollar-denominated fixed rate medium-term notes. The offering comprised US$128 million of 2.99-year notes at an annual rate of 4.17 per cent.

On 9 May 2025, the Company issued unlisted Hong Kong dollar-denominated fixed rate medium-term notes. The offering comprised HK$1,350 million of 2.5-year notes at an annual rate of 3.477 per cent. The US dollar equivalent issued was approximately US$174 million.

On 11 June 2025, the Company issued Singapore dollar-denominated fixed rate subordinated dated securities. The offering comprised S$800 million of 10-year securities at an annual rate of 3.58 per cent. The securities are listed on The Stock Exchange of Hong Kong Limited. The US dollar equivalent issued was approximately US$622 million.

As at 30 June 2025, the aggregate carrying amount of the debt issued to the market under the programme was US$14,321 million compared with US$13,246 million at 31 December 2024.

Credit Ratings

As at 30 June 2025, AIA Co. had financial strength ratings of AA (Very Strong) with a stable outlook from Fitch; AA- (Very Strong) with a positive outlook from S&P Global Ratings; and Aa2 (Very Low Credit Risk) with a stable outlook from Moody's. S&P Global Ratings revised the outlook on AIA Co. from stable to positive on 23 December 2024 reflecting strengthened capital buffer levels and improved visibility on the future profits under IFRS 17 results. Moody's revised the outlook on AIA Co. from negative to stable on 28 May 2025 following the agency's decision to change Hong Kong SAR sovereign ratings outlook from negative to stable.

As at 30 June 2025, the Company had issuer credit ratings of AA- (Very High Credit Quality) with a stable outlook from Fitch; A+ (Strong) with a positive outlook from S&P Global Ratings; and A1 (Low Credit Risk) with a stable outlook from Moody's. S&P Global Ratings revised the outlook on the Company from stable to positive on 23 December 2024 reflecting strengthened capital buffer levels and improved visibility on the future profits under IFRS 17 results. Moody's revised the outlook on the Company from negative to stable on 28 May 2025 following the agency's decision to change Hong Kong SAR sovereign ratings outlook from negative to stable.

REGULATORY AND INTERNATIONAL DEVELOPMENTS

INSURANCE CAPITAL STANDARD

In December 2024, the International Association of Insurance Supervisors (IAIS) formally adopted the Insurance Capital Standard (ICS), a group-wide capital standard for Internationally Active Insurance Groups (IAIGs), as the quantitative element of the IAIS Common Framework for the Supervision of IAIGs.

The ICS aims to provide a globally comparable risk-based measure of capital adequacy for IAIGs, based on requirements for valuation, capital requirements and qualifying capital resources. IAIS member regulators will be required to implement the minimum requirements of the ICS within local capital adequacy regimes for IAIGs, taking into consideration specific market circumstances. It is expected that the Hong Kong Insurance Authority (HKIA) will do so by building upon the existing capital adequacy requirements applying to insurance groups in Hong Kong under its group-wide supervision regime.

A baseline self-assessment by IAIS member regulators of their local regimes is expected to begin in 2026, following an ICS implementation assessment methodology currently being developed by the IAIS. These self-assessments are expected to be followed by in-depth targeted jurisdictional assessments of ICS implementation by the IAIS starting from 2027.

In July 2025, the IAIS agreed on a set of High-Level Principles (HLPs) to guide the development of the ICS implementation assessment methodology as well as the development of the self-assessment questionnaire that jurisdictions will use to measure their ICS implementation progress. The principles require assessment against components of the ICS with reference to the technical requirements specified in the Level 1 and Level 2 ICS texts published by the IAIS.

Other strategic themes of the work of the IAIS

In addition to the ICS, the IAIS is working on key strategic themes, including the increased allocation to alternative assets, the rising adoption of cross-border asset-intensive reinsurance, strengthening the supervisory response to climate change, adapting to increasing digital innovation and cyber risks and supporting insurance to serve its societal purpose of building resilience. AIA will continue to monitor these developments closely.

DOMESTIC SYSTEMICALLY IMPORTANT INSURER FRAMEWORK IN HONG KONG

In June 2025, the HKIA confirmed its intention to implement a Domestic Systematically Important Insurer (“D-SII”) framework for Hong Kong, with the aim of addressing potential systemic risks posed by D-SIIs to the stability and effective functioning of Hong Kong’s financial system.

LOCAL SOLVENCY REQUIREMENTS

The Group’s individual branches and subsidiaries are also subject to supervision, including relevant capital requirements, in the jurisdictions in which they and their parent entities operate. The local operating units were in compliance with the capital requirements of their respective entity and local regulators in each of our geographical markets at 30 June 2025.

The key developments in local solvency requirements are summarised as follows:

Malaysia

As part of a review of its capital adequacy framework for insurers, in June 2024 Bank Negara Malaysia (BNM) released an Exposure Draft for consultation on Risk-based Capital Framework for Insurers and Takaful Operators with a proposed effective date of 1 January 2027.

Macau SAR

In December 2023, the Monetary Authority of Macao (AMCM) began a consultation and assessment process to develop an RBC framework for the insurance industry of Macau SAR, with the first quantitative impact study on Pillar 1 regulatory capital requirements conducted in 2024 and a draft Bill expected in 2027.

Taiwan (China)

The Taiwan Financial Supervisory Commission is targeting to implement revised solvency rules based on the Insurance Capital Standard with localised adjustments, with effect from 1 January 2026.

BUSINESS REVIEW

Unrivalled Distribution

AGENCY

US$ millions, unless otherwise stated	Six months ended 30 June 2025	Six months ended 30 June 2024	YoY CER	YoY AER
VONB	**2,220**	1,860	**17%**	19%
VONB margin	**72.0%**	67.2%	**4.4 pps**	4.8 pps
ANP	**3,083**	2,766	**10%**	11%

AIA's best-in-class, proprietary Premier Agency is our key distribution channel and a core driver of sustainable, profitable growth. With more than 96,000 active agents across 15 markets, the scale, expertise and professionalism of AIA's agency force are unmatched. Our extensive reach allows us to deliver personalised advice to millions of customers across Asia and our focus on value and quality sets us apart. Our agency channel consistently delivers business with strong profitability and persistency, underpinning AIA's industry-leading VONB and margin metrics.

In the first half of 2025, the agency channel generated over US$3 billion of ANP with a VONB margin of 72.0 per cent, resulting in very strong VONB growth of 17 per cent. This growth was broad-based, with Hong Kong and India both up more than 30 per cent, and ASEAN markets increasing by 22 per cent.

The professionalism of our agents is reflected in AIA's industry-leading Million Dollar Round Table (MDRT) position, where we are the number one multinational in the world for the 11th consecutive year. AIA holds the top position in nine markets, with AIA Hong Kong, AIA China, AIA Thailand and Tata AIA Life ranked as the top four individual companies globally. In total, the Group now has over 19,000 MDRT agents, more than double our nearest multinational competitor, demonstrating the exceptional commitment and excellence of our agents.

AIA's ability to attract, retain and upskill agency talent at scale is a clear differentiator in markets where professional and personalised advice are critical drivers of sustainable new business growth. Building on this leadership position, AIA is elevating the strengths of its agency model even further through our continued investments in next-generation capabilities.

Our end-to-end agency journey is fully digitalised, from recruitment and onboarding to training, leads generation and career progression. Data analytics and AI are embedded in recruitment, improving agent targeting and performance management. We utilised AI-powered training platforms and saw a 17 per cent increase in ANP from new agents. Our proprietary online-to-offline (O2O) model nurtures and identifies customers with strong purchase intent, delivering high-quality, conversion-ready leads to our agents. Across our five largest markets, Mainland China, Hong Kong, Thailand, Singapore and Malaysia, O2O leads contributed around 50 per cent of agency ANP.

Our commitment to excellence underpins this transformation, reinforcing the distinctive ability of our agency channel to capture the immense growth opportunities across Asia.

PARTNERSHIPS

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**804**	742	**8%**	8%
VONB margin	**43.3%**	41.7%	**1.4 pps**	1.6 pps
ANP	**1,859**	1,780	**5%**	4%

Partnership distribution is an important strategic pillar of AIA's growth strategy that complements our core agency channel. It plays a critical role in broadening our reach, deepening customer access and supporting profitable growth across multiple markets. With a strong brand, extensive regional presence and deep-rooted history in Asia, AIA is uniquely positioned to establish and sustain high-quality partnerships with market-leading banks, financial intermediaries and corporate customers. These partnerships extend our footprint beyond traditional distribution models as we embed our products within established ecosystems and digital banking platforms to deliver insurance solutions that meet evolving customer needs.

VONB from partnerships increased by 8 per cent, extending the 43 per cent growth that we achieved in the first half of 2024. VONB margin increased to 43.3 per cent supported by a favourable shift in geographical mix and more profitable products in Hong Kong and Malaysia. Within the partnership channel, bancassurance VONB grew by 10 per cent, building on the exceptionally strong 61 per cent growth in the same period last year, from increased sales volumes with a VONB margin of 43.0 per cent. Growth was broad-based, with seven markets delivering double-digit increases.

We are proud to partner with some of Asia's most respected financial institutions, including Bangkok Bank (Thailand), Public Bank Berhad (Malaysia), Bank Central Asia (Indonesia) and BPI (Philippines), as well as our regional partnerships with Citibank and Bank of East Asia in Mainland China, Hong Kong and Singapore. These long-standing relationships, averaging over 20 years, reflect AIA's deep credibility and provide access to hundreds of millions of bank customers across the region.

Geographical Market Highlights

MAINLAND CHINA

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**743**	782	**(4)%**	(5)%
VONB margin	**58.6%**	56.6%	**1.9 pps**	2.0 pps
ANP	**1,268**	1,382	**(7)%**	(8)%
TWPI	**6,774**	5,985	**14%**	13%

AIA China delivered a resilient performance in the first half of 2025 with VONB up by 10 per cent, before the effects of economic assumption changes. On this basis, momentum accelerated in the second quarter and we delivered 15 per cent VONB growth year-on-year.

VONB included in the Group's reported results reflects start-of-quarter Chinese government bond spot yields, as well as the reduction of 80 basis points in our long-term investment return assumption made at the end of 2024. On this prudent basis, VONB reduced by 4 per cent while VONB margin increased to 58.6 per cent.

AIA China's differentiated distribution model and disciplined execution continue to set us apart. Our unrivalled Premier Agency is the foundation of our success in Mainland China, contributing more than 80 per cent of VONB in the first half of 2025. Our highly trained, professional agency force serves an expanding urban middle-class and affluent customer base across a growing geographical footprint, placing AIA in a strong position to deliver sustainable growth.

The powerful combination of a high-quality agency advising affluent customers and a differentiated product range that meets wide-ranging financial needs underpins our strong agency VONB margin of 67.3 per cent, which increased from last year.

We have successfully shifted sales of our long-term savings to participating products, which offer higher expected long-term returns for customers while reducing sensitivity to lower interest rates. We provide best-in-class training to our agents to strengthen their product knowledge and this, combined with the depth of our agents' relationships with customers, resulted in participating products representing 87 per cent of VONB from long-term savings products sold through our agency in the first half of 2025.

Despite greater awareness and ownership of basic protection products in the Mainland Chinese market, the protection gap in Mainland China remains vast. Demand for our traditional protection products remains strong as they provide more comprehensive cover and deeper wealth-preservation solutions to more sophisticated customers, reinforcing the role of our agents as trusted long-term partners. As usual, savings products accounted for a higher proportion of our product mix in the first quarter as a result of Kai Men Hong, our start-of-year sales initiative. In the second quarter, traditional protection products contributed 43 per cent of agency VONB. These products generate underwriting profits, which do not depend on capital markets, and VONB margin remained above 100 per cent, supported by our repricing and product design actions.

AIA China is well-positioned to meet the growing demand for financial planning from higher-income customers with our tax-incentivised products. These offerings are fully aligned with our focus on the middle-class and affluent segments, delivering new business sales with healthy margins.

We are also investing in future growth. In our Premier Agency, quality recruitment and advanced digital tools are helping to build scale and further expand our reach, including the new potential as we expand beyond our five original geographies. We have a well-established playbook for new operations, supported by centralised and highly efficient back-office infrastructure. In March and April 2025, we began operating in Anhui, Shandong, Chongqing and Zhejiang, and we have already established an agency force of more than 1,700 new agents. These four new geographies provide access to an additional 100 million target customers, bringing our total target customer base in Mainland China to 340 million. We have ambitious expansion plans, and we aim to grow the VONB from our new geographies by 40 per cent CAGR (Compound Annual Growth Rate) from 2025 to 2030, before economic assumption changes.

HONG KONG

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**1,063**	858	**24%**	24%
VONB margin	**65.8%**	65.7%	**0.1 pps**	0.1 pps
ANP	**1,609**	1,272	**26%**	26%
TWPI	**7,017**	5,930	**18%**	18%

AIA Hong Kong delivered 24 per cent VONB growth in the first half of 2025 with strong double-digit growth from both domestic and Mainland Chinese visitor (MCV) customers, with a balanced mix across the two customer segments, reflecting our well-diversified and growing customer base.

Our market-leading Premier Agency achieved 35 per cent VONB growth, driven by a 9 per cent increase in the number of active agents and a 30 per cent growth in agent productivity. Building on strong momentum from 2024, our agency channel reported a record-high VONB in the first half of 2025. Our focus on quality recruitment and best-in-class training delivered 15 per cent growth in the number of new recruits and 25 per cent growth in the number of active new agents. AIA Hong Kong is the number one ranked company in the world for MDRT members and has held the number one position in Hong Kong for a total of 23 years. As our principal distribution channel, agency contributed to more than 70 per cent of AIA Hong Kong's VONB.

VONB from our partnership distribution channel grew by 10 per cent, with excellent growth in our partnership with Bank of East Asia, underpinned by increases in the number and productivity of active insurance sellers. Through the IFA and broker channel, we continue to focus on deepening the quality of our relationships with advisers to support high-quality, sustainable growth.

THAILAND

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**522**	359	**35%**	45%
VONB margin	**115.7%**	93.1%	**22.6 pps**	22.6 pps
ANP	**452**	386	**9%**	17%
TWPI	**2,450**	2,098	**8%**	17%

AIA Thailand achieved excellent VONB growth of 35 per cent in the first half of 2025. The growth benefitted from one-off sales of higher-margin individual medical insurance products ahead of the new industry-wide co-payment rules introduced from March 2025, as previously disclosed. These higher sales, combined with favourable shifts in new business product mix, led to an increase in VONB margin to 115.7 per cent.

Our market-leading agency captured 44 per cent share overall and over 50 per cent of new protection business in the first half of 2025. We delivered 38 per cent VONB growth, driven by an increase in the number of active agents and higher productivity as we continue to focus on quality recruitment and next-generation leader development. AIA Thailand ranked number one in the market for MDRT members, a position held since our IPO in 2010.

Our strategic partnership with Bangkok Bank delivered positive VONB growth in the first half of 2025, with segmented propositions and targeted training programmes delivering higher activity and larger average case sizes for our insurance sellers.

SINGAPORE

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**259**	219	**16%**	18%
VONB margin	**47.4%**	52.4%	**(4.9) pps**	(5.0) pps
ANP	**547**	417	**28%**	31%
TWPI	**2,616**	2,209	**17%**	18%

AIA Singapore delivered 16 per cent VONB growth from double-digit growth across both our agency and partnership distribution channels. We recorded strong sales of our unit-linked long-term savings product in the first quarter of 2025, ahead of the introduction of a new version in April. This product mix shift contributed to a lower margin of 47.4 per cent, alongside ANP growth of 28 per cent, resulting in strong VONB growth overall.

Our market-leading agency channel achieved 14 per cent VONB growth in the first half of 2025. We enhanced our agency super-app to empower agents to better manage and engage their prospects and leads, and to service their customers. This supported a higher number of active agents and a 22 per cent increase in agent productivity. With over 30 per cent of our agents qualifying as MDRT members, we continued to rank number one in MDRT by members in Singapore, a position held for 11 years, reflecting our commitment to excellence.

Partnership distribution delivered VONB growth of 23 per cent, supported by strong sales of our wealth propositions to high-net-worth customers. Our strategic partnership with Citibank achieved strong double-digit VONB growth, driven by momentum from the offshore customer segment.

MALAYSIA

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**192**	183	**(3)%**	5%
VONB margin	**68.9%**	64.2%	**4.7 pps**	4.7 pps
ANP	**278**	285	**(9)%**	(2)%
TWPI	**1,526**	1,310	**8%**	16%

In Malaysia, VONB growth of 18 per cent in our partnership distribution channel was offset by a 16 per cent decline from agency, leading to a 3 per cent overall reduction in VONB, reflecting the resilience of our multi-channel distribution model.

Agency VONB was lower in the first half of 2025, as a significant proportion of our agents' time was devoted to explaining policy options to existing customers, following new developments across the Malaysian health insurance market announced in December 2024. While this inevitably reduced frontline selling capacity in the short term, it strengthened our customer relationships and helped reinforce AIA's reputation for high-quality advice. We saw an uplift in persistency of medical insurance policies as a result, as well as month-on-month growth in VONB from new medical products in the second quarter. Recruitment momentum also returned with positive sequential growth in the number of new recruits in the second quarter. Our long-standing focus on Premier Agency resulted in AIA Malaysia holding the number one MDRT ranking for nine years and positions us to capture future growth in this attractive market.

Our bancassurance channel delivered strong double-digit VONB growth, driven by our strategic partnership with Public Bank Berhad. This was supported by higher productivity from insurance specialists and the successful launch of a first-to-market life insurance product targeting high-net-worth customers, which offers benefits linked to major foreign currencies.

OTHER MARKETS

US$ millions, unless otherwise stated	**Six months ended 30 June 2025**	Six months ended 30 June 2024	**YoY CER**	YoY AER
VONB	**249**	224	**14%**	11%
VONB margin	**31.5%**	27.7%	**3.8 pps**	3.8 pps
ANP	**788**	804	**1%**	(2)%
TWPI	**3,553**	3,554	**3%**	–

Overview

In our Other Markets segment, nine out of eleven markets delivered positive VONB growth, leading to 14 per cent growth overall.

Geographical Market Highlights

Australia: AIA Australia maintained its number two in-force market position and achieved double-digit VONB growth.

Cambodia: AIA Cambodia's VONB increased, supported by higher sales in our bancassurance channel.

India: Tata AIA Life, our joint venture in India, delivered excellent VONB results with double-digit growth across both our agency and partnership channels. Tata AIA Life's Premier Agency achieved excellent VONB growth, driven by a double-digit increase in the number of active agents, and we continued to rank first for MDRT members in India. In the first half of 2025, we continued to rank the third largest private life insurer in India based on individual weighted new business premiums, and we maintained our market leadership in protection, ranking number one across the whole industry by retail sum assured. Additionally, we hold the market-leading position for persistency, underscoring our commitment to business quality.

Indonesia: AIA Indonesia achieved positive VONB growth, driven by a strong performance from our strategic partnership with Bank Central Asia, where the expansion of our comprehensive product suite supported increased insurance seller productivity.

Myanmar: AIA Myanmar reported excellent ANP growth despite the business disruption caused by the earthquake in March 2025. This performance was a result of strong double-digit increases in the number of active agents and active bank branches.

New Zealand: VONB grew in AIA New Zealand as we continued to deepen our relationships with our partners and provide differentiated propositions to our customers.

Philippines: AIA Philippines delivered positive VONB growth, driven by our joint venture with BPI, BPI-AIA, as our focus on the affluent customer segment supported higher insurance seller productivity.

South Korea: AIA Korea reported strong VONB growth in the first half of 2025, underpinned by very strong performances from our bancassurance and agency channels. We continued to strengthen our differentiated US dollar-denominated propositions by introducing a new suite of protection-focused whole life products, with innovative features designed to enhance customer experience.

Sri Lanka: Excellent VONB growth in AIA Sri Lanka was driven by both our agency and partnership distribution channels. VONB from our bancassurance channel almost doubled, supported by our long-term exclusive bancassurance partnership with the Commercial Bank of Ceylon PLC, and VONB margin continued to improve as we build scale in this market.

Taiwan (China): AIA Taiwan's VONB declined from a high base in the first half of 2024 as overall consumer sentiment was impacted by significant exchange rate volatility. AIA Taiwan's disciplined management and currency matching of assets and liabilities have supported its financial resilience amid market uncertainty.

Vietnam: AIA Vietnam's VONB more than doubled from a low base in the first half of 2024, driven by both our agency and bancassurance channels. This was underpinned by higher agent activity and productivity, strong sales growth in our bank partners, as well as our strategic focus on protection products.

Notes:

(1) Growth rates and commentaries are provided on a constant exchange rate (CER) basis.

(2) Throughout the Distribution section, VONB and VONB margin by distribution channel are based on local statutory reserving and capital requirements and exclude pension business.

(3) AIA China's financial results do not include any contribution from our 24.99 per cent shareholding in China Post Life.

(4) The results of Tata AIA Life are reported on a one-quarter-lag basis. The results of Tata AIA Life are accounted for using the six-month period ended 31 March 2025 and the six-month period ended 31 March 2024 in AIA's consolidated results for the six-month period ended 30 June 2025 and the six-month period ended 30 June 2024, respectively.

(5) ANP and VONB for Other Markets include the results from our 49 per cent shareholding in Tata AIA Life. ANP and VONB do not include any contribution from our 24.99 per cent shareholding in China Post Life. For clarity, TWPI does not include any contribution from Tata AIA Life and China Post Life.

CORPORATE GOVERNANCE

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 June 2025, with the exception of Code Provision C.6.3, the Company complied with all applicable code provisions in the Corporate Governance Code. Code Provision C.6.3 provides that the company secretary should report to the chairman of the board and/or the chief executive. The Company operates under a variant of this model whereby the Group Company Secretary reports to the Group General Counsel, who is ultimately accountable for the company secretarial function of the Company and who in turn reports directly to the Group Chief Executive and President, being the sole Executive Director on the Board.

COMPLIANCE WITH MODEL CODE

The Company has adopted its own Dealing Policy on terms no less exacting than those set out in the Model Code in respect of dealings by the Directors and Group Chief Executive in the securities of the Company. All of the Directors (including the Group Chief Executive) confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code and the Dealing Policy throughout the six months ended 30 June 2025.

CHANGES IN DIRECTORS' INFORMATION

As announced by the Company on 23 May 2025, Ms. Sun Jie (Jane) retired as an Independent Non-executive Director of the Company with effect from the conclusion of the Company's 2025 annual general meeting held on the same day. Following her retirement, she also ceased to be a member of each of the Nomination Committee and the Remuneration Committee of the Board.

As further announced on 6 June 2025, Mr. Edmund Sze-Wing Tse, the Independent Non-executive Chairman and Independent Non-executive Director of the Company, will retire from his positions with the Company effective from 30 September 2025, to be succeeded by Sir Mark Tucker on 1 October 2025. Sir Mark was also appointed as the Chairman of the Nomination Committee and a member of the Remuneration Committee, also effective from the same date. The requisite regulatory approval for Sir Mark's director appointment was subsequently obtained by the Company.

Other changes in the Directors' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

Name of Directors	**Details of Changes**
Mr. Edmund Sze-Wing TSE	• Ceased to be a member of the membership committee of the Hong Kong Academy of Finance on 8 May 2025
Mr. Jack Chak-Kwong SO	• Appointed as an independent non-executive director of Dah Sing Banking Group Limited (listed on the Hong Kong Stock Exchange) with effect from 30 April 2025 and Dah Sing Bank, Limited (a major operating subsidiary of Dah Sing Banking Group Limited) with effect from 29 April 2025
Sir Chung-Kong CHOW	• Ceased to be the Chairman of the Advisory Committee on Admission of Quality Migrants and Professionals of the HKSAR with effect from 30 June 2025
Professor Lawrence Juen-Yee LAU	• Ceased to be a Director of the Chiang Ching-Kuo Foundation for International Scholarly Exchange, Taipei (CCKF) with effect from 31 May 2025 and was appointed as a member of the Board of Supervisors of CCKF with effect from 1 June 2025
Dr. Narongchai AKRASANEE	• Ceased to be the Chairman and an independent director of Thai-German Products Public Company Limited (listed on the Stock Exchange of Thailand) with effect from 13 May 2025 and appointed as the Vice Chairman with effect from 15 May 2025 • Ceased to be the Chairman of Seranee Holdings Co., Ltd. with effect from 28 April 2025
Mr. Cesar Velasquez PURISIMA	• Ceased to be an independent director of Ayala Corporation (listed on The Philippine Stock Exchange) with effect from 25 April 2025

Directors' biographies are available on the Company's website at www.aia.com.

Save as disclosed above, no other information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' AND THE CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the Directors' and the Chief Executive's interests and short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code, are as follows:

Interests and short positions in the Shares and underlying Shares

Name of Directors	Number of Shares or underlying Shares Long Position (L)	Class	Percentage of the total number of Shares in issue[1]	Capacity
Mr. LEE Yuan Siong[2]	2,868,310 (L)[3]	Ordinary	0.02	Beneficial owner
	2,806,980 (L)[4]		0.02	Beneficial owner
	4,488,339 (L)[5]		0.04	Beneficial owner
	3,067 (L)[6]		<0.01	Beneficial owner
Mr. Edmund Sze-Wing TSE[7]	3,330,400 (L)[3]	Ordinary	0.03	Beneficial owner
	230,000 (L)[3]		<0.01	Interest of controlled corporation[8]
Mr. Jack Chak-Kwong SO	190,000 (L)[3]	Ordinary	<0.01	Interest of controlled corporation[9]
Sir Chung-Kong CHOW	126,000 (L)[3]	Ordinary	<0.01	Beneficial owner
Mr. John Barrie HARRISON	80,000 (L)[3]	Ordinary	<0.01	Interests held jointly with another person[10]
Mr. George Yong-Boon YEO	50,000 (L)[3]	Ordinary	<0.01	Beneficial owner
Professor Lawrence Juen-Yee LAU	250,000 (L)[3]	Ordinary	<0.01	Interest of spouse[11]

Notes:

(1) Based on 10,629,992,789 Shares in issue as at 30 June 2025.

(2) The aggregate number of the Shares and underlying Shares held by Mr. Lee Yuan Siong was 10,166,696, representing 0.09 per cent of the total number of Shares in issue.

(3) The interests were in the Shares.

(4) The interests were in RSUs granted to Mr. Lee Yuan Siong under the restricted share unit schemes adopted by the Company from time to time.

(5) The interests were in SOs granted to Mr. Lee Yuan Siong under the share option schemes adopted by the Company from time to time.

(6) The interests were in matching RSPUs granted under the employee share purchase plans adopted by the Company from time to time.

(7) The aggregate number of the Shares and underlying Shares held by Mr. Edmund Sze-Wing Tse was 3,560,400, representing 0.03 per cent of the total number of Shares in issue.

(8) The 230,000 Shares were held by Edmund & Peggy Tse Foundation Limited, one-third interest of which is beneficially held by Mr. Edmund Sze-Wing Tse.

(9) The 190,000 Shares were held by Cyber Project Developments Limited, a company beneficially wholly-owned by Mr. Jack Chak-Kwong So.

(10) The 80,000 Shares were jointly held by Mr. John Barrie Harrison and his spouse, Ms. Rona Irene Harrison, as beneficial owners.

(11) The 250,000 Shares were held by Ms. Ayesha Abbas Macpherson, the spouse of Professor Lawrence Juen-Yee Lau, as beneficial owner.

Save as disclosed above, as at 30 June 2025, neither the Directors nor the Chief Executive of the Company had any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF PERSONS OTHER THAN THE DIRECTORS OR THE CHIEF EXECUTIVE

As at 30 June 2025, the following persons, other than the Directors or the Chief Executive of the Company, had interests and short positions in the Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholders	**Number of Shares or underlying Shares (Note 1)** Long Position (L) Short Position (S) Lending Pool (P)	Class	Percentage of the total number of Shares in issue (Note 2)	Capacity
The Bank of New York Mellon Corporation	1,069,438,540 (L) 270,143,276 (S) 771,767,599 (P)	Ordinary	10.06 2.54 7.26	Note 3
JPMorgan Chase & Co.	839,441,334 (L) 44,861,451 (S) 563,743,465 (P)	Ordinary	7.89 0.42 5.30	Note 4
BlackRock, Inc.	637,182,403 (L) 1,494,400 (S)	Ordinary	5.99 0.01	Interest of controlled corporations
Citigroup Inc.	536,541,174 (L) 29,432,945 (S) 482,466,734 (P)	Ordinary	5.04 0.27 4.53	Note 5

Notes:

(1) Amongst the interests and short positions in the Shares and underlying Shares set out in the table above, the following interests and short positions were related to derivative interests held by the Shareholders:

	Long Position					Short Position				
Name of Shareholders	Physically settled listed derivatives	Cash settled listed derivatives	Physically settled unlisted derivatives	Cash settled unlisted derivatives	Convertible instruments listed derivatives	Physically settled listed derivatives	Cash settled listed derivatives	Physically settled unlisted derivatives	Cash settled unlisted derivatives	Convertible instruments listed derivatives
The Bank of New York Mellon Corporation	5,890,428	–	–	–	–	–	–	270,143,276	–	–
JPMorgan Chase & Co.	11,395,000	73,180	1,032,007	25,243,080	1,577,284	17,518,000	1,504,707	4,936,991	5,960,434	279,992
BlackRock, Inc.	–	–	–	11,386,400	–	–	–	–	1,494,400	–
Citigroup Inc.	5,695,903	–	14,605,158	12,487,544	–	2,244,000	–	7,525,819	14,592,291	–

(2) Based on 10,629,992,789 Shares in issue as at 30 June 2025.

(3) The Bank of New York Mellon Corporation held the interests and short positions in the following capacity:

Capacity	**Number of Shares or underlying Shares** (Long Position)	**Number of Shares or underlying Shares** (Short Position)
Interest of controlled corporations	1,069,438,540	270,143,276

(4) JPMorgan Chase & Co. held the interests and short positions in the following capacities:

Capacity	Number of Shares or underlying Shares (Long Position)	Number of Shares or underlying Shares (Short Position)
Approved lending agent	563,743,465	–
Investment manager	209,953,889	–
Beneficial owner	43,682,360	44,861,451
Person having a security interest in Shares	21,573,736	–
Trustee	487,884	–

(5) Citigroup Inc. held the interests and short positions in the following capacities:

Capacity	Number of Shares or underlying Shares (Long Position)	Number of Shares or underlying Shares (Short Position)
Approved lending agent	482,466,734	–
Interest of controlled corporations	54,073,892	29,432,945
Person having a security interest in Shares	548	–

Save as disclosed above, as at 30 June 2025, no person, other than the Directors or the Chief Executive of the Company whose interests are set out in the section entitled "Directors' and the Chief Executive's Interests and Short Positions in Shares and Underlying Shares", had any interest or short position in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2025, the Company bought back a total of 252,856,000 Shares on the Hong Kong Stock Exchange with the aggregate consideration paid (before expenses) amounting to approximately HK$14,989 million (equivalent to approximately US$1,920 million). All the Shares bought back were subsequently cancelled. As at 30 June 2025, the total number of Shares in issue was 10,629,992,789. Particulars of the Shares bought back are as follows:

Month	Number of Shares bought back	Price paid per Share (Average) (HK$)	(Highest) (HK$)	(Lowest) (HK$)	Aggregate consideration (before expenses) (HK$ millions)
January 2025	58,853,800	53.47	56.10	50.95	3,147
February 2025	39,686,200	53.17	54.55	51.50	2,110
April 2025	44,293,800	54.47	57.90	51.20	2,413
May 2025	46,604,600	64.04	67.65	57.50	2,985
June 2025	63,417,600	68.35	72.70	64.15	4,334
Total	**252,856,000**	**59.28**	**–**	**–**	**14,989**

In addition, the Company also purchased 10,605,189 Shares under the 2020 RSU Scheme and the 2020 ESPP for a total consideration of approximately HK$622 million (equivalent to approximately US$80 million) during the six months ended 30 June 2025. These purchases were made by the trustee of these share schemes on the Hong Kong Stock Exchange. These Shares are held on trust for the participants of the relevant schemes and therefore were not cancelled. Please refer to note 22 to the interim condensed consolidated financial statements for details.

Save as disclosed above, during the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

EXTERNAL AUDITOR

On 28 May 2025, the Company announced that, following a robust and competitive audit tender process overseen by the Audit Committee, KPMG has been recommended for appointment as the external auditor of the Group for the financial year ending 31 December 2026, subject to shareholder approval at the Company's next annual general meeting. PricewaterhouseCoopers, the Group's incumbent auditor, will continue in its external auditor role and will undertake the audit of the Group's consolidated financial statements for the 2025 financial year, having been re-appointed at the Company's 2025 annual general meeting held on 23 May 2025.

SHARE-BASED COMPENSATION

LONG-TERM INCENTIVE PLAN

The 2010 RSU Scheme and the 2010 SO Scheme, both adopted by the Company on 28 September 2010, were terminated with effect from 31 July 2020 and 29 May 2020, respectively, and no further grants may be made under these schemes, although outstanding grants continue to vest based on their original terms.

The 2020 RSU Scheme and the 2020 SO Scheme, with substantially the same terms as the 2010 RSU Scheme and the 2010 SO Scheme respectively, were adopted by the Company on 1 August 2020 (2020 RSU Scheme Adoption Date) and 29 May 2020 (2020 SO Scheme Adoption Date) respectively. Both the 2020 RSU Scheme and the 2020 SO Scheme are effective for a period of 10 years from their respective dates of adoption.

RESTRICTED SHARE UNIT SCHEMES

During the six months ended 30 June 2025, the Company granted 18,456,784 RSUs under the 2020 RSU Scheme to employees, directors (excluding independent non-executive directors) and officers of the Company and its subsidiaries. During the same period, 522,031 RSUs vested under the 2010 RSU Scheme and 5,934,835 RSUs vested under the 2020 RSU Scheme, all of which were satisfied with purchases of existing Shares on market by the scheme trustee. As at 30 June 2025, there was no RSUs outstanding under the 2010 RSU Scheme and a total of 44,005,784 RSUs outstanding under the 2020 RSU Scheme, representing 0.41 per cent of the number of Shares in issue as at 30 June 2025.

During the 10-year period from the 2020 RSU Scheme Adoption Date, the aggregate number of Shares available for issue underlying the RSUs granted by the Company under the 2020 RSU Scheme and any other restricted share unit scheme of the Company (i.e., the 2010 RSU Scheme) shall not exceed 2.5 per cent of the number of Shares in issue on the RSU Scheme Limit Reference Date (i.e., 18 May 2023) as specified under the rules of the 2020 RSU Scheme, being 290,494,815 Shares. 253,127,127 and 246,489,031 RSUs were available for grant pursuant to the scheme mandate as at 1 January 2025 and 30 June 2025, respectively.

Since the 2020 RSU Scheme Adoption Date and up to 30 June 2025, no new Shares were issued upon vesting of the awards granted under the 2010 RSU Scheme and the 2020 RSU Scheme.

The table below summarises the movements in RSUs under the 2010 RSU Scheme and the 2020 RSU Scheme during the six months ended 30 June 2025.

