nib holdings limited (ASX: NHF)
2026 Annual General Meeting
Monday, 23 November 2026

Chairman's Address

Our purpose is simple: your better health and wellbeing. Our vision is to lead in private health insurance and support services across Australia and New Zealand, reshaping the industry through bold innovation, strategic disruption and trusted partnerships.

We deliver this in three ways:

we protect customers with accessible, affordable healthcare and financial peace of mind;

we connect them to trusted providers and partners, making their journey simpler; and

we empower them with the insights, tools and support to take control of their health, wellbeing and financial future.

Throughout the year, nib operated in a complex environment. Cost-of-living pressures remained front of mind for households, healthcare costs stayed elevated, regulatory expectations continued to evolve and technology moved quickly.

Against that backdrop, nib remained focused on disciplined execution, strengthening our core health insurance businesses, delivering value for customers and investing selectively in the capabilities that will support long-term growth.

Across Australia and New Zealand, nib now supports almost 2 million private health insurance customers.

I am pleased to report that nib delivered disciplined growth and continued progress in helping customers access and navigate healthcare with confidence.

Our Australian residents health insurance business achieved record sales and net policyholder growth of 1.9%, reflecting continued demand for private health insurance and the strength of nib's proposition.

In Australia, we supported over 400,000 hospital admissions, with $1.7 billion in benefits paid, and more than 4.5 million ancillary visits, with more than $650 million in benefits paid.

Through our Health Services business, more than 22,000 customers enrolled in health management programs and we facilitated more than 150,000 telehealth consults.

Through nib Thrive, we continued to support more than 40,000 NDIS participants in a sector undergoing important reform.

These outcomes reflect the importance of private health insurance in supporting access to care, providing financial protection when people need treatment and helping take pressure off the broader health system.

Affordability and access remained central issues for private health insurers. Customers expect value, certainty and support when they need care. At the same time, hospitals and healthcare providers are managing higher costs and changing models of care.

Our responsibility is to help balance these interests by keeping premiums as affordable as possible, supporting sustainable provider relationships and ensuring customers can access the right care in the right setting, with no or known out-of-pocket costs wherever possible.

That is why our hospital contracting program remains important. Long-term, partnership-style agreements with major hospital groups provide greater certainty for customers and providers, while supporting more sustainable funding arrangements across the private health system.

In FY26, claims inflation continued to moderate in Australia and we continued to support the hospital sector, with a hospital benefits payout ratio of almost 89%, well above pre-COVID levels.

We also continued to advocate for reforms that improve transparency, affordability and sustainability, while ensuring customers continue to receive clear value from their cover.

Another way that nib delivers value to the sector is by allocating funding to programs designed to help customers get well and stay well. These programs include health management, virtual care, prevention and healthcare at home. Through Honeysuckle Health and our broader Health Services division, we are strengthening our ability to support customers across more of their health journey.

Our financial performance follows our successful delivery of our purpose, creating value for customers and helping more people access and navigate care with confidence.

nib reported net profit after tax of $186.9 million for FY26, with Group revenue increasing 6.2% to $3.8 billion and underlying operating profit increasing 9.1% to $260.9 million.

Group gearing was 15.2% at FY26, down from 20.1% in FY25, an improvement of 490 basis points.

The Board declared a fully franked final dividend of 21.0 cents per share, including a 5 cent special dividend following the announced sale of nib Travel. This brings the full year dividend to 34.0 cents per share.

nib remains one of Australia’s leading private health insurers.

The private health insurance industry continues to grow, with hospital participation now at 45.8%, up from 45.4% in FY25. This growth supports our shift towards higher value and more sustainable segments.

We continue to invest in and expand our First Choice network, helping customers access quality care and delivering $57 million in out of pocket savings.

Our international inbound health insurance business delivered another strong contribution to the Group, with underlying operating profit of $35.1 million, up 15.1%, supported by policyholder growth across the Pacific Australia Labour Market, temporary graduates and skilled workers. Customer advocacy remained a strength in this business, with NPS improving to +62.

Our Health Services business reached an important milestone in FY26, achieving profitability for the first time. This is evidence that our strategy to develop health-adjacent capabilities can create both customer and shareholder value.

In the NDIS plan management sector, nib Thrive is an important participant and delivered a positive underlying operating profit contribution of $16.3 million in FY26. nib Thrive continued to adapt to an evolving policy and regulatory environment and is well positioned as the sector continues to mature and reforms favour scaled, compliant and high-quality providers.

Following the strategic review of nib Travel, we announced the sale of both the World Nomads and Australian and New Zealand travel insurance businesses. These transactions have now completed and allow us to sharpen the Group’s focus on core health insurance and health-adjacent services.

Technology, automation and AI are now important enablers of customer experience, operational efficiency and productivity across the Group.

More than 70% of our Australian private health insurance customers are now digitally connected, and almost 95% of Australian residents' claims were processed within 24 hours.

In FY26, over 86% of Australian residents' claims were processed through automation, helping make customer service faster and simpler.

Our productivity, digital and AI agenda delivered $61 million of value during the year. This supported better customer experience, improved operating efficiency and reinvestment in growth.

At a Group level, we achieved an operating expense ratio of 16.6%, down 110 basis points from FY25. This reflects the benefit of automation, tighter cost control and a continued focus on simplifying how work gets done.

We have also seen this translate into a stronger customer experience. Our NPS of +32 reflects the benefits of a digital-first service that makes it easier and faster for customers to engage with us.

As nib continues to grow and evolve, strong risk management remains central to protecting customers, supporting good decision making and delivering sustainable shareholder value.

During the year, the Board maintained active oversight of nib's material risks, risk appetite and governance settings, including operational resilience, cyber security, regulatory change and the responsible use of technology and AI.

We also continued to strengthen risk culture and accountability across the Group, recognising that sustainable long-term performance depends on sound judgement, constructive challenge and disciplined risk management at every level of the organisation.

This is particularly important as new technology becomes more embedded in how we serve customers and support our people. Our focus is to ensure innovation is pursued safely, ethically and with appropriate controls.

These foundations will remain important as we continue to balance customer value, productivity, innovation and resilience.

Our purpose, your better health and wellbeing, continues to guide our approach to sustainability, community contribution and long-term value creation.

During FY26 we tightened our focus on the areas where nib can have the greatest impact: access to care, prevention, inclusion, responsible business practices and environmental sustainability.

We also strengthened how sustainability is embedded in business decision making, with a sharper focus on measurable outcomes, accountability and new mandatory climate disclosure requirements.

Through nib foundation, we invested $1.6 million in partnerships supporting health equity, prevention and community resilience, with Prevention Partnerships engaging more than 635,000 people through digital health programs during the year.

Through nibGive, our people contributed 1,765 volunteering hours and supported 30 charities across volunteering, fundraising and employee donations.

This work reflects our broader commitment to help people live healthier lives, not only by funding care when it is needed, but by supporting earlier intervention, prevention and stronger communities.

At the conclusion of this meeting, our independent non-executive director, Anne Loveridge retires from your Board.

Anne was appointed in 2017 and has been an outstanding member of the Nomination Committee, Risk and Reputation Committee and Chair of the Audit Committee. She has also served as a Director of nib health funds limited, nib nz limited and nib nz holdings limited.

She has made a very significant contribution to nib over almost a decade. On behalf of the Board and all nib shareholders, I thank Anne for bringing her experience and insights to the nib Board and wish her the very best for the future.

During the year we were pleased to welcome Hisham El-Ansary as an independent Non-Executive Director.

Hisham brings more than 30 years' senior executive experience across healthcare, insurance and large commercial businesses, including as a former CEO of Bupa Asia Pacific.

We'll hear more from Hisham in Agenda Item 3.

Looking ahead, nib's performance will continue to be shaped by affordability pressures, healthcare cost inflation, regulatory developments and ongoing technological change.

Our priorities remain clear: strengthening our core health insurance businesses, improving productivity through technology and AI, deepening provider and partner relationships, expanding health-adjacent services and maintaining a disciplined approach to capital allocation, risk management and resilience.

Ends

CEO's Address

In FY26, we focused on making healthcare easier to access, simpler to navigate and more affordable for customers.

We expanded our First Choice provider network, including new audiology and mental health networks and further network expansion across dental, physiotherapy and optical care. Our No Gap dental network now includes more than 700 dental clinics nationally.

During the year, 43.9% of eligible ancillary claims were through a First Choice provider. Together, our preferred provider networks saved customers more than $57 million in out of pocket costs.

Digital service also continues to make a practical difference. Faster claims processing and simpler service mean our teams can spend more time supporting complex claims, vulnerable customers and the moments that matter most.

Turning to our Group performance highlights, FY26 was a year of stronger operating performance and disciplined execution.

Group operating profit increased 9.1% to $260.9 million supported by strong revenue growth and improved operating efficiency.

Our balance sheet and cash generation strengthened, supporting the Board's decision to increase the target dividend payout ratio to 65% to 75% and declare a final dividend of 21.0 cps per share, including a 5c special dividend.

We made pleasing strategic progress and nib is now a simpler, more focused and more efficient business with a clear emphasis on private health insurance and related services following the sale of nib Travel earlier this year.

In Australian residents, we delivered record sales, strong customer advocacy, and the net margin was well managed in the 6% to 7% target range.

Our related businesses delivered a substantial improvement in strategically important and growing adjacent markets. Underlying operating profit increased by $41.9 million to $86.1 million in these business segments.

Strong financial performance enables us to deliver more value for customers. It helps us manage rising healthcare costs, keep premiums as affordable as possible and invest in the services, technology and provider partnerships that improve how customers access and experience health care in Australia and New Zealand.

Our Group strategy has two clear priorities.

First, private health insurance is our core and primary source of value creation. We will grow and strengthen our position in priority segments across Australia, New Zealand and International Health Insurance.

Alongside that, we will focus on capital light health and insurance services that make strengthen our PHI businesses. Honeysuckle Health, ItsMyGroup, nib Thrive and complementary insurance partnerships can support our private health insurance proposition, help customers access and navigate care, leverage group capability and scale and provide an additional source of growth in strategically related markets.

At the heart of the strategy is delivering better value and smarter care for customers. That means keeping our products and services affordable and helping customers access high quality healthcare providers at lower cost, allowing them to get more out of their relationship with nib.

We will also target quality growth, with a focus on attracting and retaining customers in the target markets and priority segments where we can deliver sustainable value and build stronger loyalty over time.

Insurance excellence is equally important. Better provider contracting, benefits management, payment integrity and pricing discipline support affordability, customer value and better health outcomes.

And we want to make nib simpler and easier to deal with. Our digital advantage supports seamless experiences for customers, while lowering the cost to serve through automation and self service features.

Underpinning all of this is technology and AI, disciplined risk and capital management and, most importantly, our high performing and purpose led people.

Our Australian residents health insurance business remains at the heart of nib and is the largest contributor to Group performance. Record sales and net policyholder growth of 1.9% reflected continued demand for private health insurance, despite the pressure household budgets are under.

Importantly, we are being deliberate about where that growth comes from, with an increasing focus on higher-value, more sustainable customer segments. In FY26, 85% of our net growth came from our target Silver category, compared with 46% in FY25.

Our focus is not simply on growing membership. It is on giving customers confidence that their cover will be there when they need it and delivering value through relevant products, simpler service and better access to care.

That includes continuing to expand our First Choice Network, working with providers to improve affordability and give customers greater certainty about where to access care and what they will pay. We also support reforms that strengthen participation, customer choice and the long term sustainability of Australia's private health system.

Our international health insurance business supports more than 260,000 students and workers across Australia and New Zealand. It continued to perform strongly, with policyholder growth of 4.4% and gross margin strengthening to 41.6%. Customer advocacy also remained a standout, with an NPS of +62.

For customers who are new to the Australian or New Zealand health system, our role goes beyond insurance. We help them understand how the system works, find the right care and use GP, telehealth and hospital pathways with greater confidence.

This is particularly important for Pacific Australia Labour Mobility workers. We retained preferred supplier status and continue to provide culturally appropriate care, translated information, health literacy support and access to clinicians.

In New Zealand, the business returned to profitability, delivering underlying operating profit of $27.5 million compared with a loss in FY25. Pleasingly, customer advocacy also rebounded strongly during the year, with NPS improving to +25 in the second half.

We also continued to build Toi Ora with iwi and hapū partners. The program combines health insurance, navigation, proactive screening, Rongoā Māori and Kaiārahi support to improve access and outcomes for Māori.

Health Services reached an important milestone in FY26, achieving full-year profitability for the first time while continuing to scale access to care. Through Honeysