

### AIA Group Limited 2025 Annual Results

#### Analyst Briefing Presentation

#### Business Highlights by Lee Yuan Siong – Group Chief Executive and President

##### Slide 2 – Disclaimer

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Good morning and thank you for joining AIA's 2025 annual results presentation. Today, we have announced record results with double-digit growth in new business, earnings and cash generation and a new share buy-back of 1.7 billion dollars. This performance demonstrates AIA's ability to convert our competitive advantages into strong growth for shareholders. Let me start with the financial highlights.

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Value of new business increased by 15 per cent to a record 5.5 billion dollars. EV Equity rose to 79.7 billion, up by 14 per cent per share and this is after returning 4.7 billion dollars to shareholders during the year. Underlying free surplus generation grew by 11 per cent per share and operating profit after tax was up by 12 per cent per share, on track to meet or exceed our 2026 growth target. The Board has recommended a 10 per cent increase in the final dividend per share and approved a new share buy-back of 1.7 billion dollars, in accordance with our capital management policy. As you can see, we are delivering compounding new business that drives both cash generation and earnings growth.

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This performance reflects the execution of a clear and consistent strategy. It is fully aligned with Asia's long-term structural growth drivers and built on competitive strengths that are developed and enhanced over many years. Each of these strengths reinforces the other and taken together, they are incredibly difficult to replicate. And this is what gives me confidence in AIA's ability to capture the significant opportunities across our markets. You can see this most clearly when we look at our individual businesses.

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In Hong Kong, we delivered record VONB of 2.3 billion dollars, an increase of 28 per cent. Our Premier Agency continued to lead the market, with almost 25 per cent of agents achieving MDRT membership. Agency contributed 70 per cent of Hong Kong's VONB, growing by 26 per cent. This reflected a 9 per cent increase in active agent headcount and a 14 per cent rise in productivity.

New recruits grew by 12 per cent, supporting growth in future capacity, while MDRT qualifiers rose by 20 per cent, reinforcing our focus on professionalism and quality. Partnerships VONB in Hong Kong grew by 46 per cent. Within this, bancassurance delivered 41 per cent growth, supported by improved customer targeting and higher productivity. And our IFA and broker channel grew by 49 per cent, from deeper engagement with preferred brokers driving an increased share of wallet.

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Demand remained very strong from both domestic and Mainland Chinese visitor customers. Across both segments, our focus is on sustainable growth, through regular premium protection and long-term savings solutions. The domestic business, which accounts for around half of our VONB, grew by 21 per cent. The outlook for future growth is strong as we add new customers and deepen relationships with our 3 million existing customers, meeting even more of their needs.

VONB from Mainland Chinese Visitors increased by 35 per cent, mainly driven by sales to more than 50,000 new customers. We now have around 530,000 MCV policyholders, highlighting the enormous potential remaining for future growth from new and returning customers. With the leading distribution platform and a comprehensive product range, AIA's Hong Kong business is exceptionally well-positioned to meet growing demand well into the future.

## **Slide 8**

Moving now to AIA China. VONB in 2025 exceeded \$1.2 billion dollars. For the full year, growth reflects economic assumption changes, but momentum accelerated materially in the second half to 14 per cent. This strong momentum has continued into 2026, with combined VONB for January and February up more than 20 per cent year-on-year.

AIA's geographical expansion in Mainland China provides a unique long-term growth opportunity. Since 2019, we have established operations in 9 additional regions, including 4 new launches in 2025, adding almost 200 million potential customers within our target market. VONB from these new regions increased by 45 per cent to 118 million dollars, accounting for more than 9 per cent of AIA China's total. Looking ahead, we expect VONB from new geographies to grow by 40 per cent per annum over the next 5 years to more than 600 million dollars by 2030.

## **Slide 9**

Our differentiated, professional Premier Agency sets AIA China apart, contributing 85 per cent of VONB in 2025. Agent productivity is 3 times the market average, built on long-term relationships and the provision of personalised advice. This results in a more advantaged product mix and an industry-leading VONB margin of 65 per cent. Our Premier Agency model is fully digitally enabled and increasingly powered by AI. This helps to raise professionalism as we attract and retain the best candidates, while driving scale and productivity. In 2025, active agents increased by 8 per cent and new recruits grew by 14 per cent. New agency leaders were up by 40 per cent, strengthening the foundations for continued growth.

Alongside agency, selective bank partnerships broaden our reach in the growing affluent and high-net-worth segments, delivering higher average case sizes and attractive profitability. Our solid foundation and strong momentum give me confidence in AIA's ability to capture the large and growing opportunity in Mainland China.

## **Slide 10**

Turning to ASEAN where AIA is the number one life and health insurer. We delivered VONB of 2 billion in 2025, representing 34 per cent of the Group's total.

Thailand, our largest market, achieved VONB of one billion dollars, up 13 per cent, driven by a strong agency performance and double-digit growth from partnerships. We have also provided a separate presentation on AIA Thailand's growth strategy, setting out how we intend to capture the tremendous life and health insurance opportunities in that market. VONB from Singapore increased by 14 per cent to over half a billion dollars, with agency growth of 10 per cent and partnerships up 31 per cent including strong momentum from offshore business. In Malaysia, performance improved in the second half as agency productivity and recruitment began to recover. Partnerships VONB grew by 17 per cent in 2025 with strong results in bancassurance and our market leading corporate solutions business.

Across ASEAN, Premier Agency is our main source of new business, delivering a high-quality product mix and we are the leader in protection products across the region. Overall, the quality of our distribution and product mix position AIA well to meet the evolving customer needs across the region.

### **Slide 11**

In India, Tata AIA Life delivered another excellent performance with VONB increasing by 33 per cent. The business continues to focus on quality, ranking number one for persistency and retail protection. Our agency is the market-leader and contributed around 60 per cent of VONB. Agency VONB grew by 44 per cent, supported by improvements in activity levels, leader development and recruitment. Bank and broker partnerships are complementary to our agency distribution, extending customer reach and driving additional strong growth. Overall, Tata AIA Life's focus on protection, disciplined distribution and consistent execution, ensure we are well on our way to capturing India's huge potential.

### **Slide 12**

Across the Group, this consistent focus on quality distribution underpins our performance. AIA's proprietary Premier Agency is the core driver of profitable new business, contributing 73 per cent of the Group's total VONB. Our agents build lifelong relationships with customers, focused on meeting evolving needs, through trusted advice and best-in-class products.

We have the world's leading tied agency, which has been the number one MDRT globally for the last 11 years. This is the outcome of a differentiated strategy, honed over decades, that supports high-quality profitable new business growth, attractive agent incomes and higher shareholder returns. The success of our model is self-reinforcing as it helps us to hire and retain the best agents, further extending our industry leadership. Continued investment in talent development and advanced digital tools has driven growth in agent numbers and a step-up in productivity. This has laid the right foundations to further strengthen our Premier Agency leadership through the use of artificial intelligence.

### **Slide 13**

Our agents provide ongoing reassurance and support through face-to-face guidance that helps individuals and families navigate complex choices and adapt as circumstances change. AI enables deeper customer engagement and helps agents focus on what matters most: high-quality, tailored advice grounded in empathy, accountability and understanding. AIA plus, our all-in-one customer super app, now manages interactions for more than 23 million users, providing powerful insights on needs and preferences.

In 2025, our customer data mart captured and structured around 200 million customer interactions, enabling advanced analytics and more personalised and targeted engagement. As a result, we provided 5 million actionable leads to agents. With a 17 per cent conversion into sales, these leads generated more than 2.1 billion dollars of VONB. This highlights how technology and analytics are amplifying our long-term advice-led model, supporting higher productivity and sustainable growth across our distribution.

### **Slide 14**

Fast-growing partnerships extend our reach to hundreds of millions of potential customers through strategic bank partnerships. We focus on selective, high-quality partnerships, aligned around shared growth ambitions and long-term value creation.

By integrating AIA's technology and analytics capabilities into partner channels, we are able to improve customer targeting, proposition relevance and productivity. As a result, bancassurance VONB has more than doubled over the past three years, from higher numbers of active insurance sellers, increased productivity and enhanced profitability with 45 per cent margin. Together, our agency and partnership channels create a powerful distribution model that supports long-term growth and advances our Purpose of helping people live Healthier, Longer, Better Lives.

## **Slide 15**

By delivering protection and long-term savings solutions that support financial security at every stage of life, we help customers guard against unforeseen risks, accumulate wealth and plan for the future. And we do this through best-in-class products, combined with an ecosystem of health and wellness services, that is backed by personalised, professional advice. In 2025, we added 2.3 million new customers, while existing policyholders accounted for around 50 per cent of the Group's new business through repeat purchases. 91 per cent of the Group's VONB comes from protection and fee-based insurance products, ensuring sustainable and resilient earnings and cash generation for AIA's shareholders.

## **Slide 16**

In closing, today's record results demonstrate that we are executing a clear strategy that leverages our core strengths, deepens our competitive advantages and delivers sustainable shareholder value. Our ambitions are bolder than ever, and the scale and resilience of our business, ensure we are well placed to realise AIA's full potential.

I will now hand over to Garth who will take you through the financial results in more detail. Thank you.

## **Financial Results by Garth Jones – *Group Chief Financial Officer***

### **Slide 17**

Good morning everyone. I'll now take you through our excellent performance, with double-digit growth across our key financial metrics.

### **Slide 18**

VONB increased by 15 per cent to 5.5 billion dollars, driving EV Equity up by 14 per cent per share to 79.7 billion dollars, after returning 4.7 billion to shareholders during the year. UFSG, our key operating measure of cash generation, rose by 11 per cent per share while under IFRS, operating earnings were up 12 per cent per share. Through strong profit growth and our disciplined capital management, both operating ROEV and ROE increased to over 15 per cent. Following the Group's excellent performance, the Board has recommended a 10 per cent increase in the final dividend. This brings the total dividend for 2025 to 193 Hong Kong cents per share, also up 10 per cent. Under our established capital management policy, the Board has also approved a new share buy-back of 1.7 billion dollars. The increased dividend and new share buy-back reflect our confidence in AIA's future prospects and financial strength.

### **Slide 19**

I will go through more details of the financial performance in three sections. First, the Embedded Value results, to show how we create shareholder value.

### **Slide 20**

AIA's growth strategy is focused on writing profitable new business, which compounds over time to support higher earnings and cash generation for the long term. VONB was up 15 per cent from 9 per cent ANP growth and a 3.6 percentage point increase in VONB margin, driven by proactive product mix shifts and repricing. Agency distribution was the Group's primary growth engine, delivering a 13 per cent increase in VONB. Partnership distribution grew by 22 per cent, including strong double-digit growth from both bancassurance and our intermediated channels. With the majority of our markets delivering double-digit increases in VONB, we again saw broad-based growth in 2025.

## **Slide 21**

AIA's product strategy creates value for both our customers and shareholders. Traditional protection products generate underwriting profits that are not dependent on capital market movements while participating and unit-linked solutions generate stable, fee-based insurance income. Over 90 per cent of our VONB is generated from these most attractive product lines, with very low average guarantees, and strong and predictable cash generation.

Our new business is capital efficient, with 3.8 dollars of VONB generated for every dollar invested and, as we have reduced capital intensity, so the ratio has increased. The financial profile of new business is very attractive, with rapid emergence of distributable earnings driving high IRRs and short payback periods. Our capability to deliver large-scale, high-quality, profitable new business sets AIA apart and underpins our confidence in the Group's future growth.

## **Slide 22**

By consistently adding layers of profitable new business, supported by prudent assumptions and active management of the in-force portfolio, we grow EV Equity and, in turn, cash generation. Higher VONB was the main driver of a 13 per cent per share increase in EV Operating Profit to 10.9 billion dollars. The successful execution of our Integrated Healthcare Strategy and disciplined expense management supported greater positive operating variances, which added over 300 million dollars to EV Operating Profit. As a result of the strong growth in operating profit, ROEV increased by 90 basis points to 15.8 per cent.

## **Slide 23**

Over the year, EV Equity increased by 14 per cent per share, after 4.7 billion paid to shareholders through dividends and buy-backs. EV Operating Profit was the main contributor to the higher EV Equity. Investment variances were positive, following an improvement in the second half, reflecting favourable equity market movements in Mainland China, Hong Kong and Thailand. Positive non-operating items of 1.7 billion mostly represent the effects of exchange rates. Net of shareholder returns, EV Equity finished the year at 79.7 billion.

## **Slide 24**

AIA's strong track record of positive operating experience demonstrates the prudence in our assumptions and the quality of our in-force business. Overall, consistently favourable operating variances have added 4.4 billion dollars to EV Equity since our IPO. While AIA is not immune to capital markets, you can see from the small sensitivities shown here that our EV remains highly resilient to short-term market volatility. A 50 basis point increase or decrease in interest rates has less than one per cent impact on the Group's embedded value. We also have a substantial allowance for risk in our discount rates, making EV Equity a prudent estimate of the economic value to shareholders from the in-force business.

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Similar to our new business, future earnings from our in-force book are predominantly sourced from protection and long-term savings products, which provide recurring and resilient cash flows. The in-force is highly cash generative with earnings continuing for decades into the future. Over 53 billion is expected to emerge over the next 10 years. This figure is up 14 per cent over the year, as we added another layer of high-quality new business. Our strong cash generation allows us to both increase returns to shareholders and reinvest in growing new business, which further expands our stock of future earnings.

### **Slide 26**

UFSG is our key operating measure of cash generation and is shown before reinvestment in new business and central costs. The key component of UFSG is the expected distributable earnings from in-force business, which increased as we added new business written over the year. As a result of our proactive in-force management, operating variances improved compared with 2024. After allowing for the first-time effect of global minimum tax, UFSG grew by 11 per cent per share.

### **Slide 27**

Moving on to the IFRS Results.

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Similar to Embedded Value, continued growth in high-quality new business adds successive layers of future profit to the CSM balance, which is gradually released into earnings over time. New Business CSM grew by a very strong 17 per cent and underlying CSM growth accelerated to 10.5 per cent. Together with positive variances and currency effects, the CSM balance increased to 64.9 billion at the end of 2025. As a result of a stable release rate and the larger stock, the CSM release increased by 10 per cent to 6.2 billion dollars. The CSM release remained the principal contributor to OPAT, our core measure of operating earnings.

### **Slide 29**

Operating Profit After Tax increased to 7.1 billion dollars. The higher CSM release and positive operating variances drove an 18 per cent increase in the insurance service result, which added more than 1 billion dollars to OPAT. This was partially offset by a small reduction in the net investment result, reflecting the effect of share buy-backs, higher financing costs and tax. Overall, OPAT increased by 12 per cent per share putting us on track to meet or exceed our 2026 target.

### **Slide 30**

Strong growth in OPAT and our ongoing capital management actions supported a 70 basis points increase in Operating ROE to 15.5 per cent. After returns to shareholders, allocated equity increased by 10 per cent per share to 47.5 billion dollars. Comprehensive Equity adds the CSM, on a net of tax basis, onto shareholders' equity which provides a more economic view of shareholders' equity by including the value of future earnings. Comprehensive Equity increased by 15 per cent per share to 97.9 billion dollars at the end of 2025.

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Finally, capital management

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We follow a robust internal capital management framework. Backed by strong financial discipline, our unwavering focus on profitable growth delivers substantial free surplus generation. This supports a prudent, sustainable and progressive dividend. In addition, we look to return capital to shareholders that is surplus to our needs while retaining sufficient financial flexibility to capture the huge growth opportunities available to us. AIA's clear capital management policy sets out how we deliver sustainable and growing returns to shareholders over time, through dividends and share buy-backs.

### **Slide 33**

Strong growth in UFSG, supported an increase in Net Free Surplus Generation of 14 per cent per share. As I mentioned earlier, despite the strong increase in VONB, a proactive shift towards less capital-intensive products, most notably in Mainland China, saw a reduction in new business investment to 1.4 billion. Adjusting for unallocated expenses, finance costs and other items, net free surplus generation was 4.5 billion dollars. As intended by our capital management policy, the Shareholder Capital Ratio reduced over the year and remained strong at 221 per cent.

### **Slide 34**

With respect to the 2025 financial year, total returns to shareholders under our capital management policy amount to 4.3 billion dollars. Based on our excellent financial performance, the Board has recommended a 10 per cent increase in the final dividend per share, which results in total dividends of 2.6 billion for the year. The Board has also approved a new share buy-back of 1.7 billion dollars. This comprises 0.7 billion to meet the 75 per cent net FSG target and an additional 1 billion, following a further review of the Group's capital position. In aggregate, total returns to shareholders in respect of the 2025 financial results are 4.3 billion dollars, up 13 per cent per share compared with 2024.

### **Slide 35**

Our ability to write large-scale, high-quality, and profitable new business, with a very attractive financial profile, is a key differentiator for AIA. Successive cohorts of profitable new business compound over time, adding substantial layers of recurring earnings to our large in-force book, driving UFSG and OPAT growth. With another excellent financial performance in 2025, we delivered double-digit growth across our key financial metrics of growth, earnings and cash generation and further extended our strong track record. Since 2010, dividends and share buy-backs now amount to 40 billion dollars. We believe that AIA's ability to deliver compounding growth across new business, earnings and cash, sets us apart.

### **Slide 36**

We remain confident in our outlook. AIA is exceptionally well positioned to capture the enormous growth opportunities in Asia, the most attractive region in the world for life and health insurance. Our strong balance sheet, financial flexibility, and clear growth strategy give us great confidence in execution. We are focused on driving high-quality, profitable new business growth with highly attractive reinvestment economics. This adds further substantial layers of recurring earnings and cash generation, that in turn will generate highly attractive returns for shareholders well into the future. Thank you.

– End –

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