	Date of grant (day/month/year)[(1)]	Date of vesting (day/month/year)[(2)]	RSUs outstanding as at 1 January 2025	RSUs granted during the six months ended 30 June 2025[(3)]	RSUs vested during the six months ended 30 June 2025	RSUs cancelled/lapsed/reclassified during the six months ended 30 June 2025	RSUs outstanding as at 30 June 2025	Weighted average closing price of Shares immediately before the dates on which RSUs vested (HK$)
Group Chief Executive and President	**2010 RSU Scheme**							
Mr. LEE Yuan Siong	13/3/2020	See note[(4)]	522,031	–	(522,031)	–	–	55.05
	2020 RSU Scheme							
	17/3/2022	17/3/2025[(5)]	586,664	–	(346,132)	(240,532)	–	61.25
	17/3/2023	17/3/2026[(5)]	599,256	–	–	–	599,256	n/a
	19/3/2024	19/3/2027[(6)]	1,035,100	–	–	–	1,035,100	n/a
	20/3/2025	20/3/2028[(7)]	–	1,172,624	–	–	1,172,624	n/a

All eligible employees and participants		Date of grant (day/ month/ year)[(1)]	Date of vesting (day/ month/ year)[(2)]	RSUs outstanding as at 1 January 2025	RSUs granted during the six months ended 30 June 2025[(3)]	RSUs vested during the six months ended 30 June 2025	RSUs cancelled/ lapsed/ reclassified during the six months ended 30 June 2025	RSUs outstanding as at 30 June 2025	Weighted average closing price of Shares immediately before the dates on which RSUs vested (HK$)
Five highest-paid individuals	**2010 RSU Scheme**								
		13/3/2020	See note[(4)]	522,031	–	(522,031)	–	–	55.05
	2020 RSU Scheme								
		17/3/2022	17/3/2025[(5)]	2,042,596	–	(1,205,133)	(837,463)	–	61.25
		17/3/2022	17/3/2025[(7)]	21,891	–	(21,891)	–	–	61.25
		17/3/2023	17/3/2026[(5)]	1,217,852	–	–	–	1,217,852	n/a
		19/3/2024	19/3/2027[(6)]	2,115,941	–	–	–	2,115,941	n/a
		20/3/2025	20/3/2028[(6)]	–	2,387,863	–	–	2,387,863	n/a
Other eligible employees and participants	**2020 RSU Scheme**								
		17/3/2022	17/3/2025[(5)]	7,836,031	–	(4,485,939)	(3,350,092)	–	61.22
		17/3/2022	17/3/2025[(7)]	60,449	–	(60,449)	–	–	61.25
		28/3/2022	17/3/2025[(5)]	12,030	–	(7,099)	(4,931)	–	61.25
		19/5/2022	17/3/2025[(5)]	9,002	–	(5,312)	(3,690)	–	61.25
		19/5/2022	19/5/2025[(5)]	20,374	–	(12,022)	(8,352)	–	66.00
		15/9/2022	15/9/2025[(5)]	36,748	–	–	–	36,748	n/a
		17/3/2023	17/3/2026[(5)]	8,634,410	–	(56,672)	(417,546)	8,160,192	60.34
		19/3/2024	19/3/2027[(6)]	11,778,794	–	(29,936)	(455,417)	11,293,441	65.35
		19/3/2024	19/3/2027[(7)]	1,766,152	–	(12,832)	(74,827)	1,678,493	65.34
		19/3/2024	See note[(8)]	266,576	–	–	(68,238)	198,338	n/a
		1/11/2024	See note[(9)]	53,246	–	–	–	53,246	n/a
		2/12/2024	1/12/2027[(6)]	893,877	–	–	–	893,877	n/a
		31/12/2024	31/12/2027[(6)]	79,688	–	–	–	79,688	n/a
		20/3/2025	20/3/2028[(6)]	–	13,759,399	(26,285)	(126,373)	13,606,741	68.10
		20/3/2025	20/3/2028[(7)]	–	2,061,816	(11,265)	(14,893)	2,035,658	68.10
		20/3/2025	See note[(8)]	–	219,182	–	–	219,182	n/a
		26/5/2025	26/5/2028[(6)]	–	24,349	–	–	24,349	n/a
		26/5/2025	26/5/2028[(7)]	–	4,175	–	–	4,175	n/a
Grand Total	**2010 RSU Scheme**			**522,031**	**–**	**(522,031)**	**–**	**–**	
	2020 RSU Scheme			**36,845,657**	**18,456,784**	**(5,934,835)**	**(5,361,822)**	**44,005,784**	
	Total			**37,367,688**	**18,456,784**	**(6,456,866)**	**(5,361,822)**	**44,005,784**	

Notes:

(1) The measurement dates (i.e., the dates used to determine the value of the grants for accounting purposes) for grants are the same as the respective date of grant. These measurement dates were determined in accordance with IFRS 2 *Share-based Payment*.

(2) The date of vesting is subject to applicable dealing restrictions.

(3) No consideration shall be payable by the participant on acceptance of any RSUs granted. For RSUs granted in 2025 and onwards, dividend equivalent units will be credited in the form of share units on each dividend payment date during the vesting period. These dividend equivalent units reflect the value of dividends declared for the Shares underlying the relevant RSU grants during the vesting period and are subject to the same performance and/or vesting conditions as the underlying RSU grants. During the six months ended 30 June 2025, dividend equivalent units were credited to the relevant RSU grants on 12 June 2025. For details of the dividends declared for the Shares and dividend payment date, please refer to www.aia.com.

(4) Reference is made to the Company's announcement dated 22 November 2019. These RSUs relate to the awarded compensation for unvested long-term incentives and deferred payments that Mr. Lee Yuan Siong forfeited on leaving his prior employment. The vesting of these time-vesting RSUs is service-based only (i.e., there are no further performance conditions attached except for continued employment). The first five tranches of 315,561 RSUs each had vested on 13 September 2020, 21 February 2021, 21 February 2022, 21 February 2023 and 21 February 2024 respectively. The last tranche of 522,031 RSUs had vested on 21 February 2025.

(5) The vesting of these performance-vesting RSUs is subject to service requirements and the achievement of performance measures shown on page 135 of the Company's Annual Report 2023.

(6) The vesting of these performance-vesting RSUs is subject to service requirements and the achievement of performance measures shown on page 144 of the Company's Annual Report 2024. For the RSUs granted on 20 March 2025, the closing price of the Shares immediately before the date on which RSUs were granted was HK$63.40 and the fair value of the RSUs at the date of grant was determined to be HK$53.85. For the RSUs granted on 26 May 2025, the closing price of the Shares immediately before the date on which RSUs were granted was HK$64.85 and the fair value of the RSUs at the date of grant was determined to be HK$56.37.

(7) The vesting of these time-vesting RSUs is service-based only (i.e., there are no further performance conditions attached except for continued employment). For the RSUs granted on 20 March 2025, the closing price of the Shares immediately before the date on which RSUs were granted was HK$63.40 and the fair value of the RSUs at the date of grant was determined to be HK$62.42. For the RSUs granted on 26 May 2025, the closing price of the Shares immediately before the date on which RSUs were granted was HK$64.85 and the fair value of the RSUs at the date of grant was determined to be HK$64.58.

(8) The vesting of these performance-vesting RSUs is subject to service requirements and the achievement of performance measures shown on page 144 of the Company's Annual Report 2024. As required by the relevant jurisdiction for deferred variable remuneration, for the RSUs granted on 19 March 2024, the first tranche of 88,970 RSUs is scheduled to vest on 19 March 2028, the second tranche of 88,968 RSUs is scheduled to vest on 19 March 2029 and the third tranche of 20,400 RSUs is scheduled to vest on 19 March 2030. For the RSUs granted on 20 March 2025, the closing price of the Shares immediately before the date on which RSUs were granted was HK$63.40, the first tranche of 98,436 RSUs is scheduled to vest on 20 March 2029 (fair value was determined to be HK$53.98), the second tranche of 98,434 RSUs is scheduled to vest on 20 March 2030 (fair value was determined to be HK$54.17) and the third tranche of 22,312 RSUs is scheduled to vest on 20 March 2031 (fair value was determined to be HK$54.44).

(9) The vesting of these time-vesting RSUs is service-based only (i.e., there are no further performance conditions attached except for continued employment). Subject to continued employment, the two tranches of 26,623 RSUs each are scheduled to vest on 1 December 2025 and 1 December 2026 respectively.

SHARE OPTION SCHEMES

During the six months ended 30 June 2025, the Company granted 2,982,166 SOs under the 2020 SO Scheme to employees, directors (excluding independent non-executive directors) and officers of the Company and its subsidiaries. During the same period, 2,218,522 new Shares were issued upon exercise of the SOs granted under the 2010 SO Scheme and no new Shares were issued under the 2020 SO Scheme. As at 30 June 2025, there were a total of 27,020,160 SOs outstanding under the 2010 SO Scheme and the 2020 SO Scheme, representing 0.25 per cent of the number of Shares in issue as at 30 June 2025.

During the 10-year period from the 2020 SO Scheme Adoption Date, the aggregate number of Shares available for issue upon exercise of all SOs granted by the Company (excluding SOs that have lapsed) pursuant to the 2020 SO Scheme and any other share option scheme of the Company (i.e., the 2010 SO Scheme) shall not exceed 2.5 per cent of the number of Shares in issue on the 2020 SO Scheme Adoption Date, being 302,264,978 Shares. 266,419,855 and 264,387,107 SOs were available for grant pursuant to the scheme mandate as at 1 January 2025 and 30 June 2025, respectively.

Since the 2020 SO Scheme Adoption Date and up to 30 June 2025, a cumulative total of 10,857,711 new Shares were issued under the 2010 SO Scheme, representing approximately 0.09 per cent of the number of Shares in issue as at the 2020 SO Scheme Adoption Date. During the same period, no new Shares were issued under the 2020 SO Scheme.

The table below summarises the movements in SOs under the 2010 SO Scheme and the 2020 SO Scheme during the six months ended 30 June 2025.

All eligible employees and participants	Date of grant (day/month/year)(1)	Period during which SOs are exercisable (day/month/year)(2)	SOs outstanding as at 1 January 2025	SOs granted during the six months ended 30 June 2025	SOs vested during the six months ended 30 June 2025	SOs cancelled/ lapsed/ reclassified during the six months ended 30 June 2025	SOs exercised during the six months ended 30 June 2025	Exercise price (HK$)	SOs outstanding as at 30 June 2025	Weighted average closing price of Shares immediately before the dates on which SOs were exercised (HK$)
Group Chief Executive and President	**2010 SO Scheme**									
	25/3/2020	25/3/2023 – 24/3/2030(3)	1,197,133	–	–	–	–	68.10	1,197,133	n/a
Mr. LEE Yuan Siong	**2020 SO Scheme**									
	24/3/2021	24/3/2024 – 23/3/2031(3)	464,526	–	–	–	–	97.33	464,526	n/a
	17/3/2022	17/3/2025 – 16/3/2032(3)	660,259	–	660,259	–	–	79.85	660,259	n/a
	17/3/2023	17/3/2026 – 16/3/2033(3)	552,217	–	–	–	–	80.73	552,217	n/a
	19/3/2024	19/3/2027 – 18/3/2034(3)	808,729	–	–	–	–	62.33	808,729	n/a
	20/3/2025	20/3/2028 – 19/3/2035(3)	–	805,475	–	–	–	62.42	805,475	n/a
Other eligible employees and participants	**2010 SO Scheme**									
	12/3/2015	12/3/2018 – 11/3/2025(3)	600,069	–	–	–	(600,069)	47.73	–	57.78
	9/3/2016	9/3/2019 – 8/3/2026(3)	1,637,947	–	–	–	(1,009,577)	41.90	628,370	65.39
	10/3/2017	10/3/2020 – 9/3/2027(3)	3,328,403	–	–	–	(608,876)	50.30	2,719,527	71.54
	31/7/2017	1/6/2020 – 30/7/2027(3)	830,436	–	–	–	–	61.55	830,436	n/a
	15/3/2018	15/3/2021 – 14/3/2028(3)	3,343,250	–	–	(37,350)	–	67.15	3,305,900	n/a
	27/3/2019	27/3/2022 – 26/3/2029(3)	3,300,258	–	–	(34,204)	–	76.38	3,266,054	n/a
	15/5/2019	1/5/2022 – 14/5/2029(3)	82,221	–	–	–	–	78.70	82,221	n/a
	25/3/2020	25/3/2023 – 24/3/2030(3)	3,686,699	–	–	(411,668)	–	68.10	3,275,031	n/a
	2020 SO Scheme									
	24/3/2021	24/3/2024 – 23/3/2031(3)	1,292,303	–	–	(180,271)	–	97.33	1,112,032	n/a
	17/3/2022	17/3/2025 – 16/3/2032(3)	1,844,289	–	1,602,393	(241,896)	–	79.85	1,602,393	n/a
	17/3/2023	17/3/2026 – 16/3/2033(3)	1,366,382	–	–	(27,044)	–	80.73	1,339,338	n/a
	19/3/2024	19/3/2027 – 18/3/2034(3)	2,187,374	–	–	(16,985)	–	62.33	2,170,389	n/a
	19/3/2024	See note(4)	23,439	–	–	–	–	62.33	23,439	n/a
	20/3/2025	20/3/2028 – 19/3/2035(3)	–	2,154,153	–	–	–	62.42	2,154,153	n/a
	20/3/2025	See note(4)	–	22,538	–	–	–	62.42	22,538	n/a
Grand Total	**2010 SO Scheme**		**18,006,416**	**–**	**–**	**(483,222)**	**(2,218,522)**		**15,304,672**	
	2020 SO Scheme		**9,199,518**	**2,982,166**	**2,262,652**	**(466,196)**	**–**		**11,715,488**	
	Total		**27,205,934**	**2,982,166**	**2,262,652**	**(949,418)**	**(2,218,522)**		**27,020,160**	

Notes:

(1) The measurement date (i.e., the date used to determine the value of the grants for accounting purposes) for grants are the same as the respective date of grant. These measurement dates were determined in accordance with IFRS 2 *Share-based Payment*.

(2) The date of vesting is the first day of the period during which SOs are exercisable and subject to applicable dealing restrictions.

(3) The vesting of SOs is service-based only. For the SOs granted on 20 March 2025, the closing price of the Shares immediately before the date on which SOs were granted was HK$63.40. The fair value of the SOs at the date of grant was determined to be HK$19.92.

(4) The vesting of SOs is service-based only. As required by the relevant jurisdiction for deferred variable remuneration, for the SOs granted on 19 March 2024, the first tranche of 7,735 SOs will vest on 19 March 2028 and be exercisable from 19 March 2028 to 18 March 2034, the second tranche of 7,735 SOs will vest on 19 March 2029 and exercisable from 19 March 2029 to 18 March 2034, the third tranche of 7,969 SOs will vest on 19 March 2030 and exercisable from 19 March 2030 to 18 March 2034. For the SOs granted on 20 March 2025, the closing price of the Shares immediately before the date on which SOs were granted was HK$63.40, the first tranche of 7,438 SOs will vest on 20 March 2029 and be exercisable from 20 March 2029 to 19 March 2035 (fair value was determined to be HK$20.41), the second tranche of 7,438 SOs will vest on 20 March 2030 and exercisable from 20 March 2030 to 19 March 2035 (fair value was determined to be HK$20.83), the third tranche of 7,662 SOs will vest on 20 March 2031 and exercisable from 20 March 2031 to 19 March 2035 (fair value was determined to be HK$21.13).

EMPLOYEE SHARE PURCHASE PLANS

Following the expiry of the 2011 ESPP, the 2020 ESPP was adopted by the Company on 1 August 2020 (2020 ESPP Adoption Date). It is effective for a period of 10 years from the 2020 ESPP Adoption Date.

Under the 2020 ESPP, eligible employees of the Group may elect to purchase Shares and, through the grant of matching RSPUs, employees who are still in employment with the Group will receive one matching Share for every two Shares purchased that are held until the vesting of the matching RSPUs, which generally takes place three years from the day of the first Share purchase in a plan year. Each eligible employee's participation level is capped at the lower of 10 per cent of the monthly base salary or HK$12,500 (or local currency equivalent) per calendar month. The matching Shares can either be awarded through the issuance of new Shares or the purchases of existing Shares on market by the plan trustee.

During the six months ended 30 June 2025, 1,181,592 matching RSPUs were granted, 41,654 matching RSPUs vested and no new Shares were issued under the 2020 ESPP. As at 30 June 2025, there were a total of 5,386,100 RSPUs outstanding under the 2020 ESPP, representing 0.05 per cent of the number of Shares in issue as at 30 June 2025.

During the 10-year period from the 2020 ESPP Adoption Date, the aggregate number of Shares available for issue pursuant to the 2020 ESPP and any other employee share purchase plan (i.e., the 2011 ESPP) shall not exceed 2.5 per cent of the number of Shares in issue on the reference date (i.e., 18 May 2023) as specified under the rules of the 2020 ESPP, being 290,494,815 Shares. 286,079,360 and 285,108,715 RSPUs were available for grant pursuant to the plan limit as at 1 January 2025 and 30 June 2025, respectively.

Since the 2020 ESPP Adoption Date and up to 30 June 2025, no new Shares were issued upon vesting of the RSPUs granted under the 2020 ESPP and the 2011 ESPP.

The table below summarises the movements in RSPUs under the 2020 ESPP during the six months ended 30 June 2025.

	RSPUs outstanding as at 1 January 2025	RSPUs granted during the six months ended 30 June 2025[1][2]	RSPUs vested during the six months ended 30 June 2025	RSPUs cancelled/ lapsed/ reclassified during the six months ended 30 June 2025	RSPUs outstanding as at 30 June 2025	Weighted average closing price of Shares immediately before the dates on which RSPUs vested (HK$)
Group Chief Executive and President						
Mr. LEE Yuan Siong	2,434	633	–	–	3,067	n/a

All eligible employees and participants	RSPUs outstanding as at 1 January 2025	RSPUs granted during the six months ended 30 June 2025[1][2]	RSPUs vested during the six months ended 30 June 2025	RSPUs cancelled/ lapsed/ reclassified during the six months ended 30 June 2025	RSPUs outstanding as at 30 June 2025	Weighted average closing price of Shares immediately before the dates on which RSPUs vested (HK$)
Five highest-paid individuals	7,304	1,899	–	–	9,203	n/a
Other eligible employees and participants	4,408,151	1,179,693	(41,654)	(169,293)	5,376,897	60.49
Grand Total	4,415,455	1,181,592	(41,654)	(169,293)	5,386,100	

Notes:

(1) The measurement dates (i.e., the dates used to determine the value of the grants for accounting purposes) for grants made during the six months ended 30 June 2025 were determined to be the first day of the month after participants enrolled in the ESPP, in accordance with IFRS 2 *Share-based Payment*. The weighted average fair value per matching RSPUs granted during the six months ended 30 June 2025 were measured to be HK$55.87 for January 2025 grant, HK$57.42 for February 2025 grant, HK$57.87 for March 2025 grant, HK$62.39 for April 2025 grant, HK$63.32 for May 2025 grant and HK$63.31 for June 2025 grant.

No consideration is payable by participants on the grant of RSPUs.

(2) Monthly Share purchases and the grant of matching RSPUs under the 2020 ESPP are conducted on the 15th of each month (or, if such day is not a business day, the next succeeding business day). For the 2022 ESPP plan year, such monthly purchases were conducted from November 2022 to October 2023, with a vesting date of 15 November 2025. For the 2023 ESPP plan year, such monthly purchases were conducted from November 2023 to October 2024, with a vesting date of 15 November 2026. For the 2024 ESPP plan year, such monthly purchases were/will be conducted from November 2024 to October 2025, with a vesting date of 15 November 2027.

For details of the closing price of Shares immediately before the dates on which RSPUs were granted, please refer to share price on www.aia.com.

AGENCY SHARE PURCHASE PLANS

Following the expiry of the 2012 ASPP, the 2021 ASPP was adopted by the Company on 1 February 2021 (2021 ASPP Adoption Date). It is effective for a period of 10 years from the 2021 ASPP Adoption Date.

Under the 2021 ASPP, the participants may elect to purchase Shares and, through the grant of matching RSSUs, receive one matching Share for every two Shares purchased that are held until the vesting of the matching RSSUs, which generally takes place three years from the day of the first Share purchase in a plan year. Each eligible agent's participation level is capped at HK$12,500 (or local currency equivalent) per calendar month.

During the six months ended 30 June 2025, 852,904 matching RSSUs were granted, 868,334 matching RSSUs vested and 868,334 new Shares were issued under the 2021 ASPP. The new Shares were issued at a subscription price of US$1.00 each to Computershare Hong Kong Trustees Limited (being the plan trustee) to hold the same on trust for certain eligible agents upon vesting of their matching RSSUs. As at 30 June 2025, there were a total of 2,866,301 RSSUs outstanding under the 2021 ASPP, representing 0.03 per cent of the number of Shares in issue as at 30 June 2025.

During the 10-year period from the 2021 ASPP Adoption Date, the aggregate number of Shares available for issue pursuant to the 2021 ASPP and any other agency share purchase plan (i.e., the 2012 ASPP) shall not exceed 2.5 per cent of the number of Shares in issue on the reference date (i.e., 18 May 2023), as specified under the rules of the 2021 ASPP being 290,494,815 Shares. 283,343,203 and 282,584,557 RSSUs were available for grant pursuant to the plan limit as at 1 January 2025 and 30 June 2025, respectively.

Since the 2021 ASPP Adoption Date and up to 30 June 2025, a cumulative total of 5,043,957 matching RSSUs vested and 5,043,957 new Shares were issued under either the 2012 ASPP or the 2021 ASPP.

The table below summarises the movements in RSSUs under 2021 ASPP during the six months ended 30 June 2025 for the eligible participants.

	RSSUs outstanding as at 1 January 2025	RSSUs granted during the six months ended 30 June 2025[(1)(2)(3)]	RSSUs vested during the six months ended 30 June 2025	RSSUs cancelled/ lapsed/ reclassified during the six months ended 30 June 2025	RSSUs outstanding as at 30 June 2025	Weighted average closing price of Shares immediately before the dates on which RSSUs vested (HK$)
Eligible participants	2,975,989	852,904	(868,334)	(94,258)	2,866,301	64.45

Notes:

(1) The measurement date (i.e., the date used to determine the value of the grants for accounting purposes) for grants made during the six months ended 30 June 2025 was determined to be 24 March 2025, being the last date of the enrolment period of the 2025 ASPP plan year, in accordance with IFRS 2 *Share-based Payment*. The weighted average fair value per matching RSSU granted during the six months ended 30 June 2025 was measured to be HK$51.04.

Monthly Share purchases and the grant of matching RSSUs under the 2021 ASPP are conducted on the 27th day of each month (or, if such day is not a business day, the next succeeding business day). For the 2022 ASPP plan year, such monthly purchases were conducted from May 2022 to April 2023 with a vesting date of 27 May 2025. For the 2023 ASPP plan year, such monthly purchases were conducted from May 2023 to April 2024 with a vesting date of 29 May 2026. For the 2024 ASPP plan year, such monthly purchases were conducted from May 2024 to April 2025, with a vesting date of 27 May 2027. For the 2025 ASPP plan year, such monthly purchases were/will be conducted from May 2025 to April 2026, with a vesting date of 27 May 2028.

For details of the closing price of Shares immediately before the dates on which RSSUs were granted, please refer to share price on www.aia.com.

(2) As disclosed in the Company's announcement dated 2 April 2024, the Company estimated that a total of 1,878,120 RSSUs will be granted to the participants for the 2024 ASPP plan year which runs from 1 May 2024 to 30 April 2025. The actual number of matching RSSUs granted in relation to the 2024 ASPP plan year was 1,699,895.

(3) As disclosed in the Company's announcement dated 2 April 2025, the Company estimated that a total of 1,812,056 RSSUs will be granted to the participants for the 2025 ASPP plan year which runs from 1 May 2025 to 30 April 2026. During the six months ended 30 June 2025, the actual number of matching RSSUs granted in relation to the 2025 ASPP plan year was 139,853.

The number of Shares that may be issued in respect of SOs and awards granted under the share schemes of the Company during the six months ended 30 June 2025 divided by the weighted average number of Shares in issue as at 30 June 2025 is 0.19 per cent.

Details regarding the fair value measurement of the SOs and awards granted under the share schemes of the Company during the six months ended 30 June 2025 and the accounting standard and policy adopted are set out in note 25 to the interim condensed consolidated financial statements.

For further information regarding the above share schemes of the Company, please refer to the Remuneration Report in the Company's Annual Report 2024.

EMPLOYEES

As of 30 June 2025, there has been no material change to the information disclosed in the Company's Annual Report 2024 relating to the number and remuneration of employees of the Group, its remuneration policies, share schemes and training programmes.

CONTENTS

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF AIA GROUP LIMITED

(incorporated in Hong Kong with limited liability)

羅兵咸永道

Introduction

We have reviewed the interim condensed consolidated financial statements set out on pages 62 to 144, which comprise the interim consolidated statement of financial position of AIA Group Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2025 and the interim consolidated income statement, the interim consolidated statement of comprehensive income, the interim consolidated statement of changes in equity and the interim consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as issued by the International Accounting Standards Board (the "IASB"). The directors of the Company are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with HKAS 34 as issued by the HKICPA and IAS 34 as issued by the IASB. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with HKAS 34 as issued by the HKICPA and IAS 34 as issued by the IASB.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong,
21 August 2025

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INTERIM CONSOLIDATED INCOME STATEMENT

US$m	Notes	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Insurance revenue	7,18	**10,463**	9,469
Insurance service expenses	9,18	**(6,544)**	(6,222)
Net expenses from reinsurance contracts held	18	**(292)**	(221)
Insurance service result		**3,627**	3,026
Interest revenue on	8		
Financial assets not measured at fair value through profit or loss		**2,137**	2,095
Financial assets measured at fair value through profit or loss		**1,745**	1,871
Other investment return	8	**1,700**	1,227
Net impairment (loss)/gain on financial assets	8	**(36)**	1
Investment return	8	**5,546**	5,194
Net finance expenses from insurance contracts	8	**(4,969)**	(3,279)
Net finance income from reinsurance contracts held	8	**54**	61
Movement in investment contract liabilities	8	**(519)**	(320)
Movement in third-party interests in consolidated investment funds	8	**(27)**	(11)
Net investment result	8	**85**	1,645
Fee income		**42**	48
Other operating revenue		**196**	164
Other expenses	9	**(793)**	(851)
Other finance costs	9	**(325)**	(263)
Profit before share of profit from associates and joint ventures		**2,832**	3,769
Share of profit from associates and joint ventures		**273**	73
Profit before tax		**3,105**	3,842
Tax expense	10	**(556)**	(522)
Net profit		**2,549**	3,320
Net profit attributable to:			
Shareholders of AIA Group Limited		**2,534**	3,314
Non-controlling interests		**15**	6
Earnings per share (US$)			
Basic	11	**0.24**	0.30
Diluted	11	**0.24**	0.30

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Net profit	**2,549**	3,320
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Fair value gains on financial assets at fair value through other comprehensive income (net of tax of: six months ended 30 June 2025: US$(558)m; six months ended 30 June 2024: US$(473)m)	**2,164**	953
Fair value losses/(gains) on financial assets at fair value through other comprehensive income reclassified to profit or loss on disposal (net of tax of: six months ended 30 June 2025: US$35m; six months ended 30 June 2024: US$9m)	**188**	(139)
Foreign currency translation adjustments	**1,247**	(1,171)
Cash flow hedges	**(1)**	(1)
Net finance expenses from insurance contracts (net of tax of: six months ended 30 June 2025: US$422m; six months ended 30 June 2024: US$555m)	**(1,768)**	(1,597)
Net finance (expenses)/income from reinsurance contracts held (net of tax of: six months ended 30 June 2025: US$3m; six months ended 30 June 2024: US$(33)m)	**(71)**	119
Share of other comprehensive (expense)/income from associates and joint ventures	**(545)**	34
Subtotal	**1,214**	(1,802)
Items that will not be reclassified subsequently to profit or loss:		
Revaluation gains on property held for own use (net of tax of: six months ended 30 June 2025: US$(2)m; six months ended 30 June 2024: US$4m)	**13**	91
Effect of remeasurement of net liability of defined benefit schemes (net of tax of: six months ended 30 June 2025: US$2m; six months ended 30 June 2024: US$(1)m)	**(1)**	1
Subtotal	**12**	92
Total other comprehensive income/(expense)	**1,226**	(1,710)
Total comprehensive income	**3,775**	1,610
Total comprehensive income attributable to:		
Shareholders of AIA Group Limited	**3,744**	1,616
Non-controlling interests	**31**	(6)

Note:
(1) Where applicable, amounts are presented net of tax.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

US$m	Notes	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Assets			
Intangible assets	13	**3,662**	3,478
Investments in associates and joint ventures		**1,719**	1,710
Property, plant and equipment		**4,506**	4,447
Investment property		**4,581**	4,570
Insurance contract assets	18	**923**	972
Reinsurance contract assets	18	**6,666**	5,730
Financial investments:	14,16		
At amortised cost			
Debt securities		**2,573**	2,399
Loans and deposits		**4,541**	3,770
At fair value through other comprehensive income			
Debt securities		**106,696**	98,289
At fair value through profit or loss			
Debt securities		**80,286**	77,530
Loans and deposits		**291**	272
Equity shares		**19,544**	19,797
Interests in investment funds and exchangeable loan notes		**75,543**	69,040
Derivative financial instruments	15	**1,323**	1,054
		290,797	272,151
Deferred tax assets		**516**	549
Current tax recoverable		**147**	219
Other assets		**4,857**	3,527
Cash and cash equivalents	17	**10,056**	8,101
Total assets		**328,430**	305,454
Liabilities			
Insurance contract liabilities	18	**241,170**	221,412
Reinsurance contract liabilities	18	**274**	255
Investment contract liabilities	19	**7,463**	6,967
Borrowings	20	**14,321**	13,329
Obligations under repurchase agreements	21	**5,073**	4,616
Derivative financial instruments	15	**6,916**	8,615
Provisions		**215**	202
Deferred tax liabilities		**4,558**	4,116
Current tax liabilities		**416**	220
Other liabilities		**7,156**	4,909
Total liabilities		**287,562**	264,641

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

US$m	Note	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Equity			
Share capital	22	**14,197**	14,183
Employee share-based trusts		**(419)**	(376)
Other reserves		**(11,719)**	(11,733)
Retained earnings		**43,515**	44,691
Other comprehensive income		**(5,065)**	(6,275)
Total equity attributable to:			
Shareholders of AIA Group Limited		**40,509**	40,490
Non-controlling interests		**359**	323
Total equity		**40,868**	40,813
Total liabilities and equity		**328,430**	305,454

Approved and authorised for issue by the Board of Directors on 21 August 2025.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

US$m	Note	Share capital	Employee share-based trusts	Other reserves	Retained earnings	Other comprehensive income Fair value reserve	Foreign currency translation reserve	Insurance finance reserve	Property revaluation reserve	Others	Non-controlling interests	Total equity
Balance at 1 January 2025		**14,183**	**(376)**	**(11,733)**	**44,691**	**5,744**	**(3,822)**	**(9,658)**	**1,451**	**10**	**323**	**40,813**
Net profit		**-**	**-**	**-**	**2,534**	**-**	**-**	**-**	**-**	**-**	**15**	**2,549**
Fair value gains on financial assets at fair value through other comprehensive income		**-**	**-**	**-**	**-**	**2,164**	**-**	**-**	**-**	**-**	**-**	**2,164**
Fair value losses on financial assets at fair value through other comprehensive income reclassified to profit or loss on disposal		**-**	**-**	**-**	**-**	**188**	**-**	**-**	**-**	**-**	**-**	**188**
Foreign currency translation adjustments		**-**	**-**	**-**	**-**	**-**	**1,236**	**-**	**-**	**-**	**11**	**1,247**
Cash flow hedges		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**-**	**(1)**
Net finance (expenses)/income from insurance contracts		**-**	**-**	**-**	**-**	**-**	**-**	**(1,773)**	**-**	**-**	**5**	**(1,768)**
Net finance expenses from reinsurance contracts held		**-**	**-**	**-**	**-**	**-**	**-**	**(71)**	**-**	**-**	**-**	**(71)**
Share of other comprehensive income/(expense) from associates and joint ventures		**-**	**-**	**-**	**-**	**27**	**18**	**(590)**	**-**	**-**	**-**	**(545)**
Revaluation gains on property held for own use		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13**	**-**	**-**	**13**
Effect of remeasurement of net liability of defined benefit schemes		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**-**	**(1)**
Total comprehensive income/ (expense) for the period		**-**	**-**	**-**	**2,534**	**2,379**	**1,254**	**(2,434)**	**13**	**(2)**	**31**	**3,775**
Dividends	12	**-**	**-**	**-**	**(1,768)**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,768)**
Share buy-back		**-**	**-**	**-**	**(1,942)**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,942)**
Shares issued under share option scheme and agency share purchase plan		**14**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14**
Increase in non-controlling interests		**-**	**-**	**(5)**	**-**	**-**	**-**	**-**	**-**	**-**	**5**	**-**
Acquisition of non-controlling interests		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Share-based compensation		**-**	**-**	**56**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**56**
Purchase of shares held by employee share-based trusts		**-**	**(80)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(80)**
Transfer of vested shares from employee share-based trusts		**-**	**37**	**(37)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 30 June 2025 – Unaudited		**14,197**	**(419)**	**(11,719)**	**43,515**	**8,123**	**(2,568)**	**(12,092)**	**1,464**	**8**	**359**	**40,868**

Note:
(1) Where applicable, amounts are presented net of tax.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

US$m	Note	Share capital	Employee share-based trusts	Other reserves	Retained earnings	Other comprehensive income: Fair value reserve	Foreign currency translation reserve	Insurance finance reserve	Property revaluation reserve	Others	Non-controlling interests	Total equity
Balance at 1 January 2024		14,176	(367)	(11,788)	44,333	516	(2,950)	(4,159)	1,307	43	483	41,594
Net profit		–	–	–	3,314	–	–	–	–	–	6	3,320
Fair value gains/(losses) on financial assets at fair value through other comprehensive income		–	–	–	–	958	–	–	–	–	(5)	953
Fair value gains on financial assets at fair value through other comprehensive income reclassified to profit or loss on disposal		–	–	–	–	(139)	–	–	–	–	–	(139)
Foreign currency translation adjustments		–	–	–	–	–	(1,157)	–	–	–	(14)	(1,171)
Cash flow hedges		–	–	–	–	–	–	–	–	(1)	–	(1)
Net finance (expenses)/income from insurance contracts		–	–	–	–	–	–	(1,604)	–	–	7	(1,597)
Net finance income from reinsurance contracts held		–	–	–	–	–	–	119	–	–	–	119
Share of other comprehensive income/(expense) from associates and joint ventures		–	–	–	–	374	(29)	(311)	–	–	–	34
Revaluation gains on property held for own use		–	–	–	–	–	–	–	91	–	–	91
Effect of remeasurement of net liability of defined benefit schemes		–	–	–	–	–	–	–	–	1	–	1
Total comprehensive income/ (expense) for the period		–	–	–	3,314	1,193	(1,186)	(1,796)	91	–	(6)	1,610
Dividends	12	–	–	–	(1,705)	–	–	–	–	–	(2)	(1,707)
Share buy-back		–	–	–	(1,673)	–	–	–	–	–	–	(1,673)
Shares issued under share option scheme and agency share purchase plan		1	–	–	–	–	–	–	–	–	–	1
Increase in non-controlling interests		–	–	(5)	–	–	–	–	–	–	24	19
Acquisition of non-controlling interests		–	–	14	–	–	–	–	–	–	(196)	(182)
Share-based compensation		–	–	39	–	–	–	–	–	–	–	39
Purchase of shares held by employee share-based trusts		–	(33)	–	–	–	–	–	–	–	–	(33)
Transfer of vested shares from employee share-based trusts		–	21	(21)	–	–	–	–	–	–	–	–
Balance at 30 June 2024 – Unaudited		14,177	(379)	(11,761)	44,269	1,709	(4,136)	(5,955)	1,398	43	303	39,668

Note:
(1) Where applicable, amounts are presented net of tax.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

US$m	Notes	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Cash flows from operating activities			
Profit before tax		**3,105**	3,842
Adjustments for:			
Financial investments		**(8,481)**	(9,098)
Insurance contracts		**11,180**	7,578
Reinsurance contracts held		**(757)**	10
Investment contracts		**264**	172
Obligations under repurchase agreements	21	**358**	(85)
Investment income and non-cash operating items, including the effect of exchange rate changes on certain operating items		**(5,320)**	(4,738)
Operating cash items:			
Interest received		**3,903**	3,837
Dividends received		**1,592**	1,040
Interest paid		**(71)**	(66)
Tax paid		**(87)**	(171)
Net cash provided by operating activities		**5,686**	2,321
Cash flows from investing activities			
Payments for intangible assets	13	**(133)**	(111)
Distribution or dividend from associates		**–**	–
Payments for increase in interests in associates		**(277)**	(94)
Payments for investment property and property, plant and equipment		**(83)**	(507)
Acquisition of subsidiaries, net of cash acquired		**(123)**	–
Net cash used in investing activities		**(616)**	(712)
Cash flows from financing activities			
Issuances of medium-term notes and securities	20	**920**	983
Redemption of medium-term notes	20	**–**	(831)
Proceeds from other borrowings	20	**31**	39
Repayment of other borrowings	20	**(114)**	(18)
Capital contribution from non-controlling interests		**–**	19
Payments for lease liabilities(1)		**(73)**	(73)
Interest paid on medium-term notes and securities		**(259)**	(199)
Acquisition of non-controlling interests		**–**	(182)
Dividends paid during the period		**(1,768)**	(1,707)
Share buy-back		**(1,942)**	(1,673)
Purchase of shares held by employee share-based trusts		**(80)**	(33)
Shares issued under share option scheme and agency share purchase plan		**14**	1
Net cash used in financing activities		**(3,271)**	(3,674)
Net increase/(decrease) in cash and cash equivalents		**1,799**	(2,065)
Cash and cash equivalents at beginning of the financial period		**7,982**	11,450
Effect of exchange rate changes on cash and cash equivalents		**157**	(138)
Cash and cash equivalents at end of the financial period		**9,938**	9,247

Note:
(1) The total cash outflow for leases for the six months ended 30 June 2025 was US$76m (six months ended 30 June 2024: US$76m).

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Cash and cash equivalents in the above interim consolidated statement of cash flows can be further analysed as follows:

US$m	Note	**As at 30 June 2025 (Unaudited)**	As at 30 June 2024 (Unaudited)
Cash and cash equivalents in the interim consolidated statement of financial position	17	**10,056**	9,312
Bank overdrafts		**(118)**	(65)
Cash and cash equivalents in the interim consolidated statement of cash flows		**9,938**	9,247

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

AIA Group Limited (the "Company") was established as a company with limited liability incorporated in Hong Kong on 24 August 2009. The address of its registered office is 35/F, AIA Central, No. 1 Connaught Road Central, Hong Kong.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock codes "1299" for HKD counter and "81299" for RMB counter with American Depositary Receipts (Level 1) traded on the over-the-counter market under the ticker symbol "AAGIY".

AIA Group Limited and its subsidiaries (collectively "AIA" or the "Group") is a life insurance based financial services provider operating in 18 markets. The Group's principal activity is the writing of life insurance business, providing life insurance, accident and health insurance and savings plans throughout Asia, and distributing related investment and other financial services products to its customers.

2. Basis of preparation and statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with HKAS 34, Interim Financial Reporting and IAS 34, Interim Financial Reporting. IFRS® Accounting Standards are substantially consistent with HKFRS Accounting Standards and the accounting policy selections that the Group has made in preparing these interim condensed consolidated financial statements are such that the Group is able to comply with both HKFRS Accounting Standards and IFRS Accounting Standards. References to IFRS Accounting Standards, IAS® Standards and IFRIC® Interpretations in these interim condensed consolidated financial statements should be read as referring to the equivalent HKFRS Accounting Standards, HKAS and Hong Kong (IFRIC) Interpretations (HK (IFRIC) – Int) as the case may be. Accordingly, there are not any differences of accounting practice between HKFRS Accounting Standards and IFRS Accounting Standards affecting these interim condensed consolidated financial statements. The interim condensed consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2024.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss. The accounting policies adopted are consistent with those of the previous financial year, except the following relevant new amendments to standard have been adopted for the first time for the financial year ending 31 December 2025 which have no material impact to the Group:

- Amendments to IAS 21, Lack of Exchangeability

The preparation of interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgement on estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. The interim condensed consolidated financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The interim condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards and IFRS Accounting Standards.

2. Basis of preparation and statement of compliance (continued)

The interim condensed consolidated financial statements are unaudited, but have been reviewed by PricewaterhouseCoopers in accordance with the Hong Kong Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers' independent review report to the Company's Board of Directors is included on page 61. The interim condensed consolidated financial statements have also been reviewed by the Company's Audit Committee.

The financial statements relating to the financial year ended 31 December 2024 that are included in the interim condensed consolidated financial statements as comparative information does not constitute the Group's statutory financial statements for that financial period but is derived from those financial statements. The Group has delivered its statutory financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The auditors have expressed an unqualified opinion on those financial statements in their report dated 14 March 2025. Their report did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Items included in the interim condensed consolidated financial statements of each of the Group's entities are measured in the currency of the primary economic environment in which that entity operates (the functional currency). The interim condensed consolidated financial statements are presented in millions of US dollar (US$m) unless otherwise stated, which is the Company's functional currency, and the presentation currency of the Company and the Group.

3. Exchange rates

The Group's principal overseas operations during the reporting period were located within Asia. The results and cash flows of these operations have been translated into the US dollar at the following average rates:

	US dollar exchange rates		
	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024	Six months ended 30 June 2024 (Unaudited)
Mainland China	**7.25**	7.20	7.22
Hong Kong	**7.79**	7.80	7.82
Thailand	**33.52**	35.23	36.15
Singapore	**1.32**	1.34	1.35
Malaysia	**4.38**	4.57	4.73

Assets and liabilities have been translated into the US dollar at the following period-end rates:

	US dollar exchange rates		
	As at 30 June 2025 (Unaudited)	As at 31 December 2024	As at 30 June 2024 (Unaudited)
Mainland China	**7.17**	7.30	7.27
Hong Kong	**7.85**	7.76	7.81
Thailand	**32.50**	34.26	36.80
Singapore	**1.27**	1.36	1.36
Malaysia	**4.21**	4.47	4.72

Exchange rates are expressed in units of local currency per US$1.

4. Operating profit after tax

Operating profit after tax may be reconciled to net profit as follows:

US$m	Note	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Operating profit after tax	6	**3,624**	3,401
Non-operating items, net of related taxes:			
Short-term investment and discount rate variances[1]		**(754)**	(319)
Reclassification of revaluation losses/(gains) for property held for own use[1]		**35**	(110)
Other significant non-operating income and expenses			
Corporate transaction related costs		**(2)**	(7)
Other non-operating investment return and other items[2]		**(354)**	355
Subtotal		**(1,075)**	(81)
Net profit		**2,549**	3,320
Operating profit after tax attributable to:			
Shareholders of AIA Group Limited		**3,609**	3,386
Non-controlling interests		**15**	15
Net profit attributable to:			
Shareholders of AIA Group Limited		**2,534**	3,314
Non-controlling interests		**15**	6

4. Operating profit after tax (continued)

Operating profit after tax breakdown:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Insurance service result:		
Contractual service margin (CSM) recognised for services provided	**3,043**	2,782
Other insurance service result	**474**	156
Net investment result	**1,634**	1,744
Other net expenses	**(708)**	(721)
Operating profit before tax	**4,443**	3,961
Tax on operating profit before tax[3]	**(819)**	(560)
Operating profit after tax	**3,624**	3,401

Notes:

(1) Short-term investment and discount rate variances include revaluation losses/gains for property held for own use. This amount is then reclassified out of net profit to conform to IFRS Accounting Standards measurement and presentation.

(2) This balance includes non-operating movement from net foreign exchange gains/losses, realised gains/losses on debt securities and share of profit or losses from associates and joint ventures.

(3) This includes a notional amount for the Global Minimum Tax regime (GMT) top-up tax of US$(136)m on an operating profit basis for the current period. On a net profit basis, the provision for the GMT top-up tax is US$(51)m.

5. Total weighted premium income and annualised new premiums

For management decision-making and internal performance management purposes, the Group measures business volumes during the period using a performance measure referred to as total weighted premium income (TWPI). The Group measures new business activity using a performance measure referred to as annualised new premiums (ANP). The presentation of this note is consistent with our reportable segment presentation in note 6.

TWPI consists of 100 per cent of renewal premiums, 100 per cent of first year premiums and 10 per cent of single premiums, before reinsurance ceded.

Management considers that TWPI provides an indicative volume measure of transactions undertaken in the reporting period that have the potential to generate profits for shareholders. The amounts shown are not intended to be indicative of insurance revenue and fee income recorded in the interim consolidated income statement.

ANP is a key internal measure of new business activities, which consists of 100 per cent of annualised first year premiums and 10 per cent of single premiums, before reinsurance ceded. ANP excludes new business of pension business, personal lines and motor insurance.

TWPI US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
TWPI by geography		
Mainland China	**6,774**	5,985
Hong Kong	**7,017**	5,930
Thailand	**2,450**	2,098
Singapore	**2,616**	2,209
Malaysia	**1,526**	1,310
Other Markets	**3,553**	3,554
Total	**23,936**	21,086
First year premiums by geography		
Mainland China	**1,242**	1,343
Hong Kong	**1,479**	1,204
Thailand	**435**	366
Singapore	**419**	323
Malaysia	**212**	208
Other Markets	**539**	552
Total	**4,326**	3,996

5. Total weighted premium income and annualised new premiums (continued)

TWPI (continued) US$m	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Single premiums by geography		
Mainland China	**170**	227
Hong Kong	**1,081**	615
Thailand	**35**	38
Singapore	**707**	574
Malaysia	**176**	145
Other Markets	**510**	319
Total	**2,679**	1,918
Renewal premiums by geography		
Mainland China	**5,515**	4,619
Hong Kong	**5,430**	4,664
Thailand	**2,011**	1,728
Singapore	**2,126**	1,829
Malaysia	**1,296**	1,087
Other Markets	**2,964**	2,971
Total	**19,342**	16,898

ANP US$m	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
ANP by geography		
Mainland China	**1,268**	1,382
Hong Kong	**1,609**	1,272
Thailand	**452**	386
Singapore	**547**	417
Malaysia	**278**	285
Other Markets	**788**	804
Total	**4,942**	4,546

6. Segment information

The Group's operating segments, based on the reports received by the Group's chief operating decision-maker, considered to be the Executive Committee (ExCo), are each of the geographical markets in which the Group operates. Each of the reportable segments, other than the "Group Corporate Centre" segment, writes life insurance business, providing life insurance, accident and health insurance and savings plans to customers in its local market, and distributes related investment and other financial services products. The reportable segments are Mainland China, Hong Kong (including Macau), Thailand, Singapore (including Brunei), Malaysia, Other Markets and Group Corporate Centre. Other Markets includes the Group's operations in Australia, Cambodia, India, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China) and Vietnam. The activities of the Group Corporate Centre segment consist of the Group's corporate functions, shared services and eliminations of intra-group transactions.

As each reportable segment other than the Group Corporate Centre segment focuses on serving the life insurance needs of its local market, there are limited transactions between reportable segments. The key performance indicators reported in respect of each segment are:

- ANP;
- TWPI;
- insurance service result;
- net investment result;
- operating expenses;
- operating profit after tax attributable to shareholders of AIA Group Limited;
- expense ratio, measured as operating expenses divided by TWPI;
- operating margin, measured as operating profit after tax expressed as a percentage of TWPI; and
- operating return on shareholders' allocated equity measured on an annualised basis as operating profit after tax attributable to shareholders of AIA Group Limited expressed as a percentage of the simple average of opening and closing shareholders' allocated segment equity (being the segment assets less segment liabilities in respect of each reportable segment less non-controlling interests, insurance finance reserve and fair value reserve).

Business volumes in respect of the Group's five largest customers are less than 30 per cent of insurance revenue and net investment result in this note.

The Group recognises deferred tax liabilities in respect of unremitted earnings in jurisdictions where withholding tax charge would be incurred upon dividend distribution.

6. Segment information (continued)

US$m	Mainland China	Hong Kong	Thailand	Singapore	Malaysia	Other Markets	Group Corporate Centre	Total
Six months ended 30 June 2025 – Unaudited								
ANP	**1,268**	**1,609**	**452**	**547**	**278**	**788**	**–**	**4,942**
TWPI	**6,774**	**7,017**	**2,450**	**2,616**	**1,526**	**3,553**	**–**	**23,936**
Insurance revenue	1,702	2,580	1,379	1,342	1,024	2,436	–	10,463
Insurance service expenses	(671)	(1,481)	(810)	(1,023)	(770)	(1,946)	(2)	(6,703)
Net (expenses)/income from reinsurance contracts held	(35)	(17)	(35)	(37)	(9)	(114)	4	(243)
Insurance service result	**996**	**1,082**	**534**	**282**	**245**	**376**	**2**	**3,517**
Investment return	**979**	**3,433**	**440**	**1,516**	**213**	**708**	**365**	**7,654**
– Participating[1] and unit-linked	315	2,905	(97)	1,305	136	117	5	4,686[2]
– Others	664	528	537	211	77	591	360	2,968
Net finance expenses from insurance contracts and reinsurance contracts held	(808)	(2,750)	(187)	(1,310)	(141)	(488)	(1)	(5,685)[2]
Movement in investment contract liabilities	(15)	(202)	(45)	(38)	–	(8)	–	(308)[2]
Movement in third-party interests in consolidated investment funds	–	(27)	–	–	–	–	–	(27)[2]
Net investment result	**156**	**454**	**208**	**168**	**72**	**212**	**364**	**1,634**
Fee income and other operating revenue	–	116	16	13	6	62	26	239
Other expenses	(78)	(120)	(29)	(78)	(32)	(180)	(158)	(675)
Other finance costs	(23)	(7)	(3)	(2)	(1)	(4)	(234)	(274)
Share of (losses)/profit from associates and joint ventures	–	–	–	–	(1)	3	–	2
Operating profit before tax	**1,051**	**1,525**	**726**	**383**	**289**	**469**	**–**	**4,443**
Tax on operating profit before tax	(178)	(124)	(105)	(28)	(74)	(117)	(193)[3]	(819)
Operating profit/(loss) after tax	**873**	**1,401**	**621**	**355**	**215**	**352**	**(193)**	**3,624**
Operating profit/(loss) after tax attributable to:								
Shareholders of AIA Group Limited	**873**	**1,401**	**621**	**355**	**210**	**338**	**(189)**	**3,609**
Non-controlling interests	–	–	–	–	5	14	(4)	15

Notes:

(1) Participating refers to participating funds and other participating business with distinct portfolios.

(2) Net finance expenses from insurance contracts and reinsurance contracts held include changes in fair value of underlying items of contracts with direct participation features. Net finance expenses from insurance contracts and reinsurance contracts held, net of investment return relating to participating and unit-linked businesses, movement in investment contract liabilities and movement in third-party interests in consolidated investment funds amounted to US$(1,334)m, primarily related to other insurance contracts without direct participation features.

(3) This includes a notional amount for the GMT top-up tax of US$(136)m on an operating profit basis and Bermuda corporate income tax of US$(31)m for the current period.

Key operating ratios:

Expense ratio	4.5%	5.2%	6.3%	5.9%	8.4%	14.0%	–	7.3%
Operating margin	12.9%	20.0%	25.3%	13.6%	14.1%	9.9%	–	15.1%
Operating return on shareholders' allocated equity	25.3%	24.1%	18.7%	18.2%	15.5%	8.7%	–	16.2%

Operating profit before tax includes:

Operating expenses	304	365	155	154	128	498	147	1,751
Finance costs	33	14	10	4	1	4	233	299

6. Segment information (continued)

US$m	Mainland China	Hong Kong	Thailand	Singapore	Malaysia	Other Markets	Group Corporate Centre	Total
30 June 2025 – Unaudited								
Total assets	**67,810**	**107,130**	**32,588**	**47,739**	**17,833**	**37,967**	**17,363**	**328,430**
Total liabilities	**61,783**	**99,302**	**25,057**	**43,243**	**14,840**	**29,200**	**14,137**	**287,562**
Total equity	**6,027**	**7,828**	**7,531**	**4,496**	**2,993**	**8,767**	**3,226**	**40,868**
Shareholders' allocated equity	**7,232**	**10,816**	**6,830**	**4,162**	**2,846**	**8,043**	**4,549**	**44,478**
Total assets include:								
Investments in associates and joint ventures	**–**	**–**	**–**	**–**	**–**	**901**	**818**	**1,719**

Segment information may be reconciled to the interim consolidated income statement as shown below:

US$m	Segment information	Short-term investment and discount rate variances	Other non-operating items	Interim consolidated income statement	
Six months ended 30 June 2025 – Unaudited					
Insurance revenue	**10,463**	**–**	**–**	**10,463**	Insurance revenue
Insurance service expenses	**(6,703)**	**–**	**159**	**(6,544)**	Insurance service expenses
Net expenses from reinsurance contracts held	**(243)**	**–**	**(49)**	**(292)**	Net expenses from reinsurance contracts held
Insurance service result	**3,517**	**–**	**110**	**3,627**	**Insurance service result**
Investment return	**7,654**	**(822)**	**(1,286)**	**5,546**	Investment return
Net finance expenses from insurance contracts and reinsurance contracts held	**(5,685)**	**138**	**632**	**(4,915)**	Net finance expenses from insurance contracts and reinsurance contracts held
Movement in investment contract liabilities	**(308)**	**(211)**	**–**	**(519)**	Movement in investment contract liabilities
Movement in third-party interests in consolidated investment funds	**(27)**	**–**	**–**	**(27)**	Movement in third-party interests in consolidated investment funds
Net investment result	**1,634**	**(895)**	**(654)**	**85**	**Net investment result**
Fee income and other operating revenue	**239**	**–**	**(1)**	**238**	Fee income and other operating revenue
Other expenses	**(675)**	**–**	**(118)**	**(793)**	Other expenses
Other finance costs	**(274)**	**–**	**(51)**	**(325)**	Other finance costs
Share of profit from associates and joint ventures	**2**	**–**	**271**	**273**	Share of profit from associates and joint ventures
Operating profit before tax	**4,443**	**(895)**	**(443)**	**3,105**	**Profit before tax**
Tax on operating profit before tax	**(819)**[1]	**141**	**122**	**(556)**[1]	Tax expense
Operating profit after tax	**3,624**	**(754)**	**(321)**	**2,549**	**Net profit**

Note:

(1) This includes a notional amount for the GMT top-up tax of US$(136)m on an operating profit basis for the current period. On a net profit basis, the provision for the GMT top-up tax is US$(51)m.

6. Segment information (continued)

US$m	Mainland China	Hong Kong	Thailand	Singapore	Malaysia	Other Markets	Group Corporate Centre	Total
Six months ended 30 June 2024 – Unaudited								
ANP	1,382	1,272	386	417	285	804	–	4,546
TWPI	5,985	5,930	2,098	2,209	1,310	3,554	–	21,086
Insurance revenue	1,633	2,205	1,145	1,202	871	2,413	–	9,469
Insurance service expenses	(660)	(1,371)	(688)	(948)	(675)	(1,973)	–	(6,315)
Net expenses from reinsurance contracts held	(19)	(17)	(27)	(21)	(13)	(117)	(2)	(216)
Insurance service result	954	817	430	233	183	323	(2)	2,938
Investment return	1,597	(751)	533	1,510	770	750	383	4,792
– Participating[1] and unit-linked	1,025	(1,322)	45	1,291	702	190	2	1,933[2]
– Others	572	571	488	219	68	560	381	2,859
Net finance (expenses)/income from insurance contracts and reinsurance contracts held	(1,429)	1,453	(294)	(1,244)	(694)	(506)	1	(2,713)[2]
Movement in investment contract liabilities	(14)	(168)	(38)	(88)	–	(16)	–	(324)[2]
Movement in third-party interests in consolidated investment funds	–	(11)	–	–	–	–	–	(11)[2]
Net investment result	154	523	201	178	76	228	384	1,744
Fee income and other operating revenue	–	128	12	18	8	49	13	228
Other expenses	(78)	(130)	(23)	(74)	(29)	(185)	(191)	(710)
Other finance costs	(24)	(14)	–	(4)	(1)	(3)	(183)	(229)
Share of losses from associates and joint ventures	–	–	–	–	–	(10)	–	(10)
Operating profit before tax	1,006	1,324	620	351	237	402	21	3,961
Tax on operating profit before tax	(179)	(99)	(106)	(8)	(55)	(94)	(19)	(560)
Operating profit after tax	827	1,225	514	343	182	308	2	3,401
Operating profit after tax attributable to:								
Shareholders of AIA Group Limited	827	1,223	514	343	178	292	9	3,386
Non-controlling interests	–	2	–	–	4	16	(7)	15

Notes:

(1) Participating refers to participating funds and other participating business with distinct portfolios.

(2) Net finance (expenses)/income from insurance contracts and reinsurance contracts held include changes in fair value of underlying items of contracts with direct participation features. Net finance (expenses)/income from insurance contracts and reinsurance contracts held, net of investment return relating to participating and unit-linked businesses, movement in investment contract liabilities and movement in third-party interests in consolidated investment funds amounted to US$(1,115)m, primarily related to other insurance contracts without direct participation features.

Key operating ratios:

Expense ratio	5.0%	5.8%	6.5%	6.3%	8.3%	14.6%	–	8.2%
Operating margin	13.8%	20.7%	24.5%	15.5%	13.9%	8.7%	–	16.1%
Operating return on shareholders' allocated equity	29.2%	19.6%	17.0%	16.0%	15.7%	7.4%	–	15.3%

Operating profit before tax includes:

Operating expenses	301	344	136	140	109	518	172	1,720
Finance costs	34	15	1	10	1	4	183	248

6. Segment information (continued)

US$m	Mainland China	Hong Kong	Thailand	Singapore	Malaysia	Other Markets	Group Corporate Centre	Total
31 December 2024								
Total assets	60,121	104,669	29,205	42,990	16,475	35,290	16,704	305,454
Total liabilities	54,885	95,405	22,097	39,131	13,809	26,988	12,326	264,641
Total equity	5,236	9,264	7,108	3,859	2,666	8,302	4,378	40,813
Shareholders' allocated equity	6,596	12,440	6,488	3,642	2,558	7,500	5,180	44,404
Total assets include:								
Investments in associates and joint ventures	–	–	–	–	1	892	817	1,710

Segment information may be reconciled to the interim consolidated income statement as shown below:

US$m	Segment information	Short-term investment and discount rate variances	Other non-operating items	Interim consolidated income statement	
Six months ended 30 June 2024 – Unaudited					
Insurance revenue	9,469	–	–	9,469	Insurance revenue
Insurance service expenses	(6,315)	–	93	(6,222)	Insurance service expenses
Net expenses from reinsurance contracts held	(216)	–	(5)	(221)	Net expenses from reinsurance contracts held
Insurance service result	2,938	–	88	3,026	**Insurance service result**
Investment return	4,792	(258)	660	5,194	Investment return
Net finance expenses from insurance contracts and reinsurance contracts held	(2,713)	(124)	(381)	(3,218)	Net finance expenses from insurance contracts and reinsurance contracts held
Movement in investment contract liabilities	(324)	4	–	(320)	Movement in investment contract liabilities
Movement in third-party interests in consolidated investment funds	(11)	–	–	(11)	Movement in third-party interests in consolidated investment funds
Net investment result	1,744	(378)	279	1,645	**Net investment result**
Fee income and other operating revenue	228	–	(16)	212	Fee income and other operating revenue
Other expenses	(710)	–	(141)	(851)	Other expenses
Other finance costs	(229)	–	(34)	(263)	Other finance costs
Share of losses from associates and joint ventures	(10)	–	83	73	Share of profit from associates and joint ventures
Operating profit before tax	3,961	(378)	259	3,842	**Profit before tax**
Tax on operating profit before tax(1)	(560)	59	(21)	(522)	Tax expense(1)
Operating profit after tax	3,401	(319)	238	3,320	**Net profit**

Note:

(1) The segment information disclosure has been enhanced in the consolidated financial statements in the Company's Annual Report 2024 with no impact on the Group's operating profit after tax or net profit. The 2024 comparative information in this report are presented on a consistent manner to conform with the enhanced presentation.

7. Insurance revenue

US$m	Note	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Contracts not measured under the premium allocation approach (PAA)			
Amounts related to changes in liabilities for remaining coverage			
Contractual service margin recognised for services provided	18	**3,193**	2,944
Change in risk adjustment for non-financial risk for risk expired		**145**	112
Expected incurred claims and other insurance service expenses		**4,818**	4,410
Others		**37**	53
Recovery of insurance acquisition cash flows		**591**	522
	18	**8,784**	8,041
Contracts measured under the PAA	18	**1,679**	1,428
Total insurance revenue		**10,463**	9,469

8. Net investment result

A. Group's net investment result in interim consolidated income statement and other comprehensive income

US$m	Note	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Investment return			
Interest revenue on financial assets		**3,882**	3,966
Other investment return		**1,700**	1,227
Net impairment (loss)/gain on financial assets		**(36)**	1
Amounts recognised in interim consolidated income statement		**5,546**	5,194
Amounts recognised in other comprehensive income		**2,890**	1,365
Total investment return		**8,436**	6,559
Net finance expenses from insurance contracts			
Changes in fair value of underlying items of contracts with direct participation features		**(4,549)**	(1,373)
Interest accreted		**(1,531)**	(1,439)
Effect of changes in interest rates and other financial assumptions		**(1,543)**	(2,099)
Effect of measuring changes in estimates at current rates and adjusting the CSM at the rates on initial recognition		**(356)**	(97)
Net foreign exchange gains/(losses)		**820**	(423)
Total net finance expenses from insurance contracts	18	**(7,159)**	(5,431)
Net finance (expenses)/income from reinsurance contracts held			
Interest accreted		**44**	40
Effect of changes in interest rates and other financial assumptions		**(54)**	196
Effect of measuring changes in estimates at current rates and adjusting the CSM at the rates on initial recognition		**(5)**	(18)
Net foreign exchange losses		**(5)**	(5)
Total net finance (expenses)/income from reinsurance contracts held	18	**(20)**	213
Movement in investment contract liabilities		**(519)**	(320)
Movement in third-party interests in consolidated investment funds		**(27)**	(11)
Net investment result		**711**	1,010

8. Net investment result (continued)

A. Group's net investment result in interim consolidated income statement and other comprehensive income (continued)

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Net investment result is represented by:		
Amounts recognised in interim consolidated income statement	**85**	1,645
Amounts recognised in other comprehensive income	**626**	(635)
Total net investment result	**711**	1,010
Net finance expenses from insurance contracts are represented by:		
Amounts recognised in interim consolidated income statement	**(4,969)**	(3,279)
Amounts recognised in other comprehensive income	**(2,190)**	(2,152)
Total net finance expenses from insurance contracts	**(7,159)**	(5,431)
Net finance (expenses)/income from reinsurance contracts held are represented by:		
Amounts recognised in interim consolidated income statement	**54**	61
Amounts recognised in other comprehensive income	**(74)**	152
Total net finance (expenses)/income from reinsurance contracts held	**(20)**	213

8. Net investment result (continued)

B. Interest revenue on financial assets and other investment return

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Interest revenue on financial assets		
Financial assets measured at amortised cost (AC)	**283**	352
Financial assets measured at fair value through other comprehensive income (FVOCI)	**1,854**	1,743
Financial assets designated at fair value through profit or loss (FVTPL – designated)	**1,558**	1,680
Financial assets measured mandatorily at fair value through profit or loss (FVTPL – mandatory)	**187**	191
Total interest revenue on financial assets	**3,882**	3,966
Other investment return		
Dividend income	**1,089**	776
Rental income[(1)]	**82**	83
Net (losses)/gains of financial assets not at fair value through profit or loss		
Net realised (losses)/gains of debt securities measured at fair value through other comprehensive income	**(154)**	149
Net realised losses of financial assets measured at amortised cost[(2)]	**(1)**	(21)
At fair value through profit or loss		
Net gains/(losses) of financial assets designated at fair value through profit or loss		
Net gains/(losses) of debt securities	**751**	(2,173)
Net gains/(losses) of loans and deposits	**4**	(2)
Net gains of equity shares, interests in investment funds and exchangeable loan notes	**81**	–
Net gains/(losses) of financial instruments mandatorily at fair value through profit or loss		
Net gains/(losses) of debt securities	**119**	(26)
Net gains of equity shares, interests in investment funds and exchangeable loan notes	**2,341**	3,128
Net fair value movement on derivatives	**(49)**	(1,715)
Net gains/(losses) in respect of financial instruments at fair value through profit or loss (FVTPL)	**3,247**	(788)
Net fair value movement of investment property and property held for own use	**(76)**	(14)
Net foreign exchange (losses)/gains	**(2,454)**	1,047
Other net realised losses	**(33)**	(5)
Net gains	**529**	368
Total other investment return	**1,700**	1,227

Notes:

(1) Represents rental income from operating lease contracts in which the Group acts as a lessor.

(2) During the period ended 30 June 2025 and 31 December 2024, the Group disposed certain debt securities measured at amortised cost for asset liability management.

8. Net investment result (continued)

Foreign currency movements resulted in the following (losses)/gains recognised in the interim consolidated income statement (other than gains and losses arising on items measured at fair value through profit or loss):

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Foreign exchange (losses)/gains	**(449)**	263

On transition to IFRS 17, for certain groups of contracts that the Group applies the modified retrospective approach or the fair value approach, the cumulative insurance finance income or expenses recognised in other comprehensive income at 1 January 2022 was determined:

- to be zero; or
- retrospectively based on observable yield curve.

For those groups of contracts, the movement in the fair value reserve for the debt securities at fair value through other comprehensive income was as follows:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Balance at 1 January	**3,267**	(177)
Net change in fair value and others	**1,633**	537
Net amount reclassified to profit or loss	**228**	78
Balance at 30 June	**5,128**	438

9. Expenses

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Claims and benefits	**5,051**	4,755
Commission and other acquisition expenses incurred	**3,894**	3,422
(Reversal of losses)/losses on onerous insurance contracts	**(63)**	45
Employee benefit expenses[3]	**1,162**	1,103
Depreciation[3]	**109**	106
Amortisation[3]	**98**	87
Investment management expenses and others	**239**	258
Depreciation on property held for own use	**34**	32
Finance costs	**350**	281
Other operating expenses[3]	**382**	424
Restructuring and other non-operating costs[1]	**62**	79
	11,318	10,592
Amounts attributed to insurance acquisition cash flows	**(4,470)**	(3,977)
Amortisation of insurance acquisition cash flows	**814**	721
Insurance service and other expenses	**7,662**	7,336

Insurance service and other expenses represented by:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Insurance service expenses	**6,544**	6,222
– Contracts not measured under the PAA	**5,018**	4,833
– Contracts measured under the PAA	**1,526**	1,389
Other expenses[2]	**793**	851
Other finance costs	**325**	263
Total	**7,662**	7,336

Notes:

(1) Restructuring costs represent costs related to restructuring programmes and are primarily comprised of redundancy and contract termination costs. Other non-operating costs primarily consist of corporate transaction related costs and other items that are not expected to be recurring in nature.

(2) Other expenses represent general expenses and investment management expenses that are not directly attributable to insurance contracts and reinsurance contracts held.

(3) Operating expenses comprise employee benefit expenses, depreciation, amortisation and other operating expenses.

9. Expenses (continued)

Finance costs may be analysed as:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Repurchase agreements	**58**	51
Medium-term notes and securities	**268**	216
Other loans	**17**	8
Lease liabilities	**7**	6
Total	**350**	281

Employee benefit expenses consist of:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Wages and salaries	**940**	906
Share-based compensation	**51**	40
Pension costs – defined contribution plans	**77**	69
Pension costs – defined benefit plans	**7**	5
Other employee benefit expenses	**87**	83
Total	**1,162**	1,103

10. Income tax

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Tax charged in the interim consolidated income statement		
Current income tax – Hong Kong Profits Tax	**68**	69
Current income tax – overseas	**220**	120
GMT top-up tax[(1)]	**51**	–
Deferred income tax on temporary differences	**217**	333
Total	**556**	522

Note:
(1) Refers to Pillar Two income taxes as described in this note.

Income tax expense is recognised based on the management's best estimate of the weighted average annual income tax rate expected for the full financial year.

10. Income tax (continued)

In 2023, Bermuda enacted the Corporate Income Tax Act, which introduced a corporate income tax at a rate of 15 per cent from 1 January 2025.

The GMT, developed as part of the second pillar (known as 'Pillar Two') of the Organisation for Economic Co-operation and Development's (OECD) current programme of work on international tax reform to counteract perceived base erosion and profit shifting (BEPS) by multinational enterprises, commonly referred to as 'BEPS 2.0', seeks to impose a minimum effective tax rate of 15 per cent on large multinational enterprises in respect of each jurisdiction in which they operate.

In 2021, the OECD/G20 Inclusive Framework on BEPS published the Global Anti-Base Erosion (GloBE) Model Rules, as the basis for jurisdictions to enact new local tax laws to give effect to Pillar Two of BEPS 2.0. The GMT top-up tax refers to 'Pillar Two income taxes', which are income taxes arising from tax law enacted to implement the GloBE Model Rules, including tax law that implements a qualified domestic minimum top-up tax (QDMTT) described in those rules.

On 6 June 2025, Hong Kong enacted Global Minimum Tax legislation to implement a Hong Kong minimum top-up tax (HKMTT) (which is intended to be a QDMTT) and an income inclusion rule (IIR), which apply in relation to fiscal years beginning on or after 1 January 2025. The Group is in scope of these rules since it is headquartered and has operations in Hong Kong.

Broadly, under the HKMTT, the Group is required to pay top-up tax where the aggregated corporate tax rate of its constituent entities located in Hong Kong is below the minimum rate of 15 per cent. Under Hong Kong's IIR, the Group is further required to pay top-up tax, on a jurisdiction-by-jurisdiction basis, where the aggregated corporate tax rate of its constituent entities located in a jurisdiction other than Hong Kong is below the minimum rate of 15 per cent.

However, Hong Kong's IIR does not apply in respect of the Group's constituent entities located in jurisdictions other than Hong Kong that have enacted a QDMTT. In these circumstances, any top-up tax payable is collected in that jurisdiction under its local QDMTT. Jurisdictions where the Group operates that have enacted QDMTTs include Australia, Indonesia, Malaysia, Singapore, Thailand and Vietnam.

The jurisdictions where the Group operates that have not yet enacted QDMTTs include Mainland China, Macau and Brunei, and therefore Hong Kong retains the right to impose top-up tax in respect of the Group's constituent entities located in such jurisdictions if chargeable under Hong Kong's IIR.

IAS 12, Income Taxes mandates that as a temporary exception to the requirements under that standard, entities shall neither recognise nor disclose information about deferred tax assets and liabilities related to the GMT top-up tax. The Group has applied this exception and has not assessed the potential deferred tax impacts of the GMT top-up tax. The Group will continue to monitor the requirement to apply this exception and prepare its accounts accordingly.

For the six months ended 30 June 2025, the Group recognised current tax expenses of US$51 million in respect of the GMT top-up tax (six months ended 30 June 2024: nil), arising from its operations in Mainland China, Macau, Brunei and Singapore. The Group's HKMTT expense for the period is nil.

The top-up tax chargeable in respect of the Group's operations in Mainland China, Macau and Brunei is expected to be payable in Hong Kong, whereas the top-up tax chargeable in respect of the Group's operations in Singapore is expected to be payable in Singapore.

11. Earnings per share

BASIC

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of AIA Group Limited by the weighted average number of ordinary shares outstanding during the period. The shares held by employee share-based trusts and shares that have been repurchased are not considered to be outstanding from the date of the purchase for the purposes of computing basic and diluted earnings per share.

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Net profit attributable to shareholders of AIA Group Limited (US$m)	**2,534**	3,314
Weighted average number of ordinary shares outstanding (million)	**10,634**	11,221
Basic earnings per share (US cents)	**23.83**	29.53

DILUTED

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The dilutive instruments are the share options, restricted share units, restricted stock purchase units and restricted stock subscription units granted to eligible directors, officers, employees and agents under various share-based compensation plans as described in note 25.

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Net profit attributable to shareholders of AIA Group Limited (US$m)	**2,534**	3,314
Weighted average number of ordinary shares outstanding (million)	**10,634**	11,221
Adjustment for share options, restricted share units, restricted stock purchase units and restricted stock subscription units granted under share-based compensation plans (million)	**10**	6
Weighted average number of ordinary shares for diluted earnings per share (million)	**10,644**	11,227
Diluted earnings per share (US cents)	**23.81**	29.52

At 30 June 2025, 23,672,263 share options (30 June 2024: 22,035,442) were excluded from the diluted weighted average number of ordinary shares calculation as they have no effect to the diluted earnings per share.

11. Earnings per share (continued)

OPERATING PROFIT AFTER TAX PER SHARE

Operating profit after tax (see note 4) per share is calculated by dividing the operating profit after tax attributable to shareholders of AIA Group Limited by the weighted average number of ordinary shares outstanding during the period. The dilutive instruments are the share options, restricted share units, restricted stock purchase units and restricted stock subscription units granted to eligible directors, officers, employees and agents under various share-based compensation plans as described in note 25.

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Basic operating profit after tax per share (US cents)	**33.94**	30.18
Diluted operating profit after tax per share (US cents)	**33.91**	30.16

12. Dividends

Dividends to shareholders of the Company attributable to the interim period:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Interim dividend declared after the reporting date of 49.00 Hong Kong cents per share (six months ended 30 June 2024: 44.50 Hong Kong cents per share) [(1)]	**655**	633

Note:
(1) Based upon shares outstanding at 30 June 2025 and 30 June 2024 that are entitled to a dividend, other than those held by employee share-based trusts.

The above interim dividend was declared after the reporting date and has not been recognised as a liability at the reporting date.

Dividends to shareholders of the Company attributable to the previous financial period, approved and paid during the interim period:

US$m	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Final dividend in respect of the previous financial period, approved and paid during the interim period of 130.98 Hong Kong cents per share (six months ended 30 June 2024: 119.07 Hong Kong cents per share)	**1,768**	1,705

13. Intangible assets

US$m	Goodwill	Computer software	Distribution and other rights	Total
Cost				
At 1 January 2025	2,065	1,675	1,223	4,963
Additions	–	79	42	121
Acquisition of subsidiaries[(1)]	113	–	–	113
Disposals	–	(15)	–	(15)
Foreign exchange movements	72	76	6	154
At 30 June 2025 – Unaudited	**2,250**	**1,815**	**1,271**	**5,336**
Accumulated amortisation and impairment				
At 1 January 2025	(140)	(918)	(427)	(1,485)
Amortisation charge for the period	–	(98)	(45)	(143)
Disposals	–	14	–	14
Foreign exchange movements	(6)	(50)	(4)	(60)
At 30 June 2025 – Unaudited	**(146)**	**(1,052)**	**(476)**	**(1,674)**
Net book value				
At 31 December 2024	1,925	757	796	3,478
At 30 June 2025 – Unaudited	**2,104**	**763**	**795**	**3,662**

Note:

(1) The Group is in the process of finalising the purchase price adjustments for the acquisition of New Medical Centre Holding Limited within the measurement period. The values of consideration and goodwill are therefore provisional as of 30 June 2025. The finalisation of the values of consideration and goodwill is expected to be completed within 12 months of the acquisition date.

The Group holds other intangible assets for its long-term use and, accordingly, the annual amortisation charge approximates to the amount expected to be recovered through consumption within 12 months after the end of the reporting period.

14. Financial investments

DEBT SECURITIES

Debt securities by type comprise the following:

	Policyholder and shareholder								
	Participating funds and other participating business with distinct portfolios	Other policyholder and shareholder				Unit-linked	Unit-linked[(2)]	Consolidated investment funds[(1)]	
US$m	FVTPL	FVTPL	FVOCI	AC	Subtotal	FVTPL	FVOCI	FVTPL	Total
30 June 2025 – Unaudited									
Government bonds[(3)]	**23,336**	**2,217**	**70,344**	**359**	**96,256**	**1,993**	**232**	**–**	**98,481**
Government agency bonds[(4)]	**7,017**	**62**	**7,602**	**203**	**14,884**	**600**	**109**	**3**	**15,596**
Corporate bonds	**39,877**	**1,478**	**24,847**	**2,011**	**68,213**	**2,417**	**256**	**748**	**71,634**
Structured securities[(5)]	**387**	**104**	**3,306**	**–**	**3,797**	**47**	**–**	**–**	**3,844**
Total[(6)]	**70,617**	**3,861**	**106,099**	**2,573**	**183,150**	**5,057**	**597**	**751**	**189,555**
31 December 2024									
Government bonds[(3)]	22,050	2,766	62,767	337	87,920	2,024	151	–	90,095
Government agency bonds[(4)]	6,894	52	7,244	212	14,402	395	90	112	14,999
Corporate bonds	39,179	765	26,091	1,850	67,885	2,082	228	755	70,950
Structured securities[(5)]	320	90	1,718	–	2,128	46	–	–	2,174
Total[(6)]	68,443	3,673	97,820	2,399	172,335	4,547	469	867	178,218

Notes:

(1) Investment funds in which the Group has interests and power to direct their relevant activities that affect the return of the funds are consolidated in the financial statements. Consolidated investment funds reflect 100 per cent of assets and liabilities held by such funds.

(2) Represents primarily the financial assets backing non-unit reserves of unit-linked contracts.

(3) Government bonds include bonds issued in local or foreign currencies by either the government of the jurisdiction in which the respective business unit operates or other governments.

(4) Government agency bonds comprise bonds issued by government-sponsored institutions such as national, provincial and municipal authorities; government-related entities; multilateral development banks and supranational organisations.

(5) Structured securities include collateralised debt obligations, mortgage-backed securities and other asset-backed securities.

(6) Debt securities of US$11,426m (31 December 2024: US$9,952m) are restricted due to local regulatory requirements.

14. Financial investments (continued)

EQUITY SHARES, INTERESTS IN INVESTMENT FUNDS AND EXCHANGEABLE LOAN NOTES

Equity shares, interests in investment funds and exchangeable loan notes comprise the following:

	Policyholder and shareholder					
	Participating funds and other participating business with distinct portfolios	Other policyholder and shareholder		Unit-linked	Consolidated investment funds(1)	
US$m	FVTPL	FVTPL	Subtotal	FVTPL	FVTPL	Total
30 June 2025 – Unaudited(2)						
Equity shares	**6,078**	**4,537**	**10,615**	**8,929**	**–**	**19,544**
Interests in investment funds and exchangeable loan notes						
Investment funds with debt instruments as underlying(3)	**3,207**	**2,207**	**5,414**	**3,434**	**–**	**8,848**
Others	**41,368**	**9,043**	**50,411**	**16,284**	**–**	**66,695**
Total	**50,653**	**15,787**	**66,440**	**28,647**	**–**	**95,087**

	Policyholder and shareholder					
	Participating funds and other participating business with distinct portfolios	Other policyholder and shareholder		Unit-linked	Consolidated investment funds(1)	
US$m	FVTPL	FVTPL	Subtotal	FVTPL	FVTPL	Total
31 December 2024						
Equity shares	6,115	5,269	11,384	8,413	–	19,797
Interests in investment funds and exchangeable loan notes						
Investment funds with debt instruments as underlying(3)	3,126	2,188	5,314	3,003	–	8,317
Others	37,250	8,366	45,616	15,107	–	60,723
Total	46,491	15,823	62,314	26,523	–	88,837

Notes:

(1) Investment funds in which the Group has interests and power to direct their relevant activities that affect the return of the funds are consolidated in the financial statements. Consolidated investment funds reflect 100 per cent of assets and liabilities held by such funds.

(2) The presentation of interests in investment funds and exchangeable loan notes disclosure has been enhanced in 2025 on a consistent manner as the presentation in the Company's Annual Report 2024.

(3) Investment funds with debt instruments as underlying refer to investment funds solely investing in debt securities and cash therefrom.

14. Financial investments (continued)

LOANS AND DEPOSITS

Loans and deposits by type comprise the following:

US$m	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Mortgage loans on residential real estate	**500**	469
Mortgage loans on commercial real estate	**4**	3
Other loans	**901**	212
Loss allowance for loans	**(9)**	(9)
Loans	**1,396**	675
Term deposits	**1,831**	1,850
Promissory notes[(1)]	**1,610**	1,523
Loss allowance for deposits measured at amortised cost	**(5)**	(6)
Total	**4,832**	4,042

Note:

(1) The promissory notes are issued by a government. Promissory notes of US$291m (31 December 2024: US$272m) are measured at fair value through profit or loss.

Other loans include receivables from reverse repurchase agreements (reverse repos) under which the Group does not take physical possession of securities purchased under the agreements. Reverse repos are initially recorded at the cost of the loan or collateral advanced. At 30 June 2025, the carrying value of such receivables was US$792m (31 December 2024: US$115m).

At 30 June 2025 and 31 December 2024, there was no material debt collateral received in respect of reverse repos.

14. Financial investments (continued)

MATURITY PROFILE OF DEBT SECURITIES, LOANS AND DEPOSITS

The table below shows the maturity profile of debt securities, loans and deposits based on contractual maturity dates. The maturity profile below excludes unit-linked investments and consolidated investment funds as the investment risk is generally borne by our customers.

US$m	**Total**	**Due in one year or less**	**Due after one year through five years**	**Due after five years through ten years**	**Due after ten years**	**No fixed maturity**
30 June 2025 – Unaudited						
Debt securities	**183,150**	**6,122**	**22,326**	**18,009**	**136,693**	**–**
Loans and deposits	**4,793**	**1,843**	**1,115**	**167**	**1,651**	**17**
Total	**187,943**	**7,965**	**23,441**	**18,176**	**138,344**	**17**

US$m	Total	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years	No fixed maturity
31 December 2024						
Debt securities	172,335	7,143	22,376	16,665	126,151	–
Loans and deposits	3,971	1,297	945	156	1,563	10
Total	176,306	8,440	23,321	16,821	127,714	10

INPUTS, ASSUMPTIONS AND TECHNIQUES USED FOR ESTIMATING IMPAIRMENT

Significant increase in credit risk

When determining whether the credit risk (i.e. risk of default) on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis based on the Group's experience, credit assessment performed by internal and external experts and forward-looking information.

The Group primarily identifies whether a significant increase in credit risk has occurred for an exposure by comparing the internal rating as at the reporting date with the internal rating as at the date of initial recognition of the exposure. Where external credit ratings are available, internal ratings are assigned consistent with such ratings in accordance with the Group's credit risk assessment framework. Where external credit ratings are not readily available, an internal rating methodology has been adopted.

The Group monitors changes in credit risk by tracking the change in internal rating of the exposure. The Group also monitors relevant information, including price movements of securities, and assess whether such information signifies a change in credit risk.

The Group has assumed that the credit risk of a financial asset has not increased significantly since initial recognition if the financial asset has low credit risk at the reporting date. The Group considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade". The Group considers this to be BBB- (Standard and Poor's rating), BBB- (Fitch rating), Baa3 (Moody's rating) or higher, which is equivalent to an internal rating of 4- or higher.

14. Financial investments (continued)

INPUTS, ASSUMPTIONS AND TECHNIQUES USED FOR ESTIMATING IMPAIRMENT (continued)

Significant increase in credit risk (continued)

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due, unless there are other indications that there is no significant increase in credit risk. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined after considering any grace period that might be available to the debtor.

Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons including changing market conditions and other factors not related to current or potential credit deterioration of the debtor. An existing financial asset whose terms have been modified may be derecognised and the renegotiated asset recognised as a new financial asset at fair value in accordance with the accounting policies in note 2.5.1 to the consolidated financial statements in the Company's Annual Report 2024.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of significant increase in credit risk is assessed based on the change in internal rating as at the reporting date and the date of initial recognition. The internal rating as at the reporting date is rated based on the modified contractual terms while the initial rating is rated based on the original contractual terms.

Definition of default

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to mitigating actions. The criteria of "default" are consistent with those of "credit-impaired".

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of a financial instrument has increased significantly since initial recognition and its measurement of expected credit losses (ECL). It formulates a "base case" view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on management knowledge and consideration of a variety of external actual and forecast information. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the jurisdictions in which the Group operates, supranational organisations, and selected private-sector and academic forecasters.

The base case represents a best estimate and the other scenarios represent more optimistic and more pessimistic outcomes.

14. Financial investments (continued)

INPUTS, ASSUMPTIONS AND TECHNIQUES USED FOR ESTIMATING IMPAIRMENT (continued)

Incorporation of forward-looking information (continued)

The Group has identified and documented key drivers of credit risk and ECL for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationship between macroeconomic variables and key drivers of credit risk. The specific values of the core macroeconomic variable used by the Group for evaluating ECL for the six months ended 30 June 2025 and the year ended 31 December 2024 are as follows:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024
Gross Domestic Product (GDP) growth (5-year average of year-over-year %)		
Base case scenario	**2.5%**	2.7%
Upside scenario	**3.0%**	2.9%
Downside scenario	**1.6%**	2.2%

Measurement of ECL

The key inputs into the measurement of ECL are the term structures of probability of default (PD), loss given default (LGD) and exposure at default (EAD). They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

To determine lifetime and 12-month PDs, the Group leverages on the internal rating and convert it into PD based on the level of rating and obligor characteristics like industry type and country. Changes in the rating at the reporting date for a counterparty or exposure lead to a change in the estimate of the associated PD.

LGD is the magnitude of the likely loss if there is a default. The Group leverages on recovery statistics to calculate LGD. The LGD models consider a number of factors including among others, the structure, collateral and seniority of the claim, that are integral to the financial asset. LGD estimates are recalibrated for different economic scenarios.

PDs and LGDs are adjusted to reflect forward-looking information and different economic scenarios as described above.

EAD represents the expected exposure in the event of a default. The EAD of a financial asset is its gross carrying amount at the time of default. The Group derives the EAD from the current exposure to the counterparty, with any adjustments for changes to the current exposure, such as amortisation, and prepayments.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period (including any debtor's extension options) over which it is exposed to credit risk.

14. Financial investments (continued)

INPUTS, ASSUMPTIONS AND TECHNIQUES USED FOR ESTIMATING IMPAIRMENT (continued)

Measurement of ECL (continued)

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics, which include instrument type, credit risk gradings, collateral type, date of initial recognition, remaining term to maturity, industry and geographical location of debtor.

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous. When ECL are measured using parameters based on collective modelling, a significant input into the measurement of ECL is the external information that the Group uses to derive the default rates of its portfolios.

Credit-impaired financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment regularly. This requires the exercise of management judgement. The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is credit-impaired. Objective evidence that a financial asset, or a group of financial assets, is credit-impaired includes observable data that comes to the attention of the Group about the following events:

- significant financial difficulty of the issuer or debtor;
- a breach of contract, such as a default or delinquency in payments;
- the restructuring of an amount due to the Group on terms that the Group would not otherwise consider;
- it becomes probable that the issuer or debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

A financial asset that has been renegotiated due to a deterioration in the debtor’s condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

15. Derivative financial instruments

The Group's derivative exposure was as follows:

US$m	**Notional amount**	**Fair value Assets**	**Fair value Liabilities**
30 June 2025 – Unaudited			
Foreign exchange contracts			
Cross-currency swaps	**11,544**	**501**	**(420)**
Forwards	**5,230**	**84**	**(64)**
Foreign exchange futures	**185**	**–**	**–**
Total foreign exchange contracts	**16,959**	**585**	**(484)**
Interest rate contracts			
Interest rate swaps	**4,760**	**275**	**(56)**
Swaptions	**6,035**	**92**	**–**
Total interest rate contracts	**10,795**	**367**	**(56)**
Other			
Warrants and options	**1,156**	**10**	**(2)**
Forward contracts	**34,378**	**361**	**(6,374)**
Netting	**(185)**	**–**	**–**
Total	**63,103**	**1,323**	**(6,916)**

US$m	Notional amount	Fair value Assets	Fair value Liabilities
31 December 2024			
Foreign exchange contracts			
Cross-currency swaps	10,661	214	(317)
Forwards	4,773	79	(35)
Foreign exchange futures	97	–	–
Total foreign exchange contracts	15,531	293	(352)
Interest rate contracts			
Interest rate swaps	4,908	261	(108)
Swaptions	6,035	125	–
Total interest rate contracts	10,943	386	(108)
Other			
Warrants and options	1,396	7	–
Forward contracts	35,103	368	(8,155)
Netting	(97)	–	–
Total	62,876	1,054	(8,615)

The notional amounts indicate the volume of transactions outstanding at the balance sheet date and are not representing the amounts at risk.

Of the total derivatives, US$32m (31 December 2024: US$9m) are listed in exchange or dealer markets and the rest are over-the-counter (OTC) derivatives. OTC derivative contracts are individually negotiated between contracting parties and not cleared through an exchange. OTC derivatives include forwards, swaps, swaptions and options. Derivatives are subject to various risks including market, liquidity and credit risks, similar to those related to the underlying financial instruments.

15. Derivative financial instruments (continued)

Derivative assets and derivative liabilities are recognised in the interim consolidated statement of financial position as derivative financial assets at fair value through profit or loss and derivative financial liabilities respectively. The Group's derivative contracts are established to provide an economic hedge to financial exposures. The Group adopts hedge accounting in limited circumstances. The notional or contractual amounts associated with derivative financial instruments are not recorded as assets or liabilities in the interim consolidated statement of financial position as they do not represent the fair value of these transactions. The notional amounts in the previous table reflect the aggregate of individual derivative positions on a gross basis and so give an indication of the overall scale of derivative transactions.

FOREIGN EXCHANGE CONTRACTS

Foreign exchange forward and futures contracts represent agreements to exchange one currency for another currency at an agreed price and settlement date. Currency options are agreements that give the buyer the right to exchange one currency for another currency at agreed prices and settlement dates. Currency swaps are contractual agreements that involve the exchange of both periodic and final amounts in two different currencies. Exposure to gains and losses on the foreign exchange contracts will increase or decrease over their respective lives as a function of maturity dates, interest and foreign exchange rates, implied volatilities of the underlying indices and the timing of payments.

INTEREST RATE CONTRACTS

Interest rate swaps are contractual agreements between two parties to exchange periodic payments in the same currency, each of which is computed on a different interest rate basis, on a specified notional amount. Most interest rate swaps involve the net exchange of payments calculated as the difference between the fixed and floating rate interest payments.

Swaptions are options to enter into interest rate swaps with forward starting effective dates. Swaptions give an entity the right, but not the obligation, to exchange fixed or floating interest rate payments through interest rate swaps. The Group's swaptions are used to provide an economic hedge to financial exposures in the participating funds and other participating business with distinct portfolios.

OTHER DERIVATIVES

Warrants and options are option agreements that give the owner the right to buy or sell securities at an agreed price and settlement date. Forward contracts are contractual obligations to buy or sell a financial instrument on a predetermined future date at a specified price. Swaps are OTC contractual agreements between the Group and a third party to exchange a series of cash flows based upon index, rates or other variables applied to a notional amount.

NETTING ADJUSTMENT

The netting adjustment is related to futures contracts executed through clearing house where the settlement arrangement satisfies the netting criteria under IFRS Accounting Standards.

COLLATERAL UNDER DERIVATIVE TRANSACTIONS

At 30 June 2025, the Group had posted cash collateral of US$25m (31 December 2024: US$111m) and pledged debt securities with carrying value of US$8,387m (31 December 2024: US$9,692m) for liabilities, and held cash collateral of US$584m (31 December 2024: US$401m) and debt securities collateral with carrying value of US$317m (31 December 2024: US$170m) for assets in respect of derivative transactions. The Group did not sell or repledge the debt collateral received. These transactions are conducted under terms that are usual and customary to collateralised transactions including, where relevant, standard repurchase agreements.

16. Fair value measurement

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group classifies all financial assets as either at fair value through profit or loss (mandatory and designated), or as at fair value through other comprehensive income, or at amortised cost. Financial liabilities are classified as either at fair value through profit or loss (mandatory and designated) or at amortised cost, except for investment contracts with discretionary participation features (DPF) which are accounted for under IFRS 17.

The following tables present the fair values of the Group's financial assets and financial liabilities:

US$m	Notes	Fair value FVTPL – mandatory	Fair value FVTPL – designated	Fair value FVOCI	Amortised cost	Total carrying value	Total fair value
30 June 2025 – Unaudited							
Financial investments	14						
Loans and deposits		**–**	**291**	**–**	**4,541**	**4,832**	**5,246**
Debt securities		**8,377**	**71,909**	**106,696**	**2,573**	**189,555**	**189,192**
Equity shares, interests in investment funds and exchangeable loan notes		**91,880**	**3,207**[1]	**–**	**–**	**95,087**	**95,087**
Derivative financial instruments	15	**1,323**	**–**	**–**	**–**	**1,323**	**1,323**
Receivables		**–**	**–**	**–**	**2,075**	**2,075**	**2,075**
Accrued investment income		**–**	**–**	**–**	**1,846**	**1,846**	**1,846**
Cash and cash equivalents	17	**3,017**	**–**	**–**	**7,039**	**10,056**	**10,056**
Financial assets		**104,597**	**75,407**	**106,696**	**18,074**	**304,774**	**304,825**

	Notes	Fair value FVTPL – mandatory	Fair value FVTPL – designated	Amortised cost	Total carrying value	Total fair value
Financial liabilities						
Investment contract liabilities	19	**–**	**6,826**	**486**	**7,312**	**7,312**
Borrowings	20	**–**	**–**	**14,321**	**14,321**	**13,625**
Obligations under repurchase agreements	21	**–**	**–**	**5,073**	**5,073**	**5,073**
Derivative financial instruments	15	**6,916**	**–**	**–**	**6,916**	**6,916**
Other liabilities		**–**	**780**	**6,376**	**7,156**	**7,156**
Financial liabilities		**6,916**	**7,606**	**26,256**	**40,778**	**40,082**

Note:
(1) Includes certain financial assets held through investment vehicles.

16. Fair value measurement (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

US$m	Notes	Fair value FVTPL – mandatory	FVTPL – designated	FVOCI	Amortised cost	Total carrying value	Total fair value
31 December 2024							
Financial investments	14						
Loans and deposits		–	272	–	3,770	4,042	4,292
Debt securities		6,396	71,134	98,289	2,399	178,218	177,858
Equity shares, interests in investment funds and exchangeable loan notes		85,711	3,126[1]	–	–	88,837	88,837
Derivative financial instruments	15	1,054	–	–	–	1,054	1,054
Receivables		–	–	–	848	848	848
Accrued investment income		–	–	–	1,748	1,748	1,748
Cash and cash equivalents	17	1,628	–	–	6,473	8,101	8,101
Financial assets		94,789	74,532	98,289	15,238	282,848	282,738

	Notes	Fair value FVTPL – mandatory	FVTPL – designated	Amortised cost	Total carrying value	Total fair value
Financial liabilities						
Investment contract liabilities	19	–	6,320	485	6,805	6,805
Borrowings	20	–	–	13,329	13,329	12,364
Obligations under repurchase agreements	21	–	–	4,616	4,616	4,616
Derivative financial instruments	15	8,615	–	–	8,615	8,615
Other liabilities		–	812	4,097	4,909	4,909
Financial liabilities		8,615	7,132	22,527	38,274	37,309

Note:
(1) Includes certain financial assets held through investment vehicles.

The Group does not have assets or liabilities measured at fair value on a non-recurring basis during the six months ended 30 June 2025.

When the Group holds a group of derivative assets and derivative liabilities entered into with a particular counterparty, the Group takes into account the arrangements that mitigate credit risk exposure in the event of default (e.g. International Swap and Derivatives Association (ISDA) Master Agreements and Credit Support Annex (CSA) that require the exchange of collateral on the basis of each party's net credit risk exposure). The Group measures the fair value of the group of financial assets and financial liabilities on the basis of its net exposure to the credit risk of that counterparty or the counterparty's net exposure to our credit risk that reflects market participants' expectations about the likelihood that such an arrangement would be legally enforceable in the event of default.

16. Fair value measurement (continued)

FAIR VALUE HIERARCHY FOR FAIR VALUE MEASUREMENT ON A RECURRING BASIS

A summary of assets and liabilities carried at fair value on a recurring basis according to fair value hierarchy is given below:

	Fair value hierarchy			
US$m	Level 1	Level 2	Level 3	Total
30 June 2025 – Unaudited				
Recurring fair value measurements				
Non-financial assets				
Property held for own use	–	–	2,700	2,700
Investment property	–	–	4,581	4,581
Financial assets				
At fair value through other comprehensive income				
Debt securities	84	105,001	1,611	106,696
At fair value through profit or loss				
Debt securities				
Participating funds and other participating business with distinct portfolios	137	68,344	2,136	70,617
Unit-linked and consolidated investment funds	9	5,798	1	5,808
Other policyholder and shareholder	–	3,829	32	3,861
Loans and deposits	–	–	291	291
Equity shares, interests in investment funds and exchangeable loan notes				
Participating funds and other participating business with distinct portfolios	25,270	5,983	19,400	50,653
Unit-linked and consolidated investment funds	26,874	1,749	24	28,647
Other policyholder and shareholder	5,306	3,050	7,431	15,787
Cash and cash equivalents				
Participating funds and other participating business with distinct portfolios	1,483	–	–	1,483
Other policyholder and shareholder	1,534	–	–	1,534
Derivative financial instruments				
Foreign exchange contracts	–	585	–	585
Interest rate contracts	–	367	–	367
Other contracts	2	192	177	371
Total assets on a recurring fair value measurement basis	60,699	194,898	38,384	293,981
% of Total	*20.6%*	*66.3%*	*13.1%*	*100.0%*
Financial liabilities				
Investment contract liabilities	–	4,459	2,367	6,826
Derivative financial instruments				
Foreign exchange contracts	–	484	–	484
Interest rate contracts	–	56	–	56
Other contracts	2	6,374	–	6,376
Other liabilities	–	780	–	780
Total liabilities on a recurring fair value measurement basis	2	12,153	2,367	14,522
% of Total	*0.0%*	*83.7%*	*16.3%*	*100.0%*

16. Fair value measurement (continued)

FAIR VALUE HIERARCHY FOR FAIR VALUE MEASUREMENT ON A RECURRING BASIS (continued)

	Fair value hierarchy			
US$m	Level 1	Level 2	Level 3	Total
31 December 2024				
Recurring fair value measurements				
Non-financial assets				
Property held for own use	–	–	2,711	2,711
Investment property	–	–	4,570	4,570
Financial assets				
At fair value through other comprehensive income				
Debt securities	–	95,318	2,971	98,289
At fair value through profit or loss				
Debt securities				
Participating funds and other participating business with distinct portfolios	63	66,198	2,182	68,443
Unit-linked and consolidated investment funds	16	5,398	–	5,414
Other policyholder and shareholder	–	3,551	122	3,673
Loans and deposits	–	–	272	272
Equity shares, interests in investment funds and exchangeable loan notes				
Participating funds and other participating business with distinct portfolios	24,963	3,835	17,693	46,491
Unit-linked and consolidated investment funds	25,137	1,363	23	26,523
Other policyholder and shareholder	6,035	2,885	6,903	15,823
Cash and cash equivalents				
Participating funds and other participating business with distinct portfolios	192	–	–	192
Other policyholder and shareholder	1,436	–	–	1,436
Derivative financial instruments				
Foreign exchange contracts	–	293	–	293
Interest rate contracts	–	386	–	386
Other contracts	4	191	180	375
Total assets on a recurring fair value measurement basis	57,846	179,418	37,627	274,891
% of Total	*21.0%*	*65.3%*	*13.7%*	*100.0%*
Financial liabilities				
Investment contract liabilities	–	4,280	2,040	6,320
Derivative financial instruments				
Foreign exchange contracts	–	352	–	352
Interest rate contracts	–	108	–	108
Other contracts	–	8,155	–	8,155
Other liabilities	–	812	–	812
Total liabilities on a recurring fair value measurement basis	–	13,707	2,040	15,747
% of Total	*0.0%*	*87.0%*	*13.0%*	*100.0%*

The Group's policy is to recognise transfers of assets and liabilities between Level 1 and Level 2 at their fair values as at the end of each reporting period, consistent with the date of the determination of fair value. Assets are transferred out of Level 1 when they are no longer transacted with sufficient frequency and volume in an active market. During the six months ended 30 June 2025, the Group transferred US$2,129m (year ended 31 December 2024: US$5m) of assets measured at fair value from Level 1 to Level 2. Conversely, assets are transferred from Level 2 to Level 1 when transaction volume and frequency are indicative of an active market. The Group transferred US$7m (year ended 31 December 2024: US$11m) of assets from Level 2 to Level 1 during the six months ended 30 June 2025.

16. Fair value measurement (continued)

FAIR VALUE HIERARCHY FOR FAIR VALUE MEASUREMENT ON A RECURRING BASIS (continued)

The Group's Level 2 financial instruments include debt securities, equity shares, interests in investment funds, derivative financial instruments, investment contract liabilities and other liabilities. The fair values of Level 2 financial instruments are estimated using values obtained from private pricing services and brokers corroborated with internal review as necessary. When the quotes from private pricing services and brokers are not available, internal valuation techniques and inputs will be used to derive the fair value for the financial instruments.

The table below sets out a summary of changes in the Group's Level 3 assets and liabilities measured at fair value on a recurring basis for the six months ended 30 June 2025. The table reflects gains and losses, including gains and losses on assets and liabilities categorised as Level 3 as at 30 June 2025.

Level 3 assets and liabilities

US$m	Property held for own use	Investment property	Debt securities	Loans and deposits	Equity shares, interests in investment funds and exchangeable loan notes	Derivative financial assets/ (liabilities)	Investment contracts
At 1 January 2025	**2,711**	**4,570**	**5,275**	**272**	**24,619**	**180**	**(2,040)**
Net movement on investment contract liabilities	–	–	–	–	–	–	(327)
Total gains/(losses)							
Reported under investment return and other expenses in the interim consolidated income statement	(56)	(76)	(17)	4	399	12	–
Reported under fair value reserve, foreign currency translation reserve and property revaluation reserve in the interim consolidated statement of comprehensive income	42	56	62	15	186	3	–
Transfer to/from investment property	–	–	–	–	–	–	–
Purchases	3	31	580	–	2,397	–	–
Sales	–	–	(132)	–	(746)	–	–
Settlements	–	–	(819)	–	–	(18)	–
Transfer into Level 3	–	–	3	–	–	–	–
Transfer out of Level 3	–	–	(1,172)	–	–	–	–
At 30 June 2025 – Unaudited	**2,700**	**4,581**	**3,780**	**291**	**26,855**	**177**	**(2,367)**
Change in unrealised gains or losses included in the interim consolidated income statement for assets and liabilities held at the end of the reporting period, under investment return and other expenses	**(56)**	**(76)**	**76**	**4**	**692**	**(8)**	**–**

Movements in investment contract liabilities at fair value are offset by movements in the underlying portfolio of matching assets.

Assets transferred out of Level 3 mainly relate to debt securities of which market-observable inputs became available during the period and were used in determining the fair value.

There are not any differences between the fair values on initial recognition and the amounts determined using valuation techniques since the models adopted are calibrated using initial transaction prices.

16. Fair value measurement (continued)

SIGNIFICANT UNOBSERVABLE INPUTS FOR LEVEL 3 FAIR VALUE MEASUREMENTS

As at 30 June 2025, the valuation techniques and applicable unobservable inputs used to measure the Group's Level 3 financial instruments are summarised as follows:

Description	Fair value at 30 June 2025 (Unaudited) (US$m)	Valuation techniques	Unobservable inputs	Range
Debt securities	**3,526**	**Discounted cash flows**	**Risk adjusted discount rate**	**2.12%-11.64%**

For certain equity shares, interests in investment funds and exchangeable loan notes held by the Group, management obtains values from independent professional valuers who use valuation techniques, such as the market approach, to determine the fair value. Under the market approach, the most relevant valuation multiples based on a number of factors, such as enterprise value to sales, or enterprise value to EBITDA (earnings before interest, taxes, depreciation and amortisation), are used to determine the fair value of the financial assets.

Fair value of the Group's properties are determined based on appropriate valuation techniques which may consider among others income projection, value of comparable property and adjustments for factors such as size, location, quality and prospective use. These valuation inputs are deemed unobservable.

VALUATION PROCESSES

The Group has the valuation policies, procedures and analyses in place to govern the valuation of financial assets required for financial reporting purposes, including Level 3 fair values. In determining the fair values of financial assets, the Group in general uses private pricing providers and, only in rare cases when third-party prices do not exist, will use prices derived from internal models. The Group Valuation Committee supports the Group Chief Financial Officer in relation to financial assets valuation for financial reporting. Under the oversight of the Group Valuation Committee, the Chief Investment Officers of each of the business units review the reasonableness of the prices used and report price exceptions, if any. Any changes in valuation policies are reviewed and approved by the Group Valuation Committee which is part of the Group's wider financial risk governance processes. Changes in Level 2 and 3 fair values are analysed at each reporting date.

The main Level 3 input used by the Group pertains to the discount rate for the debt securities and investment contracts. The unobservable inputs for determining the fair value of these instruments include the obligor's credit spread and/or the liquidity spread. A significant increase/(decrease) in any of the unobservable input may result in a significantly lower/(higher) fair value measurement. The Group has subscriptions to private pricing services for gathering such information. If the information from private pricing services is not available, the Group uses the proxy pricing method based on internally-developed valuation inputs.

17. Cash and cash equivalents

US$m	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Cash	**3,694**	3,324
Cash equivalents	**6,362**	4,777
Total[(1)]	**10,056**	8,101

Note:
(1) US$870m (31 December 2024: US$778m) are held to back unit-linked contracts and US$30m (31 December 2024: US$32m) are held by consolidated investment funds.

Cash comprises cash at bank and cash in hand. Cash equivalents comprise bank deposits and highly liquid short-term investments with maturities at acquisition of three months or less and money market funds that are convertible into known amounts of cash and subject to insignificant risk of changes in value. Accordingly, all such amounts are expected to be realised within 12 months after the end of the reporting period.

18. Insurance contracts and reinsurance contracts held

MOVEMENT IN CARRYING AMOUNTS

The following reconciliations show how the net carrying amounts of insurance contracts and reinsurance contracts held changed during the period as a result of cash flows and amounts recognised in the interim consolidated income statement and interim consolidated statement of comprehensive income. The Group presents a table separately analysing movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the interim consolidated income statement and interim consolidated statement of comprehensive income. A second reconciliation is presented for contracts not measured under the premium allocation approach, which separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the contractual service margin.

The estimates of the present value of future cash flows from insurance and reinsurance contract assets represent the Group's maximum exposure to credit risk from these assets.

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by remaining coverage and incurred claims of insurance contracts not measured under the premium allocation approach

		Six months ended 30 June 2025 (Unaudited)			
		Liabilities for remaining coverage			
US$m	Notes	Excluding loss component	Loss component	Liabilities for incurred claims	Total
Opening assets		54	31	434	519
Opening liabilities		214,276	365	7,170	221,811
Net opening balance		214,330	396	7,604	222,330
Insurance revenue	7	(8,784)	–	–	(8,784)
Insurance service expenses					
Incurred claims and other insurance service expenses		–	(56)	4,798	4,742
Amortisation of insurance acquisition cash flows		591	–	–	591
Losses and reversal of losses on onerous contracts		–	(7)	–	(7)
Adjustments to liabilities for incurred claims		–	–	(308)	(308)
Total insurance service expenses		591	(63)	4,490	5,018
Investment components		(5,170)	–	5,170	–
Other changes		(7)	–	7	–
Insurance service result		(13,370)	(63)	9,667	(3,766)
Net finance expenses from insurance contracts	8	7,005	8	146	7,159
Effect of movements in exchange rates		6,214	17	359	6,590
Total changes in the interim consolidated income statement and interim consolidated statement of comprehensive income		(151)	(38)	10,172	9,983
Cash flows					
Premiums received		23,906	–	–	23,906
Claims and other insurance service expenses paid, including investment components		–	–	(12,681)	(12,681)
Insurance acquisition cash flows paid		(3,937)	–	–	(3,937)
Other amounts received		–	–	2,940	2,940
Total cash flows		19,969	–	(9,741)	10,228
Adjusted for:					
Non-cash operating expenses		(86)	–	(48)	(134)
Other non-cash items		(223)	–	–	(223)
Total non-cash items		(309)	–	(48)	(357)
Net closing balance		233,839	358	7,987	242,184
Closing assets		172	38	474	684
Closing liabilities		233,667	320	7,513	241,500
Net closing balance		233,839	358	7,987	242,184

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by remaining coverage and incurred claims of insurance contracts not measured under the premium allocation approach (continued)

US$m	Year ended 31 December 2024			
	Liabilities for remaining coverage			
	Excluding loss component	Loss component	Liabilities for incurred claims	Total
Opening assets	(454)	42	627	215
Opening liabilities	196,080	305	7,382	203,767
Net opening balance	195,626	347	8,009	203,982
Insurance revenue	(16,361)	–	–	(16,361)
Insurance service expenses				
Incurred claims and other insurance service expenses	–	(115)	9,251	9,136
Amortisation of insurance acquisition cash flows	1,073	–	–	1,073
Losses and reversal of losses on onerous contracts	–	163	–	163
Adjustments to liabilities for incurred claims	–	–	(116)	(116)
Total insurance service expenses	1,073	48	9,135	10,256
Investment components	(10,662)	–	10,662	–
Other changes	(13)	–	13	–
Insurance service result	(25,963)	48	19,810	(6,105)
Net finance expenses from insurance contracts	13,868	17	148	14,033
Effect of movements in exchange rates	(3,703)	(16)	(572)	(4,291)
Total changes in the consolidated income statement and consolidated statement of comprehensive income	(15,798)	49	19,386	3,637
Cash flows				
Premiums received	42,142	–	–	42,142
Claims and other insurance service expenses paid, including investment components	–	–	(24,997)	(24,997)
Insurance acquisition cash flows paid	(7,058)	–	–	(7,058)
Other amounts received	–	–	5,291	5,291
Total cash flows	35,084	–	(19,706)	15,378
Adjusted for:				
Non-cash operating expenses	(174)	–	(85)	(259)
Other non-cash items	(408)	–	–	(408)
Total non-cash items	(582)	–	(85)	(667)
Net closing balance	214,330	396	7,604	222,330
Closing assets	54	31	434	519
Closing liabilities	214,276	365	7,170	221,811
Net closing balance	214,330	396	7,604	222,330

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by measurement component of insurance contracts not measured under the premium allocation approach

		Six months ended 30 June 2025 (Unaudited)			
US$m	Notes	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Opening assets		(5,091)	698	4,912	519
Opening liabilities		164,813	3,335	53,663	221,811
Net opening balance		**159,722**	**4,033**	**58,575**	**222,330**
Insurance service result					
Changes that relate to current services					
CSM recognised for services provided	7	–	–	(3,193)	(3,193)
Change in risk adjustment for non-financial risk		–	(85)	–	(85)
Experience adjustments		(85)	–	–	(85)
Others		(88)	–	–	(88)
Changes that relate to future services					
Contracts initially recognised in the period		(4,626)	252	4,413	39
Changes in estimates that adjust the CSM		(1,982)	144	1,838	–
Changes in estimates that result in losses and reversal of losses on onerous contracts		(53)	7	–	(46)
Changes that relate to past services		(247)	(61)	–	(308)
Total insurance service result		**(7,081)**	**257**	**3,058**	**(3,766)**
Net finance expenses from insurance contracts	8	6,580	–	579	7,159
Effect of movements in exchange rates		4,984	174	1,432	6,590
Total changes in the interim consolidated income statement and interim consolidated statement of comprehensive income		**4,483**	**431**	**5,069**	**9,983**
Cash flows		10,228	–	–	10,228
Non-cash operating expenses		(134)	–	–	(134)
Other non-cash items		(223)	–	–	(223)
Net closing balance		**174,076**	**4,464**	**63,644**	**242,184**
Closing assets		(5,691)	878	5,497	684
Closing liabilities		179,767	3,586	58,147	241,500
Net closing balance		**174,076**	**4,464**	**63,644**	**242,184**

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by measurement component of insurance contracts not measured under the premium allocation approach (continued)

	Year ended 31 December 2024			
US$m	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Opening assets	(9,961)	888	9,288	215
Opening liabilities	154,587	2,950	46,230	203,767
Net opening balance	144,626	3,838	55,518	203,982
Insurance service result				
Changes that relate to current services				
CSM recognised for services provided	–	–	(5,958)	(5,958)
Change in risk adjustment for non-financial risk	–	(210)	–	(210)
Experience adjustments	167	–	–	167
Others	(151)	–	–	(151)
Changes that relate to future services				
Contracts initially recognised in the year	(8,025)	435	7,700	110
Changes in estimates that adjust the CSM	(949)	125	824	–
Changes in estimates that result in losses and reversal of losses on onerous contracts	21	32	–	53
Changes that relate to past services	(48)	(68)	–	(116)
Total insurance service result	(8,985)	314	2,566	(6,105)
Net finance expenses from insurance contracts	12,620	–	1,413	14,033
Effect of movements in exchange rates	(3,250)	(119)	(922)	(4,291)
Total changes in the consolidated income statement and consolidated statement of comprehensive income	385	195	3,057	3,637
Cash flows	15,378	–	–	15,378
Non-cash operating expenses	(259)	–	–	(259)
Other non-cash items	(408)	–	–	(408)
Net closing balance	159,722	4,033	58,575	222,330
Closing assets	(5,091)	698	4,912	519
Closing liabilities	164,813	3,335	53,663	221,811
Net closing balance	159,722	4,033	58,575	222,330

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by remaining coverage and incurred claims of reinsurance contracts held not measured under the premium allocation approach

		Six months ended 30 June 2025 (Unaudited)			
		Asset for remaining coverage			
US$m	Note	Excluding loss-recovery component	Loss-recovery component	Asset for incurred claims	Total
Opening assets		2,107	139	3,416	5,662
Opening liabilities		(687)	11	433	(243)
Net opening balance		**1,420**	**150**	**3,849**	**5,419**
Changes in the interim consolidated income statement and interim consolidated statement of comprehensive income					
Net (expenses)/income from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)		(1,093)	(20)	823	(290)
Effect of changes in non-performance risk of reinsurers		–	–	–	–
Net (expenses)/income from reinsurance contracts held		(1,093)	(20)	823	(290)
Investment components		(37)	–	37	–
Other changes		–	–	–	–
Net finance (expenses)/income from reinsurance contracts held	8	(76)	–	60	(16)
Effect of movements in exchange rates		38	8	179	225
Total changes in the interim consolidated income statement and interim consolidated statement of comprehensive income		(1,168)	(12)	1,099	(81)
Cash flows					
Premiums paid		1,881	–	–	1,881
Amounts received		–	–	(908)	(908)
Other amounts paid		–	–	3	3
Total cash flows		1,881	–	(905)	976
Adjusted for:					
Non-cash operating expenses		–	–	–	–
Other non-cash items		–	–	–	–
Total non-cash items		–	–	–	–
Net closing balance		2,133	138	4,043	6,314
Closing assets		2,903	125	3,555	6,583
Closing liabilities		(770)	13	488	(269)
Net closing balance		2,133	138	4,043	6,314

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by remaining coverage and incurred claims of reinsurance contracts held not measured under the premium allocation approach (continued)

	Year ended 31 December 2024			
	Asset for remaining coverage			
US$m	Excluding loss-recovery component	Loss-recovery component	Asset for incurred claims	Total
Opening assets	2,091	133	3,746	5,970
Opening liabilities	(663)	9	326	(328)
Net opening balance	1,428	142	4,072	5,642
Changes in the consolidated income statement and consolidated statement of comprehensive income				
Net (expenses)/income from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)	(2,258)	22	1,843	(393)
Effect of changes in non-performance risk of reinsurers	–	–	–	–
Net (expenses)/income from reinsurance contracts held	(2,258)	22	1,843	(393)
Investment components	(77)	–	77	–
Other changes	–	–	–	–
Net finance income from reinsurance contracts held	167	–	37	204
Effect of movements in exchange rates	41	(14)	(282)	(255)
Total changes in the consolidated income statement and consolidated statement of comprehensive income	(2,127)	8	1,675	(444)
Cash flows				
Premiums paid	2,119	–	–	2,119
Amounts received	–	–	(1,903)	(1,903)
Other amounts paid	–	–	5	5
Total cash flows	2,119	–	(1,898)	221
Adjusted for:				
Non-cash operating expenses	–	–	–	–
Other non-cash items	–	–	–	–
Total non-cash items	–	–	–	–
Net closing balance	1,420	150	3,849	5,419
Closing assets	2,107	139	3,416	5,662
Closing liabilities	(687)	11	433	(243)
Net closing balance	1,420	150	3,849	5,419

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by measurement component of reinsurance contracts held not measured under the premium allocation approach

US$m	Note	Six months ended 30 June 2025 (Unaudited) Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Opening assets		3,054	530	2,078	5,662
Opening liabilities		(688)	179	266	(243)
Net opening balance		**2,366**	**709**	**2,344**	**5,419**
Net (expenses)/income from reinsurance contracts held					
Changes that relate to current services					
CSM recognised for services received		–	–	(150)	(150)
Change in risk adjustment for non-financial risk		–	(8)	–	(8)
Experience adjustments		(103)	–	–	(103)
Changes that relate to future services					
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM		–	–	5	5
Contracts initially recognised in the period		44	18	(62)	–
Changes in estimates that adjust the CSM		11	6	(17)	–
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts		(11)	–	–	(11)
Changes that relate to past services		(10)	(13)	–	(23)
Effect of changes in non-performance risk of reinsurers		–	–	–	–
Total net (expenses)/income from reinsurance contracts held		**(69)**	**3**	**(224)**	**(290)**
Net finance (expenses)/income from reinsurance contracts held	8	(27)	–	11	(16)
Effect of movements in exchange rates		53	39	133	225
Total changes in the interim consolidated income statement and interim consolidated statement of comprehensive income		**(43)**	**42**	**(80)**	**(81)**
Cash flows		976	–	–	976
Non-cash operating expenses		–	–	–	–
Other non-cash items		–	–	–	–
Net closing balance		**3,299**	**751**	**2,264**	**6,314**
Closing assets		4,003	559	2,021	6,583
Closing liabilities		(704)	192	243	(269)
Net closing balance		**3,299**	**751**	**2,264**	**6,314**

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by measurement component of reinsurance contracts held not measured under the premium allocation approach (continued)

	Year ended 31 December 2024			
US$m	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM	Total
Opening assets	3,371	579	2,020	5,970
Opening liabilities	(908)	197	383	(328)
Net opening balance	2,463	776	2,403	5,642
Net (expenses)/income from reinsurance contracts held				
Changes that relate to current services				
CSM recognised for services received	–	–	(333)	(333)
Change in risk adjustment for non-financial risk	–	(40)	–	(40)
Experience adjustments	(135)	–	–	(135)
Changes that relate to future services				
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	9	9
Contracts initially recognised in the year	(46)	30	16	–
Changes in estimates that adjust the CSM	(363)	6	357	–
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts	23	–	–	23
Changes that relate to past services	92	(9)	–	83
Effect of changes in non-performance risk of reinsurers	–	–	–	–
Total net (expenses)/income from reinsurance contracts held	(429)	(13)	49	(393)
Net finance income/(expenses) from reinsurance contracts held	167	–	37	204
Effect of movements in exchange rates	(56)	(54)	(145)	(255)
Total changes in the consolidated income statement and consolidated statement of comprehensive income	(318)	(67)	(59)	(444)
Cash flows	221	–	–	221
Non-cash operating expenses	–	–	–	–
Other non-cash items	–	–	–	–
Net closing balance	2,366	709	2,344	5,419
Closing assets	3,054	530	2,078	5,662
Closing liabilities	(688)	179	266	(243)
Net closing balance	2,366	709	2,344	5,419

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by remaining coverage and incurred claims of insurance contracts measured under the premium allocation approach

		Six months ended 30 June 2025 (Unaudited)				
		Liabilities for remaining coverage		Liabilities for incurred claims		
US$m	Notes	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening assets		3	–	2	–	5
Opening liabilities		446	–	474	20	940
Net opening balance		449	–	476	20	945
Insurance revenue	7	(1,679)	–	–	–	(1,679)
Insurance service expenses						
Incurred claims and other insurance service expenses		–	–	1,202	21	1,223
Amortisation of insurance acquisition cash flows		223	–	–	–	223
Losses and reversal of losses on onerous contracts		–	–	–	–	–
Adjustments to liabilities for incurred claims		–	–	95	(15)	80
Total insurance service expenses		223	–	1,297	6	1,526
Investment components		(3)	–	3	–	–
Other changes		(2)	–	2	–	–
Insurance service result		(1,461)	–	1,302	6	(153)
Net finance expenses from insurance contracts	8	–	–	–	–	–
Effect of movements in exchange rates		25	–	10	1	36
Total changes in the interim consolidated income statement and interim consolidated statement of comprehensive income		(1,436)	–	1,312	7	(117)
Cash flows						
Premiums received		1,774	–	–	–	1,774
Claims and other insurance service expenses paid, including investment components		–	–	(1,279)	–	(1,279)
Insurance acquisition cash flows paid		(243)	–	–	–	(243)
Other amounts received		–	–	–	–	–
Total cash flows		1,531	–	(1,279)	–	252
Adjusted for:						
Non-cash operating expenses		(7)	–	(3)	–	(10)
Other non-cash items		–	–	–	–	–
Total non-cash items		(7)	–	(3)	–	(10)
Net closing balance		537	–	506	27	1,070
Closing assets		12	–	(4)	–	8
Closing liabilities		525	–	510	27	1,062
Net closing balance		537	–	506	27	1,070

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by remaining coverage and incurred claims of insurance contracts measured under the premium allocation approach (continued)

	Year ended 31 December 2024				
	Liabilities for remaining coverage		Liabilities for incurred claims		
US$m	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening assets	1	–	–	–	1
Opening liabilities	419	–	453	18	890
Net opening balance	420	–	453	18	891
Insurance revenue	(2,953)	–	–	–	(2,953)
Insurance service expenses					
Incurred claims and other insurance service expenses	–	–	2,390	13	2,403
Amortisation of insurance acquisition cash flows	427	–	–	–	427
Losses and reversal of losses on onerous contracts	–	–	–	–	–
Adjustments to liabilities for incurred claims	–	–	61	(11)	50
Total insurance service expenses	427	–	2,451	2	2,880
Investment components	(13)	–	13	–	–
Other changes	(4)	–	4	–	–
Insurance service result	(2,543)	–	2,468	2	(73)
Net finance expenses from insurance contracts	–	–	–	–	–
Effect of movements in exchange rates	(8)	–	(11)	–	(19)
Total changes in the consolidated income statement and consolidated statement of comprehensive income	(2,551)	–	2,457	2	(92)
Cash flows					
Premiums received	2,979	–	–	–	2,979
Claims and other insurance service expenses paid, including investment components	–	–	(2,431)	–	(2,431)
Insurance acquisition cash flows paid	(386)	–	–	–	(386)
Other amounts received	–	–	–	–	–
Total cash flows	2,593	–	(2,431)	–	162
Adjusted for:					
Non-cash operating expenses	(13)	–	(3)	–	(16)
Other non-cash items	–	–	–	–	–
Total non-cash items	(13)	–	(3)	–	(16)
Net closing balance	449	–	476	20	945
Closing assets	3	–	2	–	5
Closing liabilities	446	–	474	20	940
Net closing balance	449	–	476	20	945

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by measurement component of reinsurance contracts held measured under the premium allocation approach

		Six months ended 30 June 2025 (Unaudited)				
		Asset for remaining coverage		Asset for incurred claims		
US$m	Note	Excluding loss-recovery component	Loss-recovery component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening assets		(253)	–	318	3	68
Opening liabilities		(74)	–	62	–	(12)
Net opening balance		(327)	–	380	3	56
Changes in the interim consolidated income statement and interim consolidated statement of comprehensive income						
Net (expenses)/income from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)		(198)	–	196	–	(2)
Effect of changes in non-performance risk of reinsurers		–	–	–	–	–
Net (expenses)/income from reinsurance contracts held		(198)	–	196	–	(2)
Investment components		–	–	–	–	–
Other changes		–	–	–	–	–
Net finance income/(expenses) from reinsurance contracts held	8	1	–	(5)	–	(4)
Effect of movements in exchange rates		(9)	–	15	–	6
Total changes in the interim consolidated income statement and interim consolidated statement of comprehensive income		(206)	–	206	–	–
Cash flows						
Premiums paid		221	–	–	–	221
Amounts received		–	–	(199)	–	(199)
Other amounts paid		–	–	–	–	–
Total cash flows		221	–	(199)	–	22
Adjusted for:						
Non-cash operating expenses		–	–	–	–	–
Other non-cash items		–	–	–	–	–
Total non-cash items		–	–	–	–	–
Net closing balance		(312)	–	387	3	78
Closing assets		(210)	–	290	3	83
Closing liabilities		(102)	–	97	–	(5)
Net closing balance		(312)	–	387	3	78

18. Insurance contracts and reinsurance contracts held (continued)

MOVEMENT IN CARRYING AMOUNTS (continued)

Analysis by measurement component of reinsurance contracts held measured under the premium allocation approach (continued)

	Year ended 31 December 2024				
	Asset for remaining coverage		Asset for incurred claims		
US$m	Excluding loss-recovery component	Loss-recovery component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening assets	(241)	–	316	2	77
Opening liabilities	(59)	–	50	1	(8)
Net opening balance	(300)	–	366	3	69
Changes in the consolidated income statement and consolidated statement of comprehensive income					
Net (expenses)/income from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)	(328)	–	312	–	(16)
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Net (expenses)/income from reinsurance contracts held	(328)	–	312	–	(16)
Investment components	(23)	–	23	–	–
Other changes	–	–	–	–	–
Net finance income from reinsurance contracts held	–	–	–	–	–
Effect of movements in exchange rates	6	–	(8)	–	(2)
Total changes in the consolidated income statement and consolidated statement of comprehensive income	(345)	–	327	–	(18)
Cash flows					
Premiums paid	318	–	–	–	318
Amounts received	–	–	(313)	–	(313)
Other amounts paid	–	–	–	–	–
Total cash flows	318	–	(313)	–	5
Adjusted for:					
Non-cash operating expenses	–	–	–	–	–
Other non-cash items	–	–	–	–	–
Total non-cash items	–	–	–	–	–
Net closing balance	(327)	–	380	3	56
Closing assets	(253)	–	318	3	68
Closing liabilities	(74)	–	62	–	(12)
Net closing balance	(327)	–	380	3	56

18. Insurance contracts and reinsurance contracts held (continued)

FULFILMENT CASH FLOWS

Estimates of future cash flows

The Group's objective in estimating future cash flows is to determine the expected value or probability-weighted mean of the full range of possible outcomes. The Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date and the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Group takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted.

Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period. They relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include claims handling, maintenance and administration costs, and recurring commissions payable on instalment premiums receivable within the contract boundary.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Methodology and assumptions

Mortality

Assumptions have been developed by each business unit based on their recent historical experience, and their expectations of current and expected future experience including mortality improvement. Where historical experience is not credible, reference has been made to pricing assumptions supplemented by market data, where available.

Mortality assumptions have been expressed as a percentage of either standard industry experience tables or, where experience is sufficiently credible, as a percentage of tables that have been developed internally by the Group.

Morbidity

Assumptions have been developed by each business unit based on their recent historical experience, and their expectations of current and expected future experience. Morbidity rate assumptions have been expressed as a percentage of standard industry experience tables or as expected claims ratios.

18. Insurance contracts and reinsurance contracts held (continued)

FULFILMENT CASH FLOWS (continued)

Methodology and assumptions (continued)

Persistency

Persistency covers the assumptions required, where relevant, for policy lapse (including surrender), premium persistency, premium holidays, partial withdrawals, policy loan take up and repayment and retirement rates for pension products.

Assumptions have been developed by each of the business units based on their recent historical experience, and their best estimate expectations of currency and expected future experience. Persistency assumptions would vary by policy year and product type with different rates for regular and single premium products where appropriate.

Where experience for a particular product was not credible enough to allow any meaningful analysis to be performed, experience for similar products was used as a basis for future persistency experience assumptions.

In the case of surrenders, the valuation assumes that current surrender value bases will continue to apply in the future.

Expenses

The expense assumptions have been set based on the most recent expense analysis. The purpose of the expense analysis is to allocate total expenses between acquisition, maintenance and other activities, and then to allocate these acquisition and maintenance expenses that can be directly attributed to the portfolio of insurance contracts to derive unit cost assumptions.

Where the expenses associated with certain activities have been identified as being one-off, these expenses have been excluded from the expense analysis.

Expense assumptions have been determined for acquisition and maintenance activities that can be directly attributed to the portfolio of insurance contracts, split by product type, and unit costs expressed as a percentage of premiums, sum assured and an amount per policy. Where relevant, expense assumptions have been calculated per distribution channel.

Expense assumptions do not make allowance for any anticipated future expense savings as a result of any strategic initiatives aimed at improving policy administration and claims handling efficiency.

Assumptions for commission rates and other sales-related payments have been set in line with actual experience.

Reinsurance

Reinsurance assumptions have been developed by each business unit based on the reinsurance arrangements in-force as at the reporting date and the recent historical and expected future experience.

18. Insurance contracts and reinsurance contracts held (continued)

FULFILMENT CASH FLOWS (continued)

Methodology and assumptions (continued)

Policyholder dividends, profit sharing and interest crediting

The projected policyholder dividends, profit sharing and interest crediting assumptions set by each business unit reflect contractual and regulatory requirements, policyholders' reasonable expectations (where clearly defined) and each business unit's best estimate of future policies, strategies and operations consistent with the investment return assumptions.

Participating funds and other participating business with distinct portfolios surpluses have been assumed to be distributed between policyholders and shareholders via future final bonuses or at the end of the projection period so that there are no residual assets at the end of the projection period.

The assumed estimated crediting rates and participation percentages are generally based on the actual rates and percentages applied in the current period. The crediting rates applied vary between products and Group entities; in the current economic environment, the amounts credited are often determined by interest rate guarantees.

An adjustment to reflect the time value of money and the financial risks related to future cash flows

The Group adjusts the estimate of future cash flows to reflect the time value of money and the financial risks related to those cash flows. The cash flows are discounted by the discount rates to reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts.

The top-down approach has been primarily adopted for the derivation of discount rates. A top-down approach starts with considering a yield curve that reflects the current market rates of return of a reference portfolio of assets that have similar characteristics of the insurance contracts, and adjust this downwards to eliminate any factors not relevant to the insurance contracts (primarily the allowance for credit risk). The assessment of credit risk premium is done on external and internal ratings when the reference portfolio contains assets which are locally rated. Alternatively, a bottom-up approach could be used under which discount rates are determined by adjusting the liquid risk-free yield curve to reflect the liquidity characteristics of the insurance contracts.

In constructing the discount rates, market observable rates are used up to the last available market data point which is reliable and also relevant in reflecting the characteristics of the insurance contracts. The market observable rates are extrapolated between this point and an ultimate forward rate derived using long-term estimates by applying generally accepted technique such as Smith-Wilson method etc.

18. Insurance contracts and reinsurance contracts held (continued)

FULFILMENT CASH FLOWS (continued)

Methodology and assumptions (continued)

An adjustment to reflect the time value of money and the financial risks related to future cash flows (continued)

The tables below set out the spot rates used to discount the cash flows of insurance contracts for major currencies. To reflect the liquidity characteristics of the insurance contracts, the risk-free spot rates are adjusted by an illiquidity premium.

As at 30 June 2025 – Unaudited	**1 year**		**5 years**		**10 years**		**15 years**		**20 years**	
Spot rates	**Risk free**	**With illiquidity premium**	**Risk free**	**With illiquidity premium**	**Risk free**	**With illiquidity premium**	**Risk free**	**With illiquidity premium**	**Risk free**	**With illiquidity premium**
USD	**3.92%**	**4.43%**	**3.80%**	**4.52%**	**4.31%**	**5.19%**	**4.74%**	**5.64%**	**5.00%**	**5.89%**
HKD	**2.47%**	**2.99%**	**2.59%**	**3.31%**	**2.90%**	**3.78%**	**3.10%**	**4.00%**	**3.36%**	**4.25%**
CNY	**1.34%**	**1.68%**	**1.52%**	**1.83%**	**1.66%**	**1.99%**	**1.90%**	**2.31%**	**2.17%**	**2.69%**
SGD	**1.80%**	**2.74%**	**1.84%**	**3.10%**	**2.23%**	**3.03%**	**2.33%**	**3.02%**	**2.31%**	**3.03%**
MYR	**3.01%**	**3.58%**	**3.20%**	**3.67%**	**3.50%**	**3.83%**	**3.76%**	**4.14%**	**3.91%**	**4.39%**
THB	**1.47%**	**1.74%**	**1.41%**	**1.83%**	**1.61%**	**2.12%**	**1.73%**	**2.34%**	**1.97%**	**2.68%**

As at 31 December 2024	1 year		5 years		10 years		15 years		20 years	
Spot rates	Risk free	With illiquidity premium	Risk free	With illiquidity premium	Risk free	With illiquidity premium	Risk free	With illiquidity premium	Risk free	With illiquidity premium
USD	4.12%	4.72%	4.32%	4.93%	4.51%	5.35%	4.74%	5.61%	4.88%	5.73%
HKD	3.88%	4.48%	3.60%	4.21%	3.65%	4.49%	3.72%	4.59%	3.86%	4.71%
CNY	1.08%	1.65%	1.42%	1.81%	1.70%	2.03%	1.99%	2.34%	2.26%	2.68%
SGD	2.80%	3.45%	2.81%	3.78%	2.90%	3.42%	2.93%	3.36%	2.84%	3.31%
MYR	3.28%	3.71%	3.66%	3.97%	3.86%	4.10%	4.03%	4.31%	4.11%	4.49%
THB	1.99%	2.37%	2.11%	2.72%	2.33%	3.08%	2.54%	3.37%	2.75%	3.64%

For the insurance contracts with cash flows that vary based on the returns on any financial underlying items, the Group applies risk-neutral measurement techniques. Stochastic modelling is applied for insurance contracts with significant financial options and guarantees to estimate the expected present value. A large number of possible economic scenarios for market variables such as interest rates and equity returns are considered using risk-neutral approach and consistent with market observable price.

18. Insurance contracts and reinsurance contracts held (continued)

RISK ADJUSTMENTS FOR NON-FINANCIAL RISK

Risk adjustments for non-financial risk are generally determined by considering the expected cash flows arising from insurance contracts in each segment for each of the geographical markets in which the Group operates, consistent with the way that non-financial risk is managed. Risk adjustments are determined separately from estimates from the present value of future cash flows, using the confidence level technique.

Applying a confidence level technique, the Group estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows.

CONTRACTUAL SERVICE MARGIN

The CSM of a group of contracts is recognised as insurance revenue in each period based on the number of coverage units provided in the period, which is determined by considering for each contract the quantity of the services provided, its expected coverage period and time value of money.

For a group of contracts that is onerous at the start of a reporting period and becomes profitable subsequently that CSM is recognised during the reporting period, the total amount of recognised CSM is released to profit or loss if there are no more future coverage units.

INVESTMENT COMPONENTS

The Group identifies the investment component of an insurance contract by determining the amount that it would be required to repay to the policyholder in all circumstances, regardless of whether an insured event occurs. Investment components are excluded from insurance revenue and insurance service expenses. Generally, for relevant contracts, surrender value would be determined as an investment component.

19. Investment contracts

Investment contract liabilities include deferred fee income of US$151m (31 December 2024: US$162m).

20. Borrowings

US$m	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Other loans	**–**	83
Medium-term notes and securities		
Senior notes	**7,214**	6,922
Subordinated securities	**7,107**	6,324
Total	**14,321**	13,329

20. Borrowings (continued)

The following table summarises the Company's outstanding medium-term notes and securities placed to the market at 30 June 2025:

SENIOR NOTES

Issue date	Nominal amount	Interest rate	Tenor at issue	Maturity
11 March 2014[(1)]	US$500m	4.875%	30 years	11 March 2044
16 March 2016[(1)]	US$750m	4.500%	30 years	16 March 2046
23 May 2017[(2)]	US$500m	4.470%	30 years	23 May 2047
6 April 2018[(1)]	US$500m	3.900%	10 years	6 April 2028
16 January 2019	HK$1,100m	3.680%	12 years	16 January 2031
9 April 2019[(1)]	US$1,000m	3.600%	10 years	9 April 2029
7 April 2020[(1)]	US$1,000m	3.375%	10 years	7 April 2030
24 June 2020	A$90m	2.950%	10 years	24 June 2030
24 October 2022	HK$1,200m	5.040%	2.99 years	17 October 2025
25 October 2022[(1)]	US$850m	5.625%	5 years	25 October 2027
4 April 2023[(1)]	US$600m	4.950%	10 years	4 April 2033
10 September 2024	HK$3,250m	3.780%	5 years	10 September 2029
10 September 2024	HK$3,900m	3.700%	2.99 years	2 September 2027
6 May 2025	US$128m	4.170%	2.99 years	28 April 2028
9 May 2025	HK$1,350m	3.477%	2.50 years	9 November 2027

SUBORDINATED SECURITIES

Issue date	Nominal amount	Interest rate	Tenor at issue	Maturity
16 September 2020[(1)]	US$1,750m	3.200%	20 years	16 September 2040
7 April 2021[(1)(3)(4)]	US$750m	2.700%	Perpetual	n/a
11 June 2021[(1)(3)(4)]	S$500m	2.900%	Perpetual	n/a
9 September 2021[(1)(3)(4)]	EUR750m	0.880%	12 years	9 September 2033
19 October 2021[(1)(3)(4)]	S$105m	3.000%	30 years	19 October 2051
12 September 2023[(1)(3)(4)]	S$550m	5.100%	Perpetual	n/a
5 April 2024[(1)(5)]	US$1,000m	5.375%	10 years	5 April 2034
30 September 2024[(1)(5)]	US$500m	4.950%	10.5 years	30 March 2035
30 September 2024[(1)(5)]	US$750m	5.400%	30 years	30 September 2054
11 June 2025[(1)(5)]	S$800m	3.580%	10 years	11 June 2035

Notes:

(1) These medium-term notes and securities are listed on The Stock Exchange of Hong Kong Limited.

(2) These medium-term notes are listed on The Taipei Exchange, Taiwan. The Company has the right to redeem these notes at par on 23 May of each year beginning on 23 May 2022.

(3) The Company has the right to redeem these securities in whole, at par on predetermined dates as set out within the terms and conditions of the securities, subject to regulatory approval.

(4) The coupon rate of these securities is fixed for a predetermined period as set out within the terms and conditions of the securities, and then resets to the initial spread plus a then prevailing benchmark rate if the securities have not been redeemed.

(5) These securities include the 'lock-in' feature as set out within the terms and conditions of the securities. Payment of the final coupon and principal at maturity is subject to the Company meeting regulatory capital requirements.

The net proceeds from issuance during the six months ended 30 June 2025 are used for refinancing and general corporate purposes.

The Group has access to an aggregate of US$2,980m unsecured committed credit facilities, which includes a US$250m revolving three-year credit facility expiring in 2027 and a US$2,730m five-year credit facility expiring in 2029. The credit facilities will be used for general corporate purposes. There were no outstanding borrowings under these credit facilities as of 30 June 2025 and 31 December 2024.

21. Obligations under repurchase agreements

The Group has entered into repurchase agreements whereby securities are sold to third parties with a concurrent agreement to repurchase the securities at a specified date. At 30 June 2025, the obligations under repurchase agreements were US$5,073m (31 December 2024: US$4,616m).

The securities sold under repurchase agreements continue to be recognised within the appropriate financial asset classification. A liability is established for the consideration received. During the term of the repurchase agreements, the Group is restricted from selling or pledging the transferred debt securities. The following table specifies the amounts included within financial investments subject to repurchase agreements which do not qualify for de-recognition at each period end:

US$m	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Debt securities – FVOCI		
Repurchase agreements	**5,588**	4,177
Debt securities – FVTPL		
Repurchase agreements	**1,393**	2,126
Total	**6,981**	6,303

COLLATERAL UNDER REPURCHASE AGREEMENTS

At 30 June 2025 and 31 December 2024, there was no material collateral in respect of repurchase agreements.

22. Share capital and reserves

SHARE CAPITAL

	As at 30 June 2025		As at 31 December 2024	
	Million shares (Unaudited)	**US$m (Unaudited)**	Million shares	US$m
Ordinary shares[(1)], issued and fully paid				
At beginning of the financial period	**10,832**	**14,183**	11,399	14,176
Shares issued under share option scheme and agency share purchase plan	**3**	**14**	2	7
Shares cancelled after repurchase under the share buy-back programme[(2)]	**(205)**	**–**	(569)	–
At end of the financial period, issued and fully paid	**10,630**	**14,197**	10,832	14,183
Shares not yet cancelled after repurchase under the share buy-back programme[(2)]	**(87)**	**–**	(39)	–
At end of the financial period, outstanding	**10,543**	**14,197**	10,793	14,183

Notes:

(1) Ordinary shares have no nominal value and there is no obligation to transfer cash or other assets to the holders of ordinary shares.

(2) During the six months ended 30 June 2025, the Company acquired a total of 252,856,000 ordinary shares (year ended 31 December 2024: 571,028,800 ordinary shares) on the Hong Kong Stock Exchange with the aggregate cost amounting to approximately HK$15,159m (year ended 31 December 2024: HK$32,371m) (equivalent to approximately US$1,942m (year ended 31 December 2024: US$4,150m)). Of these shares, 165,620,400 shares were cancelled during the period (year ended 31 December 2024: 531,851,000 shares were cancelled during the year) and 87,235,600 shares were in the process of share cancellation as at 30 June 2025 and were cancelled subsequent to the reporting date on 25 July 2025 (year ended 31 December 2024: 39,177,800 shares were in the process of share cancellation as at 31 December 2024 and were cancelled subsequently).

The Company issued 2,218,522 shares under share option scheme (year ended 31 December 2024: 869,729 shares) and 868,334 shares under agency share purchase plan (year ended 31 December 2024: 877,146 shares) during the six months ended 30 June 2025.

During the six months ended 30 June 2025, the employee share-based trusts purchased 10,605,189 shares (year ended 31 December 2024: 5,466,874 shares) and sold nil shares (year ended 31 December 2024: nil). These purchases were made by the relevant scheme trustees on the Hong Kong Stock Exchange (HKSE). These shares are held on trust for participants of the relevant schemes and therefore were not cancelled.

During the six months ended 30 June 2025, 6,498,542 shares (six months ended 30 June 2024: 3,738,123 shares) were transferred to eligible directors, officers and employees of the Group from the employee share-based trusts under share-based compensation plans as a result of vesting. As at 30 June 2025, 42,172,003 shares (31 December 2024: 38,065,355 shares) of the Company were held by the employee share-based trusts.

22. Share capital and reserves (continued)

RESERVES

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of debt securities measured at fair value through other comprehensive income held at the end of the reporting period plus the related loss allowance recognised in profit or loss until the assets are derecognised.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency exchange differences arising from the translation of the financial statements of foreign operations.

Insurance finance reserve

The insurance finance reserve comprises the cumulative insurance finance income or expenses recognised in other comprehensive income.

Employee share-based trusts

Trusts have been established to acquire shares of the Company for distribution to participants in future periods through the share-based compensation plans. Where the Group is deemed to control the trusts, they are consolidated. Those shares acquired by the trusts, to the extent not transferred to the participants upon vesting, are reported as "Employee share-based trusts" and carried at cost.

Property revaluation reserve

Property revaluation reserve comprises the cumulative net change in the revalued amount of property held for own use at the end of the reporting period. Property revaluation surplus is not considered to be a realised profit available for distribution to shareholders.

Other reserves

Other reserves mainly include the impact of merger accounting for business combinations under common control and share-based compensation.

23. Group capital structure

CAPITAL MANAGEMENT APPROACH

The Group's capital management objectives focus on maintaining a strong capital base to support the development of its business, maintaining the ability to move capital freely among Group members and satisfying regulatory capital requirements at all times.

The Group's capital management function oversees all capital-related activities of the Group and assists senior management in making capital decisions. The capital management function participates in decisions concerning asset-liability management, strategic asset allocation and ongoing solvency management. This includes ensuring capital considerations are paramount in the strategy and business planning processes and when determining AIA's capacity to pay dividends to shareholders.

GROUP-WIDE SUPERVISION FRAMEWORK AND THE LOCAL CAPITAL SUMMATION METHOD

The Group supervisor is the Hong Kong Insurance Authority (HKIA) and the Group is in compliance with its group capital adequacy requirements.

The Insurance (Group Capital) Rules (GWS Capital Rules) set out the capital requirements and overall solvency position for the Group under the Group-wide Supervision (GWS) framework. These requirements are based on a "summation approach" and are referred to as the Local Capital Summation Method (LCSM). Under the LCSM, the eligible group capital resources and group capital requirements are calculated as the sum of the eligible capital resources and capital requirements for each entity within the Group according to the respective local regulatory requirements, subject to any variation considered necessary by the HKIA.

The group prescribed capital requirement (GPCR) is the sum of the prescribed capital requirements of each entity within the Group, and represents the level below which the HKIA may intervene on grounds of capital adequacy.

The Group LCSM coverage ratio is calculated as the ratio of the eligible group capital resources to the GPCR and the Group LCSM surplus is defined as the excess of the eligible group capital resources over the GPCR.

The group minimum capital requirement (GMCR) is the sum of the minimum capital requirements of each entity within the Group.

23. Group capital structure (continued)

GROUP-WIDE SUPERVISION FRAMEWORK AND THE LOCAL CAPITAL SUMMATION METHOD (continued)

The table shows a summary of the Group capital adequacy position.

US$m	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Group LCSM coverage ratio[(1)]	**254%**	257%
Tier 1 group capital coverage ratio[(2)]	**335%**	349%
Eligible group capital resources	**80,063**	77,650
Tier 1 group capital	**49,873**	49,316
Tier 2 group capital	**30,190**	28,334
Group prescribed capital requirement (GPCR)	**31,579**	30,159
Group minimum capital requirement (GMCR)	**14,872**	14,131
Group LCSM surplus	**48,484**	47,491

At 30 June 2025, eligible group capital resources in the GWS framework included the following items, which are included within Tier 2 group capital:

(i) US$7,107m[(3)] of subordinated securities. Subordinated securities with a fixed maturity receive full capital credit up to the date that is 5 years prior to the date of maturity, with the capital credit then reducing at the rate of 20 per cent per annum until maturity. Subordinated securities with a maturity where principal repayment is subject to contractual conditions are not expected to be subject to capital credit amortisation. Perpetual subordinated securities receive full capital credit unless they are redeemed; and

(ii) US$4,410m[(3)] of senior notes issued before designation that have been approved by the HKIA as capital. Prior to maturity, the approved senior notes receive full capital credit until 14 May 2031, after which the capital credit reduces at the rate of 20 per cent per annum until 14 May 2036.

Notes:

(1) The Group LCSM coverage ratio is referred to as the "eligible group capital resources coverage ratio" in the GWS framework and is defined as the ratio of the eligible group capital resources to the GPCR.

(2) The Tier 1 group capital coverage ratio is defined in the GWS framework as the ratio of the Tier 1 group capital to the GMCR.

(3) The amounts represent the carrying value of medium-term notes and securities contributing to the eligible group capital resources.

23. Group capital structure (continued)

LOCAL REGULATORY SOLVENCY

The Group's individual branches and subsidiaries are also subject to the supervision of government regulators in the jurisdictions in which those branches and subsidiaries and their parent entity operate and, in relation to subsidiaries, in which they are incorporated.

The Group's principal operating companies AIA Company Limited (AIA Co.) and AIA International Limited (AIA International), as authorised insurers in Hong Kong, are required by the HKIA to meet the Hong Kong solvency requirements. During the six months ended 30 June 2025 and the year ended 31 December 2024, these two principal operating companies were in compliance with these solvency requirements.

DIVIDENDS, REMITTANCES AND OTHER PAYMENTS FROM INDIVIDUAL BRANCHES AND SUBSIDIARIES

The ability of the Company to pay dividends to shareholders and to meet other obligations depends ultimately on dividends, remittances and other payments being received from its operating branches and subsidiaries, which are subject to contractual, regulatory and other limitations. The various regulators overseeing the individual branches and subsidiaries of the Group have the discretion to impose additional restrictions on the ability of those regulated branches and subsidiaries to make payment of dividends, remittances and other payments to AIA Co., including increasing the required margin of solvency that an operating unit must maintain. For example, capital may not be remitted without the consent from regulators for certain individual branches or subsidiaries of the Group.

24. Risk management

The financial risks that the Group is exposed to include, but are not limited to, credit risk, credit spread risk, interest rate risk, equity risk, foreign exchange rate risk and liquidity risk.

CREDIT RISK

Credit risk arises from third parties failing to meet their obligations to the Group when they fall due. Although the primary source of credit risk is the Group's investment portfolio, such risk can also arise through reinsurance and treasury activities.

The Group's credit risk management oversight process is governed centrally, but provides for decentralised management and accountability by our lines of defence. Fundamental to AIA's credit risk management is adherence to a well-controlled underwriting process. Credit risk limits are applied to control concentrations in individual exposures, sector and cross-border investments. A detailed analysis of each counterparty is performed and a rating is determined by the investment teams according to an internal rating framework. The Group's Risk Management function manages the Group's internal ratings framework and conducts periodic rating validations. Measuring and monitoring of credit risk is an ongoing process and is designed to enable early identification of emerging risk.

CREDIT SPREAD RISK

Credit spread movements affect both the value of assets and liabilities. Credit spread risk is in a large part managed through the strategic asset allocation process, whereby the two key drivers of spread risk – credit rating and spread duration – are managed for capital efficiency, taking into account both the economic risk and the local solvency capital considerations. The risk is monitored by the business units, with special attention paid to any issuers with credit ratings close to the lower boundary of investment grade.

24. Risk management (continued)

INTEREST RATE RISK

Interest rate risk is primarily measured through the duration gap, which provides an understanding of the implications of interest rate movements on surplus. Since most markets do not have assets of sufficient tenor to match life insurance contract liabilities, an uncertainty arises around the reinvestment of maturing assets to match the Group's insurance contract liabilities.

AIA manages interest rate risk primarily on an economic basis. Interest rate risk on the local solvency basis is also taken into consideration for business units where local solvency regimes deviate from the economic basis. Furthermore, AIA actively manages interest rate risk by extending asset duration, managing liability duration, repricing products, and implementing appropriate hedging programmes and reinsurance solutions where possible. For products with discretionary benefits, additional modelling of interest rate risk is performed to guide the determination of appropriate management actions. Management also takes into consideration the asymmetrical impact of interest rate movements when evaluating products with options and guarantees.

EQUITY RISK

Equity risk arises from changes in the market value of equity shares, interests in investment funds and exchangeable loan notes. Investments in equity shares, interests in investment funds and exchangeable loan notes on a long-term basis are expected to align with policyholders' reasonable expectations, provide diversification benefits and enhance returns. The extent of exposure to equities at any time is subject to the terms of the Group's strategic asset allocations. Equity risk arising from the underlying items of participating contracts is generally borne by policyholders except to the extent of the Group's share of the performance of the underlying items. The Group is also exposed to equity price risk from equity guarantees in variable contracts and hedges its exposure using equity derivatives.

Equity risk is managed through strategic asset allocation and tactical asset allocation. Equity investments are subject to benchmarks and controls relating to maximum concentration and tracking errors. Equity limits are also applied to contain concentration risk of individual stocks and sectors, liquidity as well as equity volatility. Equity exposures are included in the aggregate exposure reports on each individual counterparty to ensure concentrations are avoided.

SENSITIVITY ANALYSIS

Sensitivity analysis to the key variables, namely interest rate and equity risks, affecting insurance contracts and reinsurance contracts held, and financial instruments held by the Group is set out below. The carrying values of other financial assets are not subject to changes in response to movements in interest rates or equity prices. In calculating the sensitivity to changes in interest rates and equity prices, the Group has made assumptions about the corresponding impact of asset valuations on liabilities to policyholders. The market risk in respect of unit-linked investments is generally borne by our customers, and the investment return gains or losses are largely offset by the changes in fair value of underlying items. Policyholder and shareholder investments include all financial investments other than unit-linked investments.

Information is presented to illustrate the estimated impact on profits, total equity, allocated equity and CSM arising from a change in a single variable before taking into account the effects of taxation. The effects on these items are mainly as follows:

- The effects on profit or loss are changes relating to CSM recognised for services provided, loss components and changes in investment return, insurance finance income or expenses and foreign exchange differences that are recognised in profit or loss.
- The effects on equity are the effects on profit or loss, and the effects on other comprehensive income arising from net changes in net investment result and net insurance finance income or expenses.
- The effects on CSM reflects the change of the corresponding market risks that impacts CSM.

The impact of any impairments of financial assets has been ignored for the purpose of illustrating the sensitivity of profit before tax, total equity, allocated equity and CSM before the effects of taxation to changes in interest rates and equity prices on the grounds that default events reflect the characteristics of individual issuers.

24. Risk management (continued)

SENSITIVITY ANALYSIS ON INTEREST RATE RISK[1]

An analysis of the Group's sensitivity to 50 basis points parallel increase or decrease in yield curves at the reporting date, assuming that all other variables remain constant, is presented below.

US$m	**Impact on profit before tax**	**Impact on total equity (before the effects of taxation)**	**Impact on allocated equity (before the effects of taxation)**	**Impact on CSM**
30 June 2025 – Unaudited				
+ 50 basis points shift in yield curves:				
Insurance contracts and reinsurance contracts held	**6,258**	**10,377**	**6,258**	**(522)**
Financial instruments	**(6,856)**	**(13,659)**	**(6,856)**	**–**
	(598)	**(3,282)**	**(598)**	**(522)**
– 50 basis points shift in yield curves:				
Insurance contracts and reinsurance contracts held	**(7,059)**	**(11,679)**	**(7,059)**	**567**
Financial instruments	**7,701**	**15,449**	**7,701**	**–**
	642	**3,770**	**642**	**567**

US$m	Impact on profit before tax	Impact on total equity (before the effects of taxation)	Impact on allocated equity (before the effects of taxation)	Impact on CSM
31 December 2024				
+ 50 basis points shift in yield curves:				
Insurance contracts and reinsurance contracts held	6,055	9,817	6,055	(416)
Financial instruments	(6,682)	(12,585)	(6,682)	–
	(627)	(2,768)	(627)	(416)
– 50 basis points shift in yield curves:				
Insurance contracts and reinsurance contracts held	(6,832)	(11,049)	(6,832)	427
Financial instruments	7,513	14,215	7,513	–
	681	3,166	681	427

Note:

(1) The scope of this sensitivity analysis excludes unit-linked investments on the basis that the market risk in respect of unit-linked investments is generally borne by our customers.

24. Risk management (continued)

SENSITIVITY ANALYSIS ON EQUITY RISK[1]

An analysis of the Group's sensitivity to 10 per cent increase or decrease in equity prices at the reporting date, assuming that all other variables remain constant, is presented below.

US$m	Impact on profit before tax	Impact on total equity (before the effects of taxation)	Impact on allocated equity (before the effects of taxation)	Impact on CSM
30 June 2025 – Unaudited				
10 per cent increase in equity prices:				
Insurance contracts and reinsurance contracts held	**(4,663)**	**(4,700)**	**(4,663)**	**971**
Financial instruments	**6,117**	**6,117**	**6,117**	**–**
	1,454	**1,417**	**1,454**	**971**
10 per cent decrease in equity prices:				
Insurance contracts and reinsurance contracts held	**4,667**	**4,701**	**4,667**	**(999)**
Financial instruments	**(6,117)**	**(6,117)**	**(6,117)**	**–**
	(1,450)	**(1,416)**	**(1,450)**	**(999)**

US$m	Impact on profit before tax	Impact on total equity (before the effects of taxation)	Impact on allocated equity (before the effects of taxation)	Impact on CSM
31 December 2024				
10 per cent increase in equity prices:				
Insurance contracts and reinsurance contracts held	(4,270)	(4,309)	(4,270)	893
Financial instruments	5,718	5,718	5,718	–
	1,448	1,409	1,448	893
10 per cent decrease in equity prices:				
Insurance contracts and reinsurance contracts held	4,270	4,306	4,270	(917)
Financial instruments	(5,718)	(5,718)	(5,718)	–
	(1,448)	(1,412)	(1,448)	(917)

Note:

(1) The scope of this sensitivity analysis excludes unit-linked investments on the basis that the market risk in respect of unit-linked investments is generally borne by our customers.

24. Risk management (continued)

FOREIGN EXCHANGE RATE RISK

The Group's foreign exchange rate risk arises mainly from the Group's operations in multiple markets in Asia and the translation of multiple currencies to the US dollar for financial reporting purposes. The balance sheet values of our operating units and subsidiaries are not hedged to the Group's presentation currency, the US dollar.

Assets, liabilities and local regulatory and stress capital in each business unit are generally currency matched except for holdings of equities and other non-fixed income assets denominated in currencies other than the functional currency. Bonds denominated in currencies other than the functional currency are hedged with cross-currency swaps or foreign exchange forward contracts.

EXPOSURE TO FOREIGN EXCHANGE RATES[(1)]

US$m	**United States Dollar**	**China Renminbi**	**Hong Kong Dollar**	**Thai Baht**	**Singapore Dollar**	**Malaysian Ringgit**
30 June 2025 – Unaudited						
Insurance contracts and reinsurance contracts held						
Assets	**187**	**2,586**	**11**	**417**	**1,311**	**11**
Liabilities	**(85,546)**	**(53,818)**	**(4,935)**	**(18,142)**	**(22,971)**	**(9,039)**
Financial instruments						
Assets	**131,826**	**62,573**	**1,417**	**24,118**	**18,624**	**10,188**
Liabilities	**(22,590)**	**(6,517)**	**(3,527)**	**(2,447)**	**(5,120)**	**(25)**
Net positions of currency derivatives	**(1,087)**	**(3,776)**	**680**	**(103)**	**3,794**	**459**

US$m	United States Dollar	China Renminbi	Hong Kong Dollar	Thai Baht	Singapore Dollar	Malaysian Ringgit
31 December 2024						
Insurance contracts and reinsurance contracts held						
Assets	290	1,694	5	539	1,230	9
Liabilities	(79,756)	(48,587)	(5,049)	(15,514)	(20,576)	(8,569)
Financial instruments						
Assets	126,194	56,317	1,189	21,998	15,973	9,532
Liabilities	(25,451)	(5,035)	(3,329)	(2,167)	(3,784)	–
Net positions of currency derivatives	(975)	(3,249)	502	591	2,944	435

Note:
(1) The scope of this exposure to foreign exchange rates excludes unit-linked investments on the basis that the market risk in respect of unit-linked investments is generally borne by our customers.

24. Risk management (continued)

SENSITIVITY ANALYSIS ON FOREIGN EXCHANGE RATE RISK[(1)(2)]

A reasonably possible strengthening or weakening of the following currencies against all other currencies at the reporting date would have affected the measurement of insurance contracts and reinsurance contracts held and financial instruments denominated in foreign currency and affected the profit before tax, total equity and CSM by the amounts shown below. This analysis assumes that all other variables remain constant.

US$m	United States Dollar	China Renminbi	Hong Kong Dollar	Thai Baht	Singapore Dollar	Malaysian Ringgit
30 June 2025 – Unaudited						
5% strengthening of original currency						
Impact on profit before tax						
Insurance contracts and reinsurance contracts held	**(1,158)**	**(14)**	**20**	**–**	**(9)**	**–**
Financial instruments	**1,247**	**(155)**	**(51)**	**(49)**	**(72)**	**29**
Impact on total equity						
Insurance contracts and reinsurance contracts held	**–**	**(2,554)**	**(64)**	**(886)**	**(652)**	**(451)**
Financial instruments	**–**	**2,614**	**(72)**	**1,078**	**865**	**531**
Impact on CSM						
Insurance contracts and reinsurance contracts held	**–**	**909**	**80**	**387**	**175**	**142**
5% strengthening of the US dollar						
Impact on profit before tax						
Insurance contracts and reinsurance contracts held	**(1,158)**	**12**	**(19)**	**–**	**2**	**–**
Financial instruments	**1,247**	**151**	**78**	**46**	**91**	**(28)**
Impact on total equity						
Insurance contracts and reinsurance contracts held	**–**	**2,432**	**61**	**844**	**631**	**430**
Financial instruments	**–**	**(2,489)**	**68**	**(1,027)**	**(824)**	**(506)**
Impact on CSM						
Insurance contracts and reinsurance contracts held	**–**	**(865)**	**(76)**	**(368)**	**(167)**	**(135)**

Notes:

(1) The scope of this sensitivity analysis excludes unit-linked investments on the basis that the market risk in respect of unit-linked investments is generally borne by our customers.

(2) The impact on total equity and CSM comprises primarily the effects from the translation of the financial statements of foreign operations recognised in other comprehensive income, as well as the net foreign exchange gains or losses recognised in consolidated income statement and other translation movement recognised in other comprehensive income.

24. Risk management (continued)

SENSITIVITY ANALYSIS ON FOREIGN EXCHANGE RATE RISK(1)(2) (continued)

US$m	United States Dollar	China Renminbi	Hong Kong Dollar	Thai Baht	Singapore Dollar	Malaysian Ringgit
31 December 2024						
5% strengthening of original currency						
Impact on profit before tax						
Insurance contracts and reinsurance contracts held	(1,125)	(19)	14	–	(8)	–
Financial instruments	1,107	(121)	(89)	(49)	(45)	18
Impact on total equity						
Insurance contracts and reinsurance contracts held	–	(2,347)	(82)	(749)	(549)	(428)
Financial instruments	–	2,402	(82)	1,021	757	498
Impact on CSM						
Insurance contracts and reinsurance contracts held	–	846	69	350	152	137
5% strengthening of the US dollar						
Impact on profit before tax						
Insurance contracts and reinsurance contracts held	(1,125)	17	(13)	–	2	–
Financial instruments	1,107	118	107	47	60	(17)
Impact on total equity						
Insurance contracts and reinsurance contracts held	–	2,235	78	713	533	408
Financial instruments	–	(2,287)	78	(972)	(721)	(475)
Impact on CSM						
Insurance contracts and reinsurance contracts held	–	(806)	(65)	(333)	(146)	(131)

Notes:

(1) The scope of this sensitivity analysis excludes unit-linked investments on the basis that the market risk in respect of unit-linked investments is generally borne by our customers.

(2) The impact on total equity and CSM comprises primarily the effects from the translation of the financial statements of foreign operations recognised in other comprehensive income, as well as the net foreign exchange gains or losses recognised in consolidated income statement and other translation movement recognised in other comprehensive income.

24. Risk management (continued)

LIQUIDITY RISK

The Group defines liquidity risk as the risk of failure to meet current and future financial commitments as they fall due. This incorporates the risks arising from the timing mismatch of cash inflows and outflows in day-to-day operations, including policyholder and third-party payments, collateral requirements, as well as insufficient market liquidity of assets required for policyholder liabilities.

AIA manages liquidity risk in accordance with the Group's Board approved liquidity framework. This framework contains the standards, procedures, and tools used by the Group to monitor and manage liquidity risk on a forward-looking basis in base and stressed conditions across multiple time horizons from daily to monthly time steps for 12-month period, as well as a projection in line with strategic planning. The forward-looking management of liquidity over short to longer-term horizons allows for the early detection of risks and enables management to action the pre-defined liquidity contingency plans.

The Group's liquidity framework builds liquidity resiliency in all our markets while providing central oversight and the ability to take timely management action if required to ensure we meet all our financial commitments as they fall due.

25. Share-based compensation

SHARE-BASED COMPENSATION PLANS

During the six months ended 30 June 2025, the Group made further grants of share options (SOs), restricted share units (RSUs) and restricted stock purchase units (RSPUs) to certain directors, officers and employees of the Group under the Share Option (SO) Scheme, the Restricted Share Unit (RSU) Scheme and the Employee Share Purchase Plan (ESPP). In addition, the Group made further grants of restricted stock subscription units (RSSUs) to eligible agents under the Agency Share Purchase Plan.

Valuation methodology

The Group utilises a binomial lattice model to calculate the fair value of the SO grants, involving a few significant assumptions such as the expected volatility, expected dividend yield and risk-free interest rate. The expected volatility of the Company's shares is estimated based on an analysis of historical data since they are traded in the HKSE. The expected dividend yield is estimated based on an analysis of historical dividend relative to historical share price. The risk-free interest rate is estimated based on implied yield of the Government Bonds and Exchange Fund Notes issued by the Hong Kong Monetary Authority as at the grant date. The analysis period for expected volatility and risk-free interest rate is consistent with the expected life of the SOs, which is derived from the output of the valuation model and is calculated based on an analysis of expected exercise behaviour of the Company's employees.

The Group utilises a Monte-Carlo simulation model and/or discounted cash flow technique to calculate the fair value of the RSU, RSPU and RSSU grants, taking into account the terms and conditions upon which the grants were made. Significant assumptions include expected dividend yield, assumed dividend payments and risk-free interest rate. The value of expected dividends during the vesting period is estimated based on an analysis of historical dividend relative to historical share price. For RSUs granted in 2025, the value of assumed dividend payments during the vesting period is estimated based on an analysis of historical dividend payout and the Group's dividend policy. The risk-free interest rate is estimated based on implied yield of the Government Bonds and Exchange Fund Notes issued by the Hong Kong Monetary Authority as at the grant date. For performance-vesting RSUs, the simulation for achievement of market condition depends on assumptions of expected volatility of the Company's shares and other market comparators as well as the correlations. These assumptions are estimated based on an analysis of historical data over a period consistent with the expected life of the RSUs.

Forfeitures prior to vesting are not allowed for in the valuation of the grants.

The fair values calculated for the grants are inherently subjective due to the assumptions made and the limitations of the models utilised.

	Share options	
	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024
Assumptions		
Risk-free interest rate	**3.41% – 3.48%**	3.67% – 3.83%
Volatility	**29%**	29%
Dividend yield	**1.80%**	1.70%
Exercise price (HK$)	**62.42**	62.33
Share option life (in years)	**10**	10
Expected life (in years)	**7.63 – 8.85**	7.73 – 8.89
Weighted average fair value per option/unit at measurement date (HK$)	**19.93**	17.38

The weighted average share price for SO valuation for grants made during the six months ended 30 June 2025 is HK$62.25 (year ended 31 December 2024: HK$57.40). The total fair value of SOs granted during the six months ended 30 June 2025 is US$8m (six months ended 30 June 2024: US$7m).

RECOGNISED COMPENSATION COST

The total recognised compensation cost (net of expected forfeitures) related to various share-based compensation grants made by the Group for the six months ended 30 June 2025 is US$56m (six months ended 30 June 2024: US$41m).

26. Remuneration of key management personnel

Key management personnel have been identified as the members of the Group's Executive Committee.

US$	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Key management compensation and other expenses		
Salaries and other short-term employee benefits	**13,448,029**	12,464,950
Post-employment benefits	**403,602**	330,517
Share-based payments[1]	**10,349,172**	8,925,022
Total	**24,200,803**	21,720,489

Note:

(1) Includes amortised expenses for unvested SOs, RSUs and matching shares under ESPP to the key management personnel based on the fair value at the respective grant dates.

The emoluments of the key management personnel are within the following bands:

US$	**Six months ended 30 June 2025 (Unaudited)**	Six months ended 30 June 2024 (Unaudited)
Below 1,000,000	**–**	–
1,000,001 to 2,000,000	**12**	10
2,000,001 to 3,000,000	**–**	1
5,000,001 to 6,000,000	**–**	1
Over 6,000,000	**1**	–

27. Commitments and contingencies

INVESTMENT AND CAPITAL COMMITMENTS

US$m	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Not later than one year	**15,353**	15,149
Later than one and not later than five years	**268**	152
Total	**15,621**	15,301

Investment and capital commitments consist of commitments to invest in private equity partnerships and other assets.

CONTINGENCIES

The Group is subject to regulation in each of the geographical markets in which it operates from insurance, securities, capital markets, pension, data privacy and other regulators and is exposed to the risk of regulatory actions in response to perceived or actual non-compliance with regulations relating to suitability, sales or underwriting practices, claims payments and procedures, product design, disclosure, administration, denial or delay of benefits and breaches of fiduciary or other duties. The Group believes that these matters have been adequately provided for in these financial statements.

The Group is exposed to legal proceedings, complaints and other actions from its activities including those arising from commercial activities, sales practices, suitability of products, policies, claims and taxes. The Group believes that these matters are adequately provided for in these financial statements.

The Group operates in many jurisdictions across Asia and in certain of those jurisdictions, the Group's interpretation of the relevant law or regulation may differ from that of the tax authorities, which can result in disputes arising. The Group has made provisions to cover the potential tax implications, based on management's judgement and best estimate in relation to the probability or likelihood of the potential outcomes, which is subject to periodic reassessment. Due to the uncertainty associated with these items, there remains a possibility that the final outcomes may differ on conclusion of the relevant tax matters at a future date.

28. Events after the reporting period

On 21 August 2025, a Committee appointed by the Board of Directors declared an interim dividend of 49.00 Hong Kong cents per share (six months ended 30 June 2024: 44.50 Hong Kong cents per share).

29. Interim statement of financial position of the Company

US$m	Note	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
Assets			
Investment in subsidiaries at cost[(2)]		**22,780**	22,646
Financial investments:			
At fair value through other comprehensive income			
Debt securities[(3)]		**6,526**	6,121
At fair value through profit or loss			
Debt securities		**4**	–
Interests in investment funds[(2)]	31	**2,161**	2,240
Derivative financial instruments		**142**	199
		8,833	8,560
Loans to/amounts due from subsidiaries		**423**	910
Other assets		**87**	72
Promissory notes from subsidiaries[(4)]		**281**	–
Cash and cash equivalents		**924**	749
Total assets		**33,328**	32,937
Liabilities			
Borrowings		**14,814**	13,739
Derivative financial instruments		**329**	98
Other liabilities		**384**	322
Total liabilities		**15,527**	14,159
Equity			
Share capital		**14,197**	14,183
Employee share-based trusts		**(419)**	(376)
Other reserves		**462**	443
Retained earnings		**3,545**	4,550
Other comprehensive income		**16**	(22)
Total equity		**17,801**	18,778
Total liabilities and equity		**33,328**	32,937

Notes:

(1) The financial information of the Company should be read in conjunction with the interim condensed consolidated financial statements of the Group.

(2) The Company's interests in investment funds such as mutual funds and unit trusts, including funds controlled by the Group, are measured at fair value through profit or loss. Interests in other entities controlled by the Group are measured at cost, unless impaired, and presented as investment in subsidiaries at cost.

(3) Includes United States Treasury securities of US$6,180m (31 December 2024: US$5,965m) and China Government bonds of US$161m (31 December 2024: US$156m) as at 30 June 2025.

(4) The promissory notes from subsidiaries are repayable on demand.

Approved and authorised for issue by the Board of Directors on 21 August 2025.

30. Interim statement of changes in equity of the Company

US$m	Share capital	Employee share-based trusts	Other reserves	Retained earnings	Other comprehensive income	Total equity
Balance at 1 January 2025	**14,183**	**(376)**	**443**	**4,550**	**(22)**	**18,778**
Net profit	**–**	**–**	**–**	**2,705**	**–**	**2,705**
Fair value gains on debt securities at fair value through other comprehensive income	**–**	**–**	**–**	**–**	**38**	**38**
Fair value gains on debt securities at fair value through other comprehensive income reclassified to profit or loss on disposal	**–**	**–**	**–**	**–**	**–**	**–**
Dividends	**–**	**–**	**–**	**(1,768)**	**–**	**(1,768)**
Share buy-back	**–**	**–**	**–**	**(1,942)**	**–**	**(1,942)**
Shares issued under share option scheme and agency share purchase plan	**14**	**–**	**–**	**–**	**–**	**14**
Share-based compensation	**–**	**–**	**56**	**–**	**–**	**56**
Purchase of shares held by employee share-based trusts	**–**	**(80)**	**–**	**–**	**–**	**(80)**
Transfer of vested shares from employee share-based trusts	**–**	**37**	**(37)**	**–**	**–**	**–**
Balance at 30 June 2025 – Unaudited	**14,197**	**(419)**	**462**	**3,545**	**16**	**17,801**

US$m	Share capital	Employee share-based trusts	Other reserves	Retained earnings	Other comprehensive income	Total equity
Balance at 1 January 2024	14,176	(367)	390	4,853	112	19,164
Net profit	–	–	–	1,930	–	1,930
Fair value gains on debt securities at fair value through other comprehensive income	–	–	–	–	88	88
Fair value gains on debt securities at fair value through other comprehensive income reclassified to profit or loss on disposal	–	–	–	–	(212)	(212)
Dividends	–	–	–	(1,705)	–	(1,705)
Share buy-back	–	–	–	(1,673)	–	(1,673)
Shares issued under share option scheme and agency share purchase plan	1	–	–	–	–	1
Share-based compensation	–	–	39	–	–	39
Purchase of shares held by employee share-based trusts	–	(33)	–	–	–	(33)
Transfer of vested shares from employee share-based trusts	–	21	(21)	–	–	–
Balance at 30 June 2024 – Unaudited	14,177	(379)	408	3,405	(12)	17,599

31. Interests in investment funds of the Company

Interests in investment funds comprise the following:

US$m	**Other policyholder and shareholder FVTPL**	**Total**
30 June 2025		
Interests in investment funds		
Investment funds with debt instruments as underlying[1]	**2,161**	**2,161**
Others	**–**	**–**
Total – Unaudited	**2,161**	**2,161**

US$m	Other policyholder and shareholder FVTPL	Total
31 December 2024		
Interests in investment funds		
Investment funds with debt instruments as underlying[1]	2,238	2,238
Others	2	2
Total	2,240	2,240

Note:
(1) Investment funds with debt instruments as underlying refer to investment funds solely investing in debt securities and cash therefrom.

REPORT ON REVIEW OF SUPPLEMENTARY EMBEDDED VALUE INFORMATION AS AT AND FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025 TO THE BOARD OF DIRECTORS OF AIA GROUP LIMITED

(incorporated in Hong Kong with limited liability)

羅兵咸永道

Introduction

We have reviewed the Supplementary Embedded Value Information ("the EV Information") set out on pages 146 to 169, which comprises the consolidated Embedded Value results of AIA Group Limited (the "Company") and its subsidiaries (together, the "Group") as at and for the six-month period ended 30 June 2025, the sensitivity analysis, methodology, assumptions and other explanatory information. The directors of the Company are responsible for the preparation and presentation of the EV Information in accordance with the EV basis of preparation set out in Sections 4 and 5 of the EV Information. Our responsibility is to express a conclusion on this EV Information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. A review of the EV Information, which comprises the consolidated Embedded Value results, the sensitivity analysis, methodology, assumptions and other explanatory information, consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the EV Information of the Group is not prepared, in all material respects, in accordance with the EV basis of preparation set out in Sections 4 and 5 of the EV Information.

Basis of Preparation

Without modifying our conclusion, we draw attention to Sections 4 and 5 of the EV Information, which describes the EV basis of preparation. As a result, the EV Information may not be suitable for another purpose. This report does not extend to any financial statements of the Company.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 21 August 2025

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SUPPLEMENTARY EMBEDDED VALUE INFORMATION

Cautionary Statements Concerning Supplementary Embedded Value Information

This report includes non-IFRS results and should not be viewed as a substitute for IFRS results.

The results shown in this report are not intended to represent an opinion of market value and should not be interpreted in that manner. This report does not purport to encompass all of the many factors that may bear upon a market value.

The results shown in this report are based on a series of assumptions as to the future. It should be recognised that actual future results may differ from those shown, on account of the changes in the operating and economic environments and natural variations in experience. The results shown are presented at the valuation dates stated in this report and no warranty is given by the Group that future experience after these valuation dates will be in line with the assumptions made.

The Supplementary Embedded Value Information is unaudited, but has been reviewed by PricewaterhouseCoopers in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers' independent review report to the Board of Directors is included on page 145.

1. SUMMARY

The Embedded Value (EV) is a measure of the value of shareholders' interests in the earnings distributable from assets allocated to the in-force business after allowance for the aggregate risks in that business. AIA Group Limited (the "Company"), together with its subsidiaries (collectively the "Group") use a traditional deterministic discounted cash flow methodology for determining its EV and value of new business (VONB) for all entities other than Tata AIA Life Insurance Company Limited (Tata AIA Life). This methodology makes an implicit overall level of allowance for risk including the cost of investment return guarantees and policyholder options, asset-liability mismatch risk, credit risk, the risk that actual experience in future years differs from that assumed, and the economic cost of capital, through the use of a risk discount rate. For Tata AIA Life, the Group uses the Indian Embedded Value (IEV) methodology as defined in Actuarial Practice Standard 10 issued by the Institute of Actuaries of India, consistent with local practice in India.

The equity attributable to shareholders of the Company on the embedded value basis (EV Equity) is the total of EV, goodwill and other intangible assets attributable to shareholders of the Company, after allowing for taxes. More details on the EV results, methodology and assumptions are covered in later sections of this report.

On 6 June 2025, Hong Kong enacted the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 to implement Global Minimum Tax regime (GMT) developed as part of Pillar Two of the Base Erosion and Profit Shifting 2.0 (BEPS 2.0) initiative which became effective in Hong Kong from 1 January 2025, as described in note 10 to the interim condensed consolidated financial statements. For further details, please refer to Section 5.4 of this report which details the taxation methodology and assumptions for EV.

The Supplementary Embedded Value Information in this report should be read in conjunction with the Supplementary Embedded Value Information of the Group in the Company's Annual Report 2024.

Unless otherwise stated, the growth rates provided in the commentaries are shown on a constant exchange rate (CER) basis, and the per-share information provided in the tables are based on the basic number of ordinary shares outstanding as at the specified point in time, as disclosed in the interim condensed consolidated financial statements.

1. SUMMARY (continued)

Summary of Key Metrics[1] (US$ millions)

	As at 30 June 2025 (Unaudited)	As at 31 December 2024	Change CER	Change AER
EV Equity	**73,670**	71,626	0%	3%
EV Equity per share (US$)	**6.99**	6.64	3%	5%
EV	**70,853**	69,035	0%	3%
EV per share (US$)	**6.72**	6.40	2%	5%
Free surplus	**9,898**	12,554	(22)%	(21)%
Adjusted net worth (ANW)	**28,781**	30,527	(8)%	(6)%
Value of in-force business (VIF)	**42,072**	38,508	6%	9%

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)	YoY CER	YoY AER
VONB	**2,838**	2,455	14%	16%
Annualised new premiums (ANP)	**4,942**	4,546	8%	9%
VONB margin	**57.7%**	53.9%	3.4 pps	3.8 pps
EV operating profit	**5,893**	5,350	9%	10%
Operating return on EV (Operating ROEV)[2]	**17.8%**	16.5%	n/a	1.3 pps
Underlying free surplus generation (UFSG)	**3,569**	3,391	4%	5%
UFSG per share (US cents)[3]	**33.56**	30.22	10%	11%

Notes:

(1) The results are after adjustment to reflect the consolidated reserving and capital requirements, the present value of future after-tax unallocated Group Office expenses and Group Corporate Centre tax. Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

(2) On an annualised basis.

(3) Based on weighted average number of ordinary shares outstanding during the respective period.

2. EMBEDDED VALUE RESULTS

2.1 Embedded Value by Business Unit

The EV as at 30 June 2025 is presented consistently with the segment information in the interim condensed consolidated financial statements.

Summary of EV by Business Unit (US$ millions)

	As at 30 June 2025[1] (Unaudited)				
Business Unit	ANW[2]	VIF before CoC	CoC	VIF after CoC	EV
AIA China	10,735	5,394	267	5,127	15,862
AIA Hong Kong	10,882	19,173	1,398	17,775	28,657
AIA Thailand	4,798	5,643	500	5,143	9,941
AIA Singapore	2,943	5,702	933	4,769	7,712
AIA Malaysia	1,258	3,159	218	2,941	4,199
Other Markets	5,599	4,777	1,606	3,171	8,770
Group Corporate Centre	1,848	–	–	–	1,848
Subtotal	38,063	43,848	4,922	38,926	76,989
Adjustment to reflect consolidated reserving and capital requirements[3]	(9,014)	6,300	1,032	5,268	(3,746)
After-tax value of unallocated Group Office expenses	–	(1,539)	–	(1,539)	(1,539)
Group Corporate Centre tax[4]	–	(395)	4	(399)	(399)
Total EV (before non-controlling interests)	29,049	48,214	5,958	42,256	71,305
Non-controlling interests	(268)	(211)	(27)	(184)	(452)
Total EV	28,781	48,003	5,931	42,072	70,853
Goodwill and other intangible assets[5]					2,817
Total EV Equity					73,670

2. EMBEDDED VALUE RESULTS (continued)

2.1 Embedded Value by Business Unit (continued)

	As at 31 December 2024				
Business Unit	ANW[(2)]	VIF before CoC	CoC	VIF after CoC	EV
AIA China	10,143	5,290	264	5,026	15,169
AIA Hong Kong	12,150	17,430	1,402	16,028	28,178
AIA Thailand	4,654	5,422	414	5,008	9,662
AIA Singapore	2,611	5,341	739	4,602	7,213
AIA Malaysia	1,256	2,853	211	2,642	3,898
Other Markets	5,233	4,254	1,531	2,723	7,956
Group Corporate Centre	2,922	–	–	–	2,922
Subtotal	38,969	40,590	4,561	36,029	74,998
Adjustment to reflect consolidated reserving and capital requirements[(3)]	(8,214)	5,391	869	4,522	(3,692)
After-tax value of unallocated Group Office expenses	–	(1,615)	–	(1,615)	(1,615)
Group Corporate Centre tax[(4)]	–	(302)	3	(305)	(305)
Total EV (before non-controlling interests)	30,755	44,064	5,433	38,631	69,386
Non-controlling interests	(228)	(192)	(69)	(123)	(351)
Total EV	30,527	43,872	5,364	38,508	69,035
Goodwill and other intangible assets[(5)]					2,591
Total EV Equity					71,626

Notes:

(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

(2) ANW by Business Unit is after net capital flows between Business Units and Group Corporate Centre.

(3) Adjustment reflects the consolidated reserving and capital requirements as described in Section 4.4 of the Supplementary Embedded Value Information in the Company's Annual Report 2024 and Section 4.1 of this report.

(4) Refers to corporate income tax in Bermuda as described in Section 5.4 of this report.

(5) Consistent with the interim condensed consolidated financial statements, shown net of tax, amounts attributable to participating funds and non-controlling interests.

2. EMBEDDED VALUE RESULTS (continued)

2.2 Reconciliation of ANW from IFRS Equity

Derivation of the Consolidated ANW from IFRS Equity (US$ millions)

	As at 30 June 2025[(1)] (Unaudited)	As at 31 December 2024
Shareholders' allocated equity	**44,478**	44,404
Fair value reserve	**8,123**	5,744
Insurance finance reserve	**(12,092)**	(9,658)
IFRS equity attributable to shareholders of the Company	**40,509**	40,490
Difference between net policy liabilities calculated and reported under IFRS® Accounting Standards and local statutory policy liabilities	**1,645**	2,610
Mark-to-market adjustment for property, mortgage loan and other investments, net of amounts attributable to participating funds	**102**	(47)
Elimination of intangible assets	**(3,662)**	(3,478)
Recognition of deferred tax impacts of the above adjustments	**(889)**	(929)
Recognition of non-controlling interests impacts of the above adjustments	**90**	95
ANW (Business Unit)	**37,795**	38,741
Adjustment to reflect consolidated reserving requirements, net of tax	**(9,014)**	(8,214)
ANW (Consolidated)	**28,781**	30,527

Note:
(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

2. EMBEDDED VALUE RESULTS (continued)

2.3 Reconciliation of Free Surplus from ANW

Derivation of Free Surplus from ANW (US$ millions)

	As at 30 June 2025 (Unaudited)		As at 31 December 2024	
	Business Unit	**Consolidated**	Business Unit	Consolidated
ANW	**37,795**	**28,781**	38,741	30,527
Adjustment for certain assets not eligible for regulatory capital purposes	**(820)**	**(820)**	(819)	(819)
Less: Required capital	**13,600**	**18,063**	13,129	17,154
Free surplus[1]	**23,375**	**9,898**	24,793	12,554

Note:

(1) The free surplus is defined as the ANW in excess of the required capital adjusted for certain assets that are not eligible for regulatory capital purposes. The free surplus on consolidated basis is further adjusted for the consolidated reserving and capital requirements.

2. EMBEDDED VALUE RESULTS (continued)

2.4 Earnings Profile

The tables below show how the after-tax distributable earnings from the assets backing the statutory reserves and required capital of the in-force business of the Group are projected to emerge over future years. The projected values reflect the consolidated reserving and capital requirements.

Profile of Projected After-Tax Distributable Earnings for the Group's In-force Business (US$ millions)

	As at 30 June 2025[1] (Unaudited)	
Expected period of emergence	**Undiscounted**	**Discounted**
1 – 5 years	**23,784**	**19,596**
6 – 10 years	**25,857**	**14,554**
11 – 15 years	**24,648**	**9,515**
16 – 20 years	**23,316**	**6,154**
21 years and thereafter	**213,507**	**10,316**
Total	**311,112**	**60,135**

	As at 31 December 2024	
Expected period of emergence	Undiscounted	Discounted
1 – 5 years	22,156	18,195
6 – 10 years	24,480	13,696
11 – 15 years	23,153	8,832
16 – 20 years	21,476	5,567
21 years and thereafter	197,635	9,372
Total	288,900	55,662

The profile of distributable earnings is shown on an undiscounted and discounted basis. The discounted value of after-tax distributable earnings of US$60,135 million (31 December 2024: US$55,662 million) plus the free surplus of US$9,898 million (31 December 2024: US$12,554 million) and the non-eligible assets excluded in the free surplus calculation of US$820 million (31 December 2024: US$819 million) as shown in Section 2.3 of this report is equal to the EV of US$70,853 million (31 December 2024: US$69,035 million) shown in Section 2.1 of this report.

Note:
(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

2. EMBEDDED VALUE RESULTS (continued)

2.5 Value of New Business

The VONB for the Group for the six months ended 30 June 2025 is summarised in the table below. The VONB is defined as the present value, at the point of sale, of the projected after-tax statutory profits less the cost of required capital. Results are presented consistently with the segment information in the interim condensed consolidated financial statements.

The Group VONB for the six months ended 30 June 2025 was US$2,838 million, an increase of US$383 million, or 14 per cent, from US$2,455 million for the six months ended 30 June 2024.

Summary of VONB by Business Unit (US$ millions)

	Six months ended 30 June 2025[1] (Unaudited)			Six months ended 30 June 2024 (Unaudited)		
Business Unit	**VONB before CoC**	**CoC**	**VONB after CoC**	VONB before CoC	CoC	VONB after CoC
AIA China	**815**	**72**	**743**	875	93	782
AIA Hong Kong	**1,098**	**35**	**1,063**	895	37	858
AIA Thailand	**539**	**17**	**522**	377	18	359
AIA Singapore	**284**	**25**	**259**	234	15	219
AIA Malaysia	**201**	**9**	**192**	193	10	183
Other Markets	**345**	**96**	**249**	316	92	224
Total before unallocated Group Office expenses, Group Corporate Centre tax[2] and non-controlling interests (Business Unit)	**3,282**	**254**	**3,028**	2,890	265	2,625
Adjustment to reflect consolidated reserving and capital requirements[3]	**(33)**	**13**	**(46)**	(23)	15	(38)
Total before unallocated Group Office expenses, Group Corporate Centre tax[2] and non-controlling interests (Consolidated)	**3,249**	**267**	**2,982**	2,867	280	2,587
After-tax value of unallocated Group Office expenses	**(71)**	**–**	**(71)**	(98)	–	(98)
Group Corporate Centre tax[2]	**(54)**	**–**	**(54)**	(16)	–	(16)
Total before non-controlling interests (Consolidated)	**3,124**	**267**	**2,857**	2,753	280	2,473
Non-controlling interests	**(24)**	**(5)**	**(19)**	(19)	(1)	(18)
Total	**3,100**	**262**	**2,838**	2,734	279	2,455

Notes:
(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

(2) Refers to corporate income tax in Bermuda as described in Section 5.4 of this report.

(3) Adjustment reflects the consolidated reserving and capital requirements as described in Section 4.4 of the Supplementary Embedded Value Information in the Company's Annual Report 2024 and Section 4.1 of this report.

2. EMBEDDED VALUE RESULTS (continued)

2.5 Value of New Business (continued)

The table below shows the breakdown of the VONB, ANP, VONB margin, and present value of new business premium (PVNBP) margin for the Group, by quarter, for business written in the six months ended 30 June 2025.

The VONB margin and PVNBP margin are defined as VONB, gross of non-controlling interests and excluding pension business, expressed as a percentage of ANP and PVNBP, respectively. The VONB used in the margin calculation is gross of non-controlling interests and excludes pension business to be consistent with the definition of ANP and PVNBP.

The Group VONB margin for the six months ended 30 June 2025 was 57.7 per cent compared with 53.9 per cent for the six months ended 30 June 2024. The Group PVNBP margin for the six months ended 30 June 2025 was 11 per cent compared with 11 per cent for the six months ended 30 June 2024.

Breakdown of VONB, ANP, VONB Margin and PVNBP Margin (US$ millions)

	VONB after CoC	ANP	VONB margin	PVNBP margin
Half Year				
***Values for 2025*[1]**				
Six months ended 30 June 2025 (Unaudited)	**2,838**	**4,942**	**57.7%**	**11%**
Values for 2024				
Six months ended 30 June 2024 (Unaudited)	2,455	4,546	53.9%	11%
Quarter				
***Values for 2025*[1]**				
Three months ended 31 March 2025 (Unaudited)	**1,497**	**2,617**	**57.5%**	**11%**
Three months ended 30 June 2025 (Unaudited)	**1,341**	**2,325**	**58.0%**	**11%**
Values for 2024				
Three months ended 31 March 2024 (Unaudited)	1,327	2,449	54.2%	11%
Three months ended 30 June 2024 (Unaudited)	1,128	2,097	53.6%	10%

Note:
(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

2. EMBEDDED VALUE RESULTS (continued)

2.5 Value of New Business (continued)

The table below shows the VONB (excluding pension business), ANP, and VONB margin by Business Unit.

Summary of VONB Excluding Pension, ANP and VONB Margin by Business Unit (US$ millions)

	Six months ended 30 June 2025[1] (Unaudited)			Six months ended 30 June 2024 (Unaudited)		
Business Unit	**VONB excluding pension**	**ANP**	**VONB margin**	VONB excluding pension	ANP	VONB margin
AIA China	**743**	**1,268**	**58.6%**	782	1,382	56.6%
AIA Hong Kong	**1,059**	**1,609**	**65.8%**	836	1,272	65.7%
AIA Thailand	**522**	**452**	**115.7%**	359	386	93.1%
AIA Singapore	**259**	**547**	**47.4%**	219	417	52.4%
AIA Malaysia	**192**	**278**	**68.9%**	183	285	64.2%
Other Markets	**249**	**788**	**31.5%**	223	804	27.7%
Total before unallocated Group Office expenses and Group Corporate Centre tax[2] (Business Unit)	**3,024**	**4,942**	**61.2%**	2,602	4,546	57.2%
Adjustment to reflect consolidated reserving and capital requirements[3]	**(46)**	**–**		(39)	–	
Total before unallocated Group Office expenses and Group Corporate Centre tax[2] (Consolidated)	**2,978**	**4,942**	**60.3%**	2,563	4,546	56.4%
After-tax value of unallocated Group Office expenses	**(71)**	**–**		(98)	–	
Group Corporate Centre tax[2]	**(54)**	**–**		(16)	–	
Total	**2,853**	**4,942**	**57.7%**	2,449	4,546	53.9%

Notes:

(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

(2) Refers to corporate income tax in Bermuda as described in Section 5.4 of this report.

(3) Adjustment reflects the consolidated reserving and capital requirements as described in Section 4.4 of the Supplementary Embedded Value Information in the Company's Annual Report 2024 and Section 4.1 of this report.

2. EMBEDDED VALUE RESULTS (continued)

2.6 Analysis of EV Movement

Analysis of Movement in EV (US$ millions)

	Six months ended 30 June 2025[1] (Unaudited)			Six months ended 30 June 2024 (Unaudited)			YoY AER
	ANW	**VIF**	**EV**	ANW	VIF	EV	EV
Opening EV Equity			**71,626**			70,153	2%
Removal of goodwill and other intangible assets[2]			**(2,591)**			(2,706)	(4)%
Opening EV	**30,527**	**38,508**	**69,035**	32,009	35,438	67,447	2%
VONB	**(34)**	**2,872**	**2,838**	(117)	2,572	2,455	16%
Expected return on EV[3]	**2,415**	**413**	**2,828**	2,437	276	2,713	4%
Operating experience variances	**370**	**(81)**	**289**	304	6	310	(7)%
Operating assumption changes	**801**	**(578)**	**223**	186	(90)	96	132%
Finance costs	**(285)**	**–**	**(285)**	(224)	–	(224)	27%
EV operating profit	**3,267**	**2,626**	**5,893**	2,586	2,764	5,350	10%
Investment return variances[4]	**(1,070)**	**(327)**	**(1,397)**	1,077	(580)	497	n/m[5]
Other non-operating variances[6]	**(486)**	**229**	**(257)**	(1,093)	996	(97)	n/m
Total EV profit[7]	**1,711**	**2,528**	**4,239**	2,570	3,180	5,750	(26)%
Dividends	**(1,768)**	**–**	**(1,768)**	(1,705)	–	(1,705)	4%
Share buy-back	**(1,942)**	**–**	**(1,942)**	(1,673)	–	(1,673)	16%
Other capital movements	**(17)**	**–**	**(17)**	16	–	16	n/m
Effect of changes in exchange rates	**270**	**1,036**	**1,306**	(724)	(864)	(1,588)	n/m
Closing EV	**28,781**	**42,072**	**70,853**	30,493	37,754	68,247	4%
Inclusion of goodwill and other intangible assets[2]			**2,817**			2,609	8%
Closing EV Equity			**73,670**			70,856	4%
Closing EV per share (US$)			**6.72**			6.12	10%
Closing EV Equity per share (US$)			**6.99**			6.36	10%

Notes:

(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

(2) Consistent with the interim condensed consolidated financial statements, shown net of tax, amounts attributable to participating funds and non-controlling interests.

(3) For the six months ended 30 June 2025, expected return is net of a notional GMT top-up tax of negative US$136 million calculated on an operating profit basis.

(4) For the six months ended 30 June 2025, investment return variances include a positive US$85 million, representing the difference between the notional GMT top-up tax on an operating profit basis of negative US$136 million and the actual GMT top-up tax of negative US$51 million.

(5) Not meaningful (n/m).

(6) Includes the acquisition of New Medical Centre Holding Limited for the six months ended 30 June 2025.

(7) For the six months ended 30 June 2025, total EV profit is net of actual GMT top-up tax incurred of negative US$51 million.

2. EMBEDDED VALUE RESULTS (continued)

2.6 Analysis of EV Movement (continued)

The opening EV Equity was US$71,626 million at 31 December 2024.

The opening EV was US$69,035 million at 31 December 2024 after removal of goodwill and other intangible assets of US$2,591 million.

EV operating profit was US$5,893 million (2024: US$5,350 million), reflecting VONB of US$2,838 million (2024: US$2,455 million), an expected return on EV of US$2,828 million (2024: US$2,713 million), operating experience variances and operating assumption changes with a net impact of US$512 million (2024: net impact of US$406 million), and net of finance costs of US$285 million (2024: US$224 million).

The VONB is calculated at the point of sale for business written during the period. The expected return on EV is the expected change in the EV over the period plus the expected return on the VONB up to 30 June 2025. Operating experience variances reflect the impact on the ANW and VIF from differences between the actual experience over the period and that expected based on the operating assumptions.

The operating experience variances, net of tax, increased EV by US$289 million (2024: increased EV by US$310 million), driven by:

- Expense variances of US$83 million (2024: US$148 million), partly offset by development costs of US$5 million (2024: US$8 million);
- Mortality and morbidity claims variances of US$201 million (2024: US$26 million); and
- Persistency and other variances of US$10 million (2024: US$144 million) which included persistency variances of US$(165) million (2024: US$(5) million) and other variances, including management actions, of US$175 million (2024: US$149 million).

The effect of changes in operating assumptions during the period was an increase in EV of US$223 million (2024: an increase in EV of US$96 million).

The EV profit of US$4,239 million (2024: US$5,750 million) is the total of EV operating profit, investment return variances and other non-operating variances.

The investment return variances decreased EV by US$1,397 million (2024: increased EV by US$497 million) driven by the effect of short-term fluctuations in interest rates, equities and other capital market movements, after allowing for consolidated reserving and capital requirements, compared with the expected returns.

Other non-operating variances decreased EV by US$257 million (2024: decreased EV by US$97 million) which mainly comprised negative impacts from the effect of acquisition, regulation changes and non-operating expenses.

The final shareholder dividend for 2024 paid in the first half of 2025 totalled US$1,768 million (2024: US$1,705 million). The capital deployed for the share buy-back programme, under which 253 million shares[1] (2024: 220 million shares) have been repurchased in the first half of 2025, was US$1,942 million (2024: US$1,673 million). Other capital movements decreased EV by US$17 million (2024: increased EV by US$16 million).

Foreign exchange movements increased EV by US$1,306 million (2024: decreased EV by US$1,588 million).

The closing EV was US$70,853 million at 30 June 2025.

The closing EV Equity was US$73,670 million as at 30 June 2025, after inclusion of goodwill and other intangible assets of US$2,817 million.

Our EV methodology deducts the value of the Group's outstanding medium-term notes and securities[2] (MTNs) at amortised cost. If the MTNs were measured at fair value, EV Equity would increase by US$696 million to US$74,366 million (2024: increase by US$1,024 million).

Notes:

(1) Of these shares, 166 million shares were cancelled in the first half of 2025, and the remaining 87 million shares have subsequently been cancelled as per note 22 to the interim condensed consolidated financial statements.

(2) Refers to medium-term notes and securities under note 20 to the interim condensed consolidated financial statements.

2. EMBEDDED VALUE RESULTS (continued)

2.6 Analysis of EV Movement (continued)

Operating ROEV (US$ millions)

Operating return on EV (Operating ROEV) is calculated as EV operating profit expressed as a percentage of the opening EV and was 17.8 per cent (2024: 16.5 per cent) for the six months ended 30 June 2025.

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)	YoY CER	YoY AER
EV operating profit	**5,893**	5,350	9%	10%
Opening EV	**69,035**	67,447	4%	2%
Operating ROEV[1]	**17.8%**	16.5%	n/a	1.3 pps
EV operating profit per share (US cents)[2]	**55.42**	47.68	15%	16%

Notes:
(1) On an annualised basis.

(2) Based on weighted average number of ordinary shares outstanding during the respective period.

2. EMBEDDED VALUE RESULTS (continued)

2.7 Free Surplus Generation

Free Surplus Generation (US$ millions)

	Six months ended 30 June 2025[(1)] (Unaudited)	Six months ended 30 June 2024 (Unaudited)	YoY CER	YoY AER
Opening free surplus	**12,554**	16,329	(22)%	(23)%
UFSG	**3,569**	3,391	4%	5%
Free surplus used to fund new business	**(699)**	(788)	(12)%	(11)%
Unallocated Group Office expenses	**(138)**	(152)	(9)%	(9)%
Finance costs and other capital movements	**(302)**	(208)	45%	45%
Net free surplus generation	**2,430**	2,243	7%	8%
Investment return variances and other items	**(1,376)**	(634)	n/m[(2)]	n/m
Dividends	**(1,768)**	(1,705)	4%	4%
Share buy-back	**(1,942)**	(1,673)	16%	16%
Closing free surplus	**9,898**	14,560	(33)%	(32)%

Free surplus decreased by US$2,656 million to US$9,898 million (31 December 2024: US$12,554 million) as at 30 June 2025, after reflecting the impact of share buy-back of US$1,942 million.

UFSG, as defined in Section 4.8 of the Supplementary Embedded Value Information in the Company's Annual Report 2024, after the GMT top-up tax impact, increased by 4 per cent, to US$3,569 million (2024: US$3,391 million), which comprised expected return on free surplus and assets backing MTNs of US$676 million (2024: US$698 million), expected distributable earnings from in-force business of US$2,105 million (2024: US$1,956 million), diversification benefit due to new business of US$344 million (2024: US$427 million) and other operating variances of US$580 million (2024: US$310 million). Investment in writing new business was US$699 million (2024: US$788 million).

Unallocated Group Office expenses amounted to US$138 million (2024: US$152 million).

	Six months ended 30 June 2025[(1)] (Unaudited)	Six months ended 30 June 2024 (Unaudited)	YoY CER	YoY AER
UFSG	**3,569**	3,391	4%	5%
Expected return on free surplus and assets backing MTNs	**676**	698	(3)%	(3)%
Expected distributable earnings from in-force business	**2,105**	1,956	7%	8%
Diversification benefit due to new business	**344**	427	(20)%	(19)%
Other operating variances	**580**	310	82%	87%
GMT top-up tax in the current period	**(136)**	–	n/m	n/m
Free surplus used to fund new business	**(699)**	(788)	(12)%	(11)%
Unallocated Group Office expenses	**(138)**	(152)	(9)%	(9)%
Finance costs and other capital movements	**(302)**	(208)	45%	45%
Net free surplus generation	**2,430**	2,243	7%	8%

Investment return variances and other items amounted to US$(1,376) million (2024: US$(634) million). This mainly reflects the effect of short-term fluctuations in interest rates, equities and other capital market movements, after allowing for consolidated reserving and capital requirements, compared with the expected returns as well as other non-operating variances as described in Section 2.6 of this report.

Notes:
(1) Please refer to Section 5.4 of this report on the treatment of GMT top-up tax.

(2) Not meaningful (n/m).

3. SENSITIVITY ANALYSIS

The EV as at 30 June 2025 and the VONB for the six months ended 30 June 2025 have been recalculated to illustrate the sensitivity of the results to changes in certain central assumptions discussed in Section 5 of this report.

The sensitivities analysed were:

- Risk discount rates 200 basis points per annum higher than the central assumptions;
- Risk discount rates 200 basis points per annum lower than the central assumptions;
- Interest rates 50 basis points per annum higher than the central assumptions;
- Interest rates 50 basis points per annum lower than the central assumptions;
- Equity return, property return and risk discount rates 100 basis points per annum lower than the central assumptions;
- The presentation currency (as explained below) appreciated by 5 per cent;
- The presentation currency depreciated by 5 per cent;
- Lapse and premium discontinuance rates increased proportionally by 10 per cent (i.e. 110 per cent of the central assumptions);
- Lapse and premium discontinuance rates decreased proportionally by 10 per cent (i.e. 90 per cent of the central assumptions);
- Mortality/morbidity rates increased proportionally by 10 per cent (i.e. 110 per cent of the central assumptions);
- Mortality/morbidity rates decreased proportionally by 10 per cent (i.e. 90 per cent of the central assumptions);
- Maintenance expenses 10 per cent lower (i.e. 90 per cent of the central assumptions); and
- Expense inflation set to 0 per cent.

The EV as at 30 June 2025 has been further analysed for the following sensitivities:

- Equity prices increased proportionally by 10 per cent (i.e. 110 per cent of the prices at 30 June 2025); and
- Equity prices decreased proportionally by 10 per cent (i.e. 90 per cent of the prices at 30 June 2025).

3. SENSITIVITY ANALYSIS (continued)

For the interest rate sensitivities, the investment return assumptions and the risk discount rates were changed by 50 basis points per annum; the projected bonus rates on participating business, the statutory reserving bases at 30 June 2025 and the values of debt instruments and derivatives held at 30 June 2025 were changed to be consistent with the interest rate assumptions in the sensitivity analysis, while all the other assumptions were unchanged.

For the equity return, property return and risk discount rates sensitivity, the projected bonus rates on participating business were changed to be consistent with the equity return assumptions and property return assumptions in the sensitivity analysis, while all the other assumptions were unchanged.

As the Group operates in multiple geographical markets, the EV results for the Group are translated from multiple currencies to the US dollar which is the Group's presentation currency. In order to provide sensitivity results for EV and VONB of the impact of foreign currency movements, a change of 5 per cent to the US dollar is included.

For the equity price sensitivities, the projected bonus rates on participating business and the values of equity securities and equity funds held at 30 June 2025 were changed to be consistent with the equity price assumptions in the sensitivity analysis, while all the other assumptions were unchanged.

For each of the remaining sensitivity analyses, the statutory reserving bases as at 30 June 2025 and the projected bonus rates on participating business were changed to be consistent with the sensitivity analysis assumptions, while all the other assumptions remain unchanged.

3. SENSITIVITY ANALYSIS (continued)

The sensitivities chosen do not represent the boundaries of possible outcomes, but instead illustrate how certain alternative assumptions would affect the results.

Sensitivity of EV (US$ millions)

	As at 30 June 2025 (Unaudited)		As at 31 December 2024	
Scenario	**EV**	**% Change**	EV	% Change
Central value	**70,853**		69,035	
Impact of:				
200 bps increase in risk discount rates	**(10,374)**	**(14.6)%**	(9,680)	(14.0)%
200 bps decrease in risk discount rates	**16,076**	**22.7%**	14,827	21.5%
10% increase in equity prices	**2,289**	**3.2%**	2,233	3.2%
10% decrease in equity prices	**(2,312)**	**(3.3)%**	(2,248)	(3.3)%
50 bps increase in interest rates	**(804)**	**(1.1)%**	(580)	(0.8)%
50 bps decrease in interest rates	**611**	**0.9%**	500	0.7%
100 bps decrease in equity and property returns and risk discount rates	**3,087**	**4.4%**	2,615	3.8%
5% appreciation in the presentation currency	**(936)**	**(1.3)%**	(1,164)	(1.7)%
5% depreciation in the presentation currency	**936**	**1.3%**	1,164	1.7%
10% increase in lapse/discontinuance rates	**(1,975)**	**(2.8)%**	(1,879)	(2.7)%
10% decrease in lapse/discontinuance rates	**2,232**	**3.2%**	2,106	3.1%
10% increase in mortality/morbidity rates	**(6,290)**	**(8.9)%**	(5,612)	(8.1)%
10% decrease in mortality/morbidity rates	**6,239**	**8.8%**	5,546	8.0%
10% decrease in maintenance expenses	**1,148**	**1.6%**	1,056	1.5%
Expense inflation set to 0%	**1,315**	**1.9%**	1,199	1.7%

Sensitivity of VONB (US$ millions)

	Six months ended 30 June 2025 (Unaudited)		Six months ended 30 June 2024 (Unaudited)	
Scenario	**VONB**	**% Change**	VONB	% Change
Central value	**2,838**		2,455	
Impact of:				
200 bps increase in risk discount rates	**(595)**	**(21.0)%**	(500)	(20.4)%
200 bps decrease in risk discount rates	**907**	**32.0%**	761	31.0%
50 bps increase in interest rates	**29**	**1.0%**	77	3.1%
50 bps decrease in interest rates	**(54)**	**(1.9)%**	(93)	(3.8)%
100 bps decrease in equity and property returns and risk discount rates	**292**	**10.3%**	239	9.7%
5% appreciation in the presentation currency	**(95)**	**(3.3)%**	(87)	(3.5)%
5% depreciation in the presentation currency	**95**	**3.3%**	87	3.5%
10% increase in lapse/discontinuance rates	**(150)**	**(5.3)%**	(132)	(5.4)%
10% decrease in lapse/discontinuance rates	**168**	**5.9%**	146	5.9%
10% increase in mortality/morbidity rates	**(290)**	**(10.2)%**	(254)	(10.3)%
10% decrease in mortality/morbidity rates	**289**	**10.2%**	254	10.3%
10% decrease in maintenance expenses	**60**	**2.1%**	62	2.5%
Expense inflation set to 0%	**44**	**1.6%**	44	1.8%

4. METHODOLOGY

The methodology used by the Group on GMT top-up tax, effective from 1 January 2025, is set out in Section 5.4 of this report. Apart from the treatment of GMT top-up tax, the methodology for determining the EV results for the period is consistent with that described in Section 4 of the Supplementary Embedded Value Information in the Company's Annual Report 2024 taking into account the capital requirements as set out in Section 4.1 of this report. The Group ANW has included the financial results from the entity China Post Life Insurance Co., Ltd. (China Post Life), which is 24.99 per cent owned by AIA Company Limited (AIA Co.), using the equity method, while the Group's ANP, VONB and VIF do not include any contribution from China Post Life. For Tata AIA Life, the Group has included its EV using the Indian Embedded Value (IEV) methodology as defined in Actuarial Practice Standard 10 issued by the Institute of Actuaries of India, consistent with local practice in India.

4.1 Capital Requirements

Each of the Business Units has a regulatory requirement to hold shareholder capital in addition to the assets backing the insurance liabilities. The table below sets out the Group's assumed level of capital requirement for each Business Unit:

Business Unit	Capital requirements
AIA Australia	100% of regulatory capital adequacy requirement
AIA China	100% of required capital following the China Association of Actuaries (CAA) EV assessment guidance, updated to reflect C-ROSS II(1)
AIA Hong Kong(2)	100% of regulatory Risk-Based Capital requirement
AIA Indonesia	120% of regulatory Risk-Based Capital requirement
AIA Korea	150% of regulatory Risk-Based Capital requirement
AIA Malaysia	170% of regulatory Risk-Based Capital requirement
AIA New Zealand	100% of regulatory capital adequacy requirement
AIA Philippines	125% of regulatory Risk-Based Capital requirement
AIA Singapore	Higher of 135% of capital adequacy requirement and 80% of Tier 1 capital requirement under the regulatory Risk-Based Capital framework
AIA Sri Lanka	120% of regulatory Risk-Based Capital requirement
AIA Taiwan	250% of regulatory Risk-Based Capital requirement
AIA Thailand	140% of regulatory Risk-Based Capital requirement
AIA Vietnam	100% of required minimum solvency margin
Tata AIA Life	175% of required minimum solvency margin

Notes:

(1) China Risk-Oriented Solvency System phase II (C-ROSS II).

(2) The capital requirement for the Hong Kong branch of AIA International Limited (AIA International) reflects the early adoption approved by Hong Kong Insurance Authority (HKIA) with effect from 1 January 2022 of the Hong Kong Risk-based Capital (HKRBC). AIA Everest Life Company Limited, which is a closed block of business under AIA Co., and the Hong Kong business written by AIA Co., became subject to HKRBC regime from 1 July 2024. For clarity, the Macau branch of AIA International is further subject to 150 per cent of Macau statutory requirement.

Capital Requirements on Consolidation

The Company's subsidiaries, AIA Co. and AIA International, are both subject to the HKIA reserving and capital requirements. Following the approval by HKIA to early adopt the new HKRBC regime for AIA International, starting from 1 January 2022, AIA International is subject to the capital requirement under the new HKRBC regime, while AIA Co. became subject to the HKRBC regime from 1 July 2024. Further, the branches of AIA Co. and AIA International hold required capital of no less than 100 per cent of the HKRBC capital requirement.

In addition, AIA International, which is incorporated in Bermuda, is subject to the Bermuda Monetary Authority (BMA) reserving and capital requirements. AIA International and its subsidiaries hold required capital of no less than 100 per cent of the BMA regulatory capital requirement.

The above regulatory reserving and capital requirements, and other consolidated reserving and capital requirements as determined by the Group, apply in addition to the relevant local requirements applicable to our Business Units.

The Company is also subject to the group-wide supervision (GWS) capital adequacy rules, including group capital adequacy requirements based on the Local Capital Summation Method (LCSM), under which the Group's published eligible group capital resources, group minimum capital requirement (GMCR) and group prescribed capital requirement (GPCR) are calculated as the sum of the eligible capital resources, minimum capital requirements and prescribed capital requirements for each entity within the Group according to the respective local regulatory requirements, subject to any variation considered necessary by the HKIA. This has not imposed any additional capital requirement to those mentioned above.

5. ASSUMPTIONS

5.1 Introduction

This section summarises the assumptions used by the Group to determine the EV as at 30 June 2025 and the VONB for the period ended 30 June 2025.

Long-term investment return assumptions as disclosed in Section 5.2 of the Supplementary Embedded Value Information in the Company's Annual Report 2024 used in the EV basis for the interim results remain unchanged, while risk discount rates were updated to reflect the risks associated with new business written during the reporting period as disclosed in Section 5.2 of the Supplementary Embedded Value Information in the Company's Annual Report 2024.

The non-economic assumptions used are based on those at 31 December 2024, updated to reflect the Group's latest view of expected future experience. A more detailed description of the assumptions can be found in Section 5 of the Supplementary Embedded Value Information in the Company's Annual Report 2024.

5.2 Economic Assumptions

Investment Returns

The Group has set the assumed long-term future returns for fixed income assets to reflect its view of expected returns having regard to estimates of long-term forward rates from yields available on government bonds and current bond yields. In determining returns on fixed income assets, the Group allows for the risk of default, and this allowance varies by the credit rating of the underlying asset.

Where long-term views of investment return assumptions differ from current market yields on existing fixed income assets, an adjustment was made to make allowance for the current market yields. In these cases, in calculating the VIF, adjustments have been made to the investment return assumptions such that the investment returns on existing fixed income assets were set consistently with the current market yield on these assets for their expected remaining term, to be consistent with the valuation of the assets backing the policy liabilities.

The Group has set the equity return and property return assumptions by reference to the long-term return on 10-year government bonds, allowing for an internal assessment of risk premia that vary by asset class and by territory.

For each Business Unit, the non-linked portfolio is divided into a number of distinct product groups, and the returns for each of these product groups have been derived by considering current and future targeted asset allocations and associated investment returns for major asset classes.

For unit-linked business, fund growth assumptions have been determined based on actual asset mix within the funds at the valuation date and expected long-term returns for major asset classes.

For Tata AIA Life, the Group uses the IEV methodology as defined in Actuarial Practice Standard 10 issued by the Institute of Actuaries of India for determining its EV and VONB. This methodology uses investment returns and risk discount rates that reflect the market-derived government bond yield curve. Therefore, the risk discount rate and long-term investment returns are not provided for Tata AIA Life.

5. ASSUMPTIONS (continued)

5.2 Economic Assumptions (continued)

Risk Discount Rates

The risk discount rates can be considered as the sum of the appropriate risk-free interest rate, to reflect the time value of money, and a risk margin to make an implicit allowance for risk.

The table below summarises the current market 10-year government bond yields referenced in EV calculations.

	Current market 10-year government bond yields referenced in EV calculations (%)		
Business Unit	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024	As at 30 June 2024 (Unaudited)
AIA Australia	**4.16**	4.36	4.31
AIA China	**1.65**	1.68	2.21
AIA Hong Kong(1)	**4.23**	4.57	4.40
AIA Indonesia	**6.63**	7.00	7.07
AIA Korea	**2.80**	2.87	3.26
AIA Malaysia	**3.49**	3.81	3.86
AIA New Zealand	**4.54**	4.41	4.67
AIA Philippines	**6.28**	6.18	6.65
AIA Singapore	**2.20**	2.86	3.21
AIA Sri Lanka	**10.99**	11.27	12.84
AIA Taiwan	**1.44**	1.61	1.67
AIA Thailand	**1.60**	2.30	2.68
AIA Vietnam	**3.22**	3.12	2.83

Note:

(1) The majority of AIA Hong Kong's assets and liabilities are denominated in the US dollar. The 10-year government bond yields shown above are those of US dollar-denominated bonds.

5. ASSUMPTIONS (continued)

5.2 Economic Assumptions (continued)

Risk Discount Rates (continued)

The table below summarises the risk discount rates and long-term investment returns assumed in EV calculations. The risk discount rates as at 30 June 2025 reflect the weighted average of the risk margins of the in-force business at the start of 2025, and those of the new business written during the first half of 2025 which are determined at a product level to better reflect the market and non-market risks associated with the mix of products sold during the reporting period. In addition, the VONB results are calculated based on start-of-quarter long-term investment return assumptions consistent with the measurement at the point of sale. The present value of unallocated Group Office expenses was calculated using the AIA Hong Kong risk discount rate. The investment returns on existing fixed income assets were set consistently with the market yields on these assets. The investment returns shown are gross of tax and investment expenses.

	Risk discount rates assumed in EV calculations (%)			Long-term investment returns assumed in EV calculations (%)					
				10-year government bonds			Local equities		
Business Unit	**As at 30 Jun 2025 (Unaudited)**	As at 31 Dec 2024	As at 30 Jun 2024 (Unaudited)	**As at 30 Jun 2025 (Unaudited)**	As at 31 Dec 2024	As at 30 Jun 2024 (Unaudited)	**As at 30 Jun 2025 (Unaudited)**	As at 31 Dec 2024	As at 30 Jun 2024 (Unaudited)
AIA Australia	**7.92**	7.92	7.92	**3.80**	3.80	3.80	**8.10**	8.10	8.10
AIA China	**8.33**	8.36	9.14	**2.70**	2.70	3.50	**8.00**	8.00	8.80
AIA Hong Kong(1)	**7.95**	7.95	7.96	**3.50**	3.50	3.50	**8.00**	8.00	8.00
AIA Indonesia	**12.06**	12.08	13.12	**7.50**	7.50	7.50	**11.00**	11.00	12.00
AIA Korea	**8.43**	8.55	8.68	**3.00**	3.00	3.00	**7.30**	7.30	7.30
AIA Malaysia	**8.16**	8.20	8.74	**4.30**	4.30	4.50	**8.60**	8.60	9.10
AIA New Zealand	**7.54**	7.54	7.85	**3.80**	3.80	3.80	**8.00**	8.00	8.30
AIA Philippines	**11.10**	11.10	12.10	**6.00**	6.00	6.00	**9.80**	9.80	10.80
AIA Singapore	**7.31**	7.34	7.36	**3.10**	3.10	3.10	**7.60**	7.60	7.60
AIA Sri Lanka	**14.70**	14.70	14.70	**10.00**	10.00	10.00	**12.00**	12.00	12.00
AIA Taiwan	**7.61**	7.62	7.62	**1.50**	1.50	1.50	**6.10**	6.10	6.10
AIA Thailand	**7.38**	7.42	7.77	**3.40**	3.40	3.40	**7.80**	7.80	8.10
AIA Vietnam	**9.87**	9.86	9.55	**4.00**	4.00	4.00	**9.60**	9.60	9.30

Note:
(1) The majority of AIA Hong Kong's assets and liabilities are denominated in the US dollar. The 10-year government bond assumptions shown above are those of US dollar-denominated bonds, and the local equities assumption shown is that of US dollar-denominated equities.

5. ASSUMPTIONS (continued)

5.3 Expense Inflation

The expected long-term expense inflation rates used by each Business Unit are set out below:

Expense Inflation Assumptions by Business Unit (%)

Business Unit	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
AIA Australia	**2.25**	2.25
AIA China	**2.00**	2.00
AIA Hong Kong	**2.00**	2.00
AIA Indonesia	**3.50**	3.50
AIA Korea	**3.50**	3.50
AIA Malaysia	**3.00**	3.00
AIA New Zealand	**2.00**	2.00
AIA Philippines	**3.50**	3.50
AIA Singapore	**2.00**	2.00
AIA Sri Lanka	**6.50**	6.50
AIA Taiwan	**1.20**	1.20
AIA Thailand	**2.00**	2.00
AIA Vietnam	**4.00**	4.00
Tata AIA Life(1)	**6.20**	6.35

Note:
(1) For Tata AIA Life, in accordance with the IEV methodology as defined in Actuarial Practice Standard 10 issued by the Institute of Actuaries of India, the inflation assumption is derived by applying a spread to the reference interest rate.

Unallocated Group Office expenses are assumed to inflate by the weighted average of the Business Unit expense inflation rates.

5. ASSUMPTIONS (continued)

5.4 Taxation

On 6 June 2025, Hong Kong enacted the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 to implement GMT developed as part of Pillar Two of BEPS 2.0 initiative which became effective in Hong Kong from 1 January 2025, as described in note 10 to the interim condensed consolidated financial statements. The Embedded Value Results reflect the quantitative impact of the GMT top-up tax up to the end of the current reporting period. For the first half of 2025, EV operating profit and UFSG are stated net of a notional GMT top-up tax of negative US$136 million, as estimated on an operating profit basis. The actual GMT top-up tax incurred by the Group in any period will differ from the operating top-up tax since it is based on net profit rather than operating profit. In the first half of 2025, total EV profit is stated net of the actual GMT top-up tax incurred of negative US$51 million.

The potential impact of GMT top-up tax for future periods will depend on a number of factors, including the effective tax rates for future new business, future new business volumes and the jurisdiction where they are written as well as profitability and asset mix. In addition, the accounting treatment of deferred taxes is still evolving, as set out by the IASB under IAS 12, Income Taxes, requiring the mandatory temporary exception to the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two income taxes. Under IAS 12, the IASB states that it is difficult to reliably forecast the future period tax rates expected in the context of GMT top-up tax. This mandatory temporary exception aims to avoid the development of diverse interpretations of IAS 12 under the complex new tax legislation enacted in multiple jurisdictions in a short period of time. Given the mandatory temporary exception applicable under IAS 12, as well as the uncertainties around, and developing interpretations of, GMT top-up tax legislation in multiple jurisdictions, the Group has not reflected any potential future GMT top-up tax in the Group EV, VONB and projected future distributable earnings.

For taxation other than GMT top-up tax, the EV and VONB presented in this report are net of tax based on current taxation legislation. The projected corporate income tax payable in any year allows for the benefits arising from any tax loss carried forward where relevant. Where applicable, tax payable on investment income has been reflected in the projected investment returns. Any withholding tax payable on future remittances from local business units is also reflected under the appropriate operating segment.

The local corporate income tax rates used by each Business Unit are set out below:

Local Corporate Income Tax Rates by Business Unit (%)

Business Unit	**As at 30 June 2025 (Unaudited)**	As at 31 December 2024
AIA Australia	**30.0**	30.0
AIA China	**25.0**	25.0
AIA Hong Kong	**16.5**	16.5
AIA Indonesia	**22.0**	22.0
AIA Korea	**23.1**	23.1
AIA Malaysia	**24.0**	24.0
AIA New Zealand	**28.0**	28.0
AIA Philippines	**25.0**	25.0
AIA Singapore	**17.0**	17.0
AIA Sri Lanka	**30.0**	30.0
AIA Taiwan	**20.0**	20.0
AIA Thailand	**20.0**	20.0
AIA Vietnam	**20.0**	20.0
Tata AIA Life	**14.6**	14.6

In 2023, Bermuda had introduced and enacted a corporate income tax rate of 15 per cent, effective from 1 January 2025. The impact of the introduction of corporate income tax in Bermuda has been reflected in Group EV since 31 December 2023.

6. EVENTS AFTER THE REPORTING PERIOD

On 21 August 2025, a Committee appointed by the Board of Directors declared an interim dividend of 49.00 Hong Kong cents per share (six months ended 30 June 2024: 44.50 Hong Kong cents per share).

INFORMATION FOR SHAREHOLDERS

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the Group's unaudited interim condensed consolidated financial statements for the six months ended 30 June 2025.

INTERIM DIVIDEND

The Board has declared an interim dividend of 49.00 Hong Kong cents per Share for the six months ended 30 June 2025 (six months ended 30 June 2024: 44.50 Hong Kong cents per Share).

The interim dividend will be payable on Tuesday, 23 September 2025 to Shareholders whose names appear on the register of members of the Company at the close of business on Monday, 8 September 2025.

RELEVANT DATES FOR THE 2025 INTERIM DIVIDEND

Ex-dividend date	Friday, 5 September 2025
Record date	Monday, 8 September 2025
Payment date	Tuesday, 23 September 2025

RECORD DATE

In order to qualify for the entitlement of the interim dividend, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 8 September 2025.

SHARE REGISTRAR

If you have any enquiries relating to your shareholding, please contact the Company's share registrar with the contact details set out below:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong
Telephone: +852 2862 8555
Website: www.computershare.com
www.computershare.com/hk/contact (for general enquiries)

ELECTRONIC COMMUNICATIONS

For environmental and cost reasons, Shareholders are encouraged to elect to receive the Company's corporate communications (as defined in the Listing Rules) by electronic means through the Company's website at www.aia.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. You may at any time send written notice to the Company c/o the Company's share registrar or via email at aia.ecom@computershare.com.hk specifying your name, address and request to change your choice of language and/or means of receipt of all of the Company's corporate communications.

The Company makes every effort to ensure consistency between the English and Chinese versions of this interim results announcement. In the event of any inconsistency, the English version shall prevail.

FORWARD-LOOKING STATEMENTS

This document may contain certain forward-looking statements relating to the Group that are based on the beliefs and expectations of the Group's management as well as assumptions made by and information currently available to the Group's management. These forward-looking statements are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to the Group's business prospects, future developments, trends and conditions in the industry and geographical markets in which the Group operates, its strategies, plans, objectives and goals, its ability to control costs, statements relating to prices, volumes, operations, margins, overall market trends, risk management and exchange rates.

When used in this document, the words "anticipate", "believe", "could", "estimate", "expect", "going forward", "intend", "may", "ought to", "plan", "project", "seek", "should", "target", "will", "would" and similar expressions, as they relate to the Group or the Group's management, are intended to identify forward-looking statements. These forward-looking statements reflect the Group's views as of the date hereof with respect to future events and are not a guarantee of future performance or developments. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. Actual results and events may differ materially from information contained in the forward-looking statements as a result of a number of factors, including any changes in the laws, rules and regulations relating to any aspects of the Group's business operations, general economic, market and business conditions, including capital market developments, changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the actions and developments of the Group's competitors and the effects of competition in the insurance industry on the demand for, and price of, the Group's products and services, various business opportunities that the Group may or may not pursue, changes in population growth and other demographic trends, including mortality, morbidity and longevity rates, persistency levels, the Group's ability to identify, measure, monitor and control risks in the Group's business, including its ability to manage and adapt its overall risk profile and risk management practices, its ability to properly price its products and services and establish reserves for future policy benefits and claims, seasonal fluctuations and factors beyond the Group's control. Subject to the requirements of the Listing Rules, the Group does not intend to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, forward-looking events and circumstances discussed in this document might not occur in the way the Group expects, or at all. Accordingly, you should not place reliance on any forward-looking information or statements. All forward-looking statements in this document are qualified by reference to the cautionary statements set forth in this section.

By Order of the Board
Lee Yuan Siong
Executive Director,
Group Chief Executive and President

Hong Kong, 21 August 2025

As at the date of this announcement, the Board comprises:

Independent Non-executive Chairman and Independent Non-executive Director:
Mr. Edmund Sze-Wing TSE

Executive Director, Group Chief Executive and President:
Mr. LEE Yuan Siong

Independent Non-executive Directors:
Mr. Jack Chak-Kwong SO, Sir Chung-Kong CHOW, Mr. John Barrie HARRISON, Mr. George Yong-Boon YEO, Professor Lawrence Juen-Yee LAU, Dr. Narongchai AKRASANEE, Mr. Cesar Velasquez PURISIMA, Ms. Mari Elka PANGESTU, Mr. ONG Chong Tee and Ms. Nor Shamsiah MOHD YUNUS

GLOSSARY

2010 RSU Scheme	Restricted Share Unit Scheme of the Company adopted on 28 September 2010 (as amended) under which the Company granted restricted share units to employees, directors (excluding independent non-executive directors) or officers of the Company or any of its subsidiaries. It was terminated with effect from 31 July 2020 prior to the adoption of the 2020 RSU Scheme.
2010 SO Scheme	Share Option Scheme of the Company adopted on 28 September 2010 (as amended), under which the Company granted share options to employees, directors (excluding independent non-executive directors) or officers of the Company or any of its subsidiaries. It was terminated with effect from 29 May 2020 upon the adoption of the 2020 SO Scheme.
2011 ESPP	Employee Share Purchase Plan of the Company adopted on 25 July 2011 (as amended), a voluntary share purchase plan with matching offer to facilitate and encourage ownership of Shares by employees. It was terminated with effect from 31 October 2020 (being the last day of the 2019/2020 plan year).
2012 ASPP	Agency Share Purchase Plan of the Company adopted on 23 February 2012, a share purchase plan with matching offer of new Shares to facilitate and encourage ownership of Shares by agents. It was terminated with effect from 31 March 2021 (being the last day of the 2020/2021 plan year).
2020 ESPP	Employee Share Purchase Plan of the Company adopted on 1 August 2020 (as amended), a voluntary share purchase plan with matching offer to facilitate and encourage ownership of Shares by employees, and is effective for a period of 10 years from the date of adoption.
2020 RSU Scheme	Restricted Share Unit Scheme of the Company adopted on 1 August 2020 (as amended), under which the Company may grant restricted share units to employees, directors (excluding independent non-executive directors) or officers of the Company or any of its subsidiaries, and is effective for a period of 10 years from the date of adoption.
2020 SO Scheme	Share Option Scheme of the Company adopted on 29 May 2020 (as amended), under which the Company may grant share options to employees, directors (excluding independent non-executive directors) or officers of the Company or any of its subsidiaries, and is effective for a period of 10 years from the date of adoption.
2021 ASPP	Agency Share Purchase Plan of the Company adopted on 1 February 2021 (as amended), a share purchase plan with matching offer of new Shares to facilitate and encourage ownership of Shares by agents, and is effective for a period of 10 years from the date of adoption.
active agent	An agent who sells at least one policy per month. The number of active agents is calculated as the average number of active agents across the specific period.

active market	A market in which all the following conditions exist: • the items traded within the market are homogeneous; • willing buyers and sellers can normally be found at any time; and • prices are available to the public. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
adjusted net worth or ANW	ANW is the market value of assets in excess of the assets backing the policy reserves and other liabilities of the life (and similar) business of AIA, plus the IFRS equity value of other activities, such as general insurance business, less the value of intangible assets. It excludes any amounts not attributable to shareholders of AIA Group Limited. ANW for AIA is stated after adjustment to reflect consolidated reserving requirements. ANW by market is stated before adjustment to reflect consolidated reserving requirements, and presented on a local statutory basis.
AER	Actual exchange rates.
AIA or the Group	AIA Group Limited and its subsidiaries.
AIA Co.	AIA Company Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company.
AIA International	AIA International Limited, a company incorporated in Bermuda and an indirect wholly-owned subsidiary of the Company.
amortised cost or AC	Other than cash and cash equivalents, financial assets measured at amortised cost primarily include debt securities, loans and deposits, and receivables. These financial assets are initially recognised at fair value plus transaction costs. Subsequently, they are carried at amortised cost using the effective interest method less any loss allowance. Interest revenue from debt securities measured at amortised cost is recognised in investment return in the consolidated income statement using the effective interest method.
annualised new premiums or ANP	ANP represents 100 per cent of annualised first year premiums and 10 per cent of single premiums, before reinsurance ceded. It is an internally used measure of new business sales or activity for all entities within AIA. ANP excludes new business of pension business, personal lines and motor insurance. For group renewable business, it includes any premium payable on existing schemes that exceeds the prior year's premiums.
ASEAN	ASEAN, officially the Association of Southeast Asian Nations, refers to AIA's operations in Thailand, Singapore, Malaysia, Vietnam, Indonesia, the Philippines, Cambodia, Myanmar and Brunei.

Asia	Mainland China, Hong Kong SAR, Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China), Vietnam, Brunei, Macau SAR and India.
bancassurance	The distribution of insurance products through banks or other financial institutions.
Bangkok Bank	Bangkok Bank Public Company Limited.
Bank of East Asia	The Bank of East Asia, Limited.
BEPS 2.0	The common name for the Organisation for Economic Co-operation and Development's current programme of work on international tax reform to counteract perceived base erosion and profit shifting (BEPS) by multinational enterprises.
Board	The board of Directors.
BPI	Bank of the Philippine Islands.
BPI-AIA	BPI AIA Life Assurance Corporation.
CER	Constant exchange rates. Change on constant exchange rates is calculated for all figures for the current period and for the prior period, using constant average exchange rates, other than for balance sheet items as at the end of the current period and as at the end of the prior year, which is translated using the constant balance sheet exchange rates.
China Post Life	China Post Life Insurance Co., Ltd.
Citibank	Citibank, N.A.
Company	AIA Group Limited, a company incorporated in Hong Kong with limited liability, whose shares are listed on the Main Board of the Hong Kong Stock Exchange (stock codes: 1299 (HKD counter) and 81299 (RMB counter)).
comprehensive equity	The total of shareholders' equity and net contractual service margin (CSM).
consolidated investment funds	Investment funds in which the Group has interests and power to direct their relevant activities that affect the return of the funds, and consist of third-party unit holders' interests in these funds. These are consolidated in the financial statements.
contract boundary	The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. For details, please refer to note 2.3.4 to the consolidated financial statements in the Company's Annual Report 2024.
contractual service margin or CSM	A component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the Group will recognise as it provides insurance contract services under the insurance contracts in the group. For details, please refer to note 2.3.6 to the consolidated financial statements in the Company's Annual Report 2024.

Corporate Governance Code	Corporate Governance Code set out in Appendix C1 to the Listing Rules, as amended from time to time.
cost of capital or CoC	CoC is calculated as the face value of the required capital as at the valuation date less the present value of the net-of-tax investment return on the shareholder assets backing the required capital and the present value of projected releases from the assets backing the required capital. Where the required capital may be covered by policyholder assets such as surplus assets in participating funds, there is no associated cost of capital included in the VIF or VONB. CoC for AIA is stated after adjustment to reflect consolidated capital requirements. CoC by market is stated before adjustment to reflect consolidated capital requirements, and presented on a local statutory basis.
coverage unit	The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each reporting period is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the reporting period (before any allocation) equally to each coverage unit provided in the current period and expected to be provided in future periods, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the current period. The number of coverage units is the quantity of services provided by the contracts in the group, determined considering for each contract the quantity of benefits provided and its expected coverage period. Determination of coverage unit is further elaborated in note 3.3 to the consolidated financial statements in the Company's Annual Report 2024.
C-ROSS	China Risk-Oriented Solvency System.
Dealing Policy	Directors' and Chief Executives' Dealing Policy of the Company.
Director(s)	The director(s) of the Company.
effective tax rate or ETR	Under the Global Minimum Tax regime, the effective tax rate of a multinational enterprise for a jurisdiction is equal to the sum of the adjusted covered taxes of its constituent entities located in the jurisdiction divided by the adjusted net income of the jurisdiction, for the financial year. As a result of specific adjustments set out in the Global Minimum Tax regime, the effective tax rate under these rules may be different compared to the effective tax rate arising on an IFRS basis.
eligible capital resources	For a regulated entity, eligible capital resources refers to the resources and financial instruments eligible to be counted towards satisfying the prescribed capital requirement according to the respective regulatory requirements. For a non-regulated entity, eligible capital resources refers to IFRS equity less intangible assets, plus eligible financial instruments, including subordinated securities as well as senior notes approved for inclusion.
eligible group capital resources	The sum of the eligible capital resources of each entity within the Group according to the respective local regulatory requirements, subject to any variation considered necessary by the Hong Kong Insurance Authority (HKIA).
eligible group capital resources coverage ratio or the Group LCSM coverage ratio	The ratio of the eligible group capital resources to the group prescribed capital requirement (GPCR).

embedded value or EV	An actuarially determined estimate of the economic value of a life insurance business based on a particular set of assumptions as to future experience, excluding any economic value attributable to future new business. EV for AIA is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax. EV by market is stated before adjustments to reflect consolidated reserving and capital requirements, unallocated Group Office expenses and Group Corporate Centre tax, and presented on a local statutory basis.
equity attributable to shareholders of the Company on the embedded value basis or EV Equity	EV Equity is the total of embedded value, goodwill and other intangible assets attributable to shareholders of the Company, after allowing for taxes.
expected credit losses or ECL	The weighted average of credit losses with the respective risks of a default occurring as the weights.
expense ratio	Expense ratio is measured as operating expenses divided by total weighted premium income (TWPI).
fair value reserve	Fair value reserve comprises the cumulative net change in the fair value of debt securities measured at fair value through other comprehensive income and the cumulative related loss allowance recognised in profit or loss.
fair value through other comprehensive income or FVOCI	For financial assets and liabilities measured at fair value through other comprehensive income, some changes in fair value are recognised in other comprehensive income. For details, please refer to note 2.5.1 to the consolidated financial statements in the Company's Annual Report 2024.
fair value through profit or loss or FVTPL	For financial assets and liabilities measured at fair value through profit or loss, changes in fair value are recognised in profit or loss as part of net investment result. For details, please refer to note 2.5.1 to the consolidated financial statements in the Company's Annual Report 2024.
first year premiums	First year premiums are the premiums received in the first year of a recurring premium policy. As such, they provide an indication of the volume of new policies sold.
free surplus	ANW in excess of the required capital adjusted for certain assets that are not eligible for regulatory capital purposes. Free surplus for AIA is stated after adjustment to reflect consolidated reserving and capital requirements.
fulfilment cash flows	An explicit, unbiased and probability-weighted estimate (i.e. expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the Group fulfils insurance contracts, including a risk adjustment for non-financial risk.

Global Minimum Tax regime or GMT	The Global Minimum Tax regime (GMT), developed as part of 'Pillar Two' of 'BEPS 2.0', seeks to impose a minimum effective tax rate of 15 per cent on large multinational enterprises in respect of each jurisdiction in which they operate.
GMT top-up tax	Pillar Two income taxes arising from tax law enacted to implement the Global Anti-Base Erosion (GloBE) Model Rules published by the Organisation for Economic Co-operation and Development, including tax law that implements a qualified domestic minimum top-up tax described in those rules.
gross carrying amount	Gross carrying amount is the amortised cost before adjusting for loss allowance.
Group LCSM surplus	The excess of the eligible group capital resources over the GPCR.
group minimum capital requirement or GMCR	The sum of the minimum capital requirements of each entity within the Group, subject to any variation considered necessary by the HKIA.
Group Office	Group Office includes the activities of the Group Corporate Centre segment consisting of the Group's corporate functions, shared services and eliminations of intragroup transactions.
group prescribed capital requirement or GPCR	The sum of the prescribed capital requirements of each entity within the Group, subject to any variation considered necessary by the HKIA. It represents the level below which the HKIA may intervene on grounds of capital adequacy.
GWS	Group-wide supervision.
GWS Capital Rules	Insurance (Group Capital) Rules (Chapter 41O of the Laws of Hong Kong).
HKFRS	Hong Kong Financial Reporting Standards.
holding company financial resources	Debt securities, equity shares and interests in investment funds, deposits, cash and cash equivalents and dividends paid but not settled by subsidiaries, net of obligations under repurchase agreements, at the Group's listed holding company, AIA Group Limited. These are presented in notes 29 and 31 to the interim condensed consolidated financial statements.
Hong Kong or HKSAR	The Hong Kong Special Administrative Region (SAR) of the People's Republic of China (PRC); in the context of our reportable segments, Hong Kong includes the Macau SAR.
Hong Kong Companies Ordinance	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time.
Hong Kong Insurance Authority or HKIA	Insurance Authority established under the Hong Kong Insurance Ordinance.

Hong Kong Insurance Ordinance or HKIO	Insurance Ordinance (Chapter 41 of the Laws of Hong Kong), as amended from time to time. It provides a legislative framework for the prudential supervision of the insurance industry in Hong Kong.
Hong Kong Stock Exchange or HKSE	The Stock Exchange of Hong Kong Limited.
IAIG	Internationally Active Insurance Group.
IAIS	International Association of Insurance Supervisors.
IASB	International Accounting Standard Board.
IFRS earnings	Earnings calculated and reported under the IFRS Accounting Standards.
IFRS equity	Equity position calculated and reported under the IFRS Accounting Standards.
IFRS net asset value	Net asset value calculated and reported under the IFRS Accounting Standards.
IFRS results	Financial results calculated and reported under the IFRS Accounting Standards.
insurance acquisition cash flows	Cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.
Insurance Capital Standard or ICS	A risk-based global insurance capital standard applicable to IAIGs developed by the IAIS.
insurance finance reserve	Insurance finance reserve comprises the cumulative insurance finance income or expenses recognised in other comprehensive income.
insurance revenue	Insurance revenue arising from insurance contracts and exclude any investment components. For details, please refer to notes 2.3.10.1 and 2.3.10.3 to the consolidated financial statements in the Company's Annual Report 2024.
insurance service expenses	Insurance service expenses arising from insurance contracts and exclude repayments of investment components. For details, please refer to note 2.3.10.5 to the consolidated financial statements in the Company's Annual Report 2024.
insurance service result	Insurance service result comprises insurance revenue, insurance service expenses and net expenses from reinsurance contracts held.
investment component	Amount that an insurance contract requires the Group to repay to a policyholder in all circumstances, regardless of whether an insured event occurs. Generally, for relevant contracts, surrender value would be determined as an investment component.

investment income	Investment income comprises interest income, dividend income and rental income.
investment return	Investment return comprises interest revenue on financial assets, other investment return and net impairment loss on financial assets.
IPO	Initial Public Offering.
liability for incurred claims or LIC	The Group's obligation to: (a) investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses; and (b) pay amounts that are not included in (a) and that relate to: (i) insurance contract services that have already been provided; or (ii) any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the liability for remaining coverage.
liability for remaining coverage or LRC	The Group's obligation to: (a) investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (i.e. the obligation that relates to the unexpired portion of the insurance coverage); and (b) pay amounts under existing insurance contracts that are not included in (a) and that relate to: (i) insurance contract services not yet provided (i.e. the obligations that relate to future provision of insurance contract services); or (ii) any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.
Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time.
Local Capital Summation Method or LCSM	LCSM is the method used by the HKIA as a measure of group capital under the GWS framework. Under the LCSM, AIA's published eligible group capital resources, GMCR and GPCR are calculated as the sum of the eligible capital resources, minimum capital requirements and prescribed capital requirements for each entity within the Group according to the respective local regulatory requirements, subject to any variation considered necessary by the HKIA. Adjustments are made to eliminate double counting.

loss component	Loss component for onerous contracts. For details, please refer to note 2.3 to the consolidated financial statements in the Company's Annual Report 2024.
MediCard	MediCard Philippines, Inc.
Million Dollar Round Table or MDRT	A global professional trade association of life insurance and financial services professionals that recognises significant sales achievements and high service standards.
minimum capital requirement or MCR	The level at which, if not maintained by the regulated entity, may result in the severest penalty, the most extreme intervention measures, or the withdrawal of authorisation to carry on the whole or any part of its business, being imposed on or taken against the regulated entity under the laws relating to regulatory capital in the jurisdiction in which the entity is authorised. (For details, please refer to the Insurance (Group Capital) Rules, Rule 4 from the HKIA).
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules, as amended from time to time.
n/a	Not available.
n/m	Not meaningful.
net CSM	CSM after allowing for reinsurance, taxes and net of non-controlling interests.
net free surplus generation or net FSG	Net free surplus generation is calculated as underlying free surplus generation less free surplus used to fund new business, unallocated Group Office expenses, finance costs and other capital movements as disclosed in the Supplementary Embedded Value Information.
net investment result	Comprises investment return, net finance income or expenses from insurance contracts and reinsurance contracts held, movement in investment contract liabilities and movement in third-party interests in consolidated investment funds.
new business CSM or NB CSM	New business CSM is the CSM relating to new business written in the period, net of any related reinsurance.
operating margin	Operating margin is measured as operating profit after tax expressed as a percentage of TWPI.
operating profit after tax or OPAT	Operating profit after tax is the Group's core measure of operating earnings, determined using, among others, expected long-term investment return for equities and real estate. Short-term fluctuations between expected long-term investment return and actual investment return for these asset classes are excluded from operating profit. The assumptions used to determine expected long-term investment return are the same, in all material respects, as those used by the Group in determining its embedded value and are disclosed in the Supplementary Embedded Value Information.

operating return on EV or operating ROEV	Operating return on EV is calculated as EV operating profit, expressed as a percentage of the opening embedded value.
operating return on shareholders' allocated equity or operating ROE	Operating return on shareholders' allocated equity is calculated as operating profit after tax attributable to shareholders of the Company, expressed as a percentage of the simple average of opening and closing shareholders' allocated equity.
OTC	Over-the-counter.
Other Markets	AIA's Other Markets are Australia, Cambodia, India, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan (China) and Vietnam.
other participating business with distinct portfolios	Business where it is expected that the policyholders will receive, at the discretion of the insurer, additional benefits based on the performance of underlying segregated investment assets where this asset segregation is supported by an explicit statutory reserve and reporting in the relevant territory.
participating funds	Participating funds are distinct portfolios where the policyholders have a contractual right to receive at the discretion of the insurer additional benefits based on factors such as the performance of a pool of assets held within the fund, as a supplement to any guaranteed benefits. The allocation of benefits from the assets held in such participating funds is subject to minimum policyholder participation mechanisms which are established by regulation.
persistency	The percentage of insurance policies remaining in force from month to month in the past 12 months, as measured by premiums.
Pillar Two	BEPS 2.0's second pillar, which includes the Global Minimum Tax regime.
policyholder and shareholder investments	Investments other than those held to back unit-linked contracts as well as assets from consolidated investment funds.
portfolio of insurance contracts	Insurance contracts subject to similar risks and managed together.
pps	Percentage points.
premium allocation approach or PAA	Simplified measurement of insurance contracts where the coverage period of each contract in the group of contracts is one year or less; or the Group reasonably expects that the resulting measurement of the liabilities for remaining coverage would not differ materially from the result of applying the accounting policies of contracts not measured under PAA.
prescribed capital requirement or PCR	The level at which, if maintained by the regulated entity, would not give rise to a power to impose any penalty, sanction or intervention measures against, or withdrawal of authorisation of, the regulated entity under the laws relating to regulatory capital in the jurisdiction in which the entity is authorised. (For details, please refer to the Insurance (Group Capital) Rules, Rule 5 from the HKIA).

PVNBP margin	VONB gross of non-controlling interests excluding pension business, expressed as a percentage of present value of new business premiums (PVNBP). PVNBP margin for AIA is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax.
renewal premiums	Premiums receivable in subsequent years of a recurring premium policy.
reverse repo	Reverse repurchase agreement.
risk adjustment	The compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the Group fulfils insurance contracts.
Risk-Based Capital or RBC	RBC represents an amount of capital based on an assessment of risks that a company should hold to protect customers against adverse developments.
RSPUs	Restricted stock purchase units.
RSSUs	Restricted stock subscription units.
RSUs	Restricted share units.
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time.
Share(s)	For the Company, shall mean ordinary share(s) in the capital of the Company.
share buy-back	Buy-backs of Shares, including under a share buy-back programme, conducted by the Company pursuant to the general mandate granted to the directors of the Company by the Shareholders at annual general meetings from time to time, in compliance with the Listing Rules, the Takeovers Codes, the Hong Kong Companies Ordinance and all other applicable laws and regulations.
Shareholder(s)	Holder(s) of the Shares.
shareholders' allocated equity	Shareholders' allocated equity is total equity attributable to shareholders of the Company less fair value reserve and insurance finance reserve.
shareholder capital ratio	Shareholder capital ratio is the shareholder capital resources as a percentage of the required capital on consolidated basis as disclosed in the Supplementary Embedded Value Information.
shareholder capital resources	Shareholder capital resources comprise free surplus and required capital on consolidated basis as disclosed in the Supplementary Embedded Value Information and eligible Tier 2 debt capital as used in the Group LCSM solvency position.
Singapore	The Republic of Singapore; in the context of our reportable segments, Singapore includes Brunei.

single premium	A single payment that covers the entire cost of an insurance policy.
solvency	The ability of an insurance company to satisfy its policyholder benefits and claims obligations.
SOs	Share options.
Takeovers Code	Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time.
Tata AIA Life	Tata AIA Life Insurance Company Limited.
Tier 1 group capital	The resources and financial instruments of the group eligible to be included, in accordance with the Insurance (Group Capital) Rules, Rule 7(1) from the HKIA.
Tier 1 group capital coverage ratio	Tier 1 group capital coverage ratio is calculated as the ratio of the Tier 1 group capital to the GMCR.
Tier 2 group capital	The resources and financial instruments of the group eligible to be included, in accordance with the Insurance (Group Capital) Rules, Rule 7(3) from the HKIA.
total weighted premium income or TWPI	TWPI consists of 100 per cent of renewal premiums, 100 per cent of first year premiums and 10 per cent of single premiums, before reinsurance ceded. As such it provides an indication of AIA's longer-term business volumes as it smoothes the peaks and troughs in single premiums. The amounts are not intended to be indicative of insurance revenue and fee income recorded in the consolidated income statement.
underlying free surplus generation or UFSG	The key operating measure of the Group's capital and cash generation after tax. It represents the free surplus generated from the in-force business, adjusted for certain non-recurring items and before free surplus used to fund new business, unallocated Group Office expenses, finance costs, investment return variances and other non-operating items. The underlying free surplus generation is calculated after reflecting consolidated reserving and capital requirements. It reflects free surplus generated rather than a measure of holding company cash flow.
underlying items	Items that determine some of the amounts payable to a policyholder. Underlying items can comprise any items; for example, a reference portfolio of assets, the net assets of the Group, or a specified subset of the net assets of the Group.
unit-linked investments	Financial investments held to back unit-linked contracts.
unit-linked products	Unit-linked products are insurance products where the policy value is linked to the value of underlying investments (such as collective investment schemes, internal investment pools or other property) or fluctuations in the value of underlying investment or indices. Investment risk associated with the product is usually borne by the policyholder. Insurance coverage, investment and administration services are provided for which the charges are deducted from the investment fund assets. Benefits payable will depend on the price of the units prevailing at the time of death of the insured or surrender or maturity of the policy, subject to surrender charges.

value of in-force business or VIF	VIF is the present value of projected after-tax statutory profits by Business Units emerging in the future from the current in-force business less the cost arising from holding the required capital (CoC) to support the in-force business. VIF for AIA is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax. VIF by market is stated before adjustments to reflect consolidated reserving and capital requirements, unallocated Group Office expenses and Group Corporate Centre tax, and presented on a local statutory basis.
value of new business or VONB	VONB is the present value, measured at the point of sale, of projected after-tax statutory profits emerging in the future from new business sold in the period less the cost of holding the required capital in excess of regulatory reserves to support this business. VONB for AIA is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax. VONB by market is stated before adjustments to reflect consolidated reserving and capital requirements, unallocated Group Office expenses and Group Corporate Centre tax, and presented on a local statutory basis.
variable fee approach or VFA	The VFA modifies the general measurement model in IFRS 17 to reflect the nature of the income to the insurer is a variable fee.
VONB margin	VONB gross of non-controlling interests excluding pension business, expressed as a percentage of ANP. VONB margin for AIA is stated after adjustments to reflect consolidated reserving and capital requirements, the after-tax value of unallocated Group Office expenses and Group Corporate Centre tax. VONB margin by market is stated before adjustments to reflect consolidated reserving and capital requirements, unallocated Group Office expenses and Group Corporate Centre tax, and presented on a local statutory basis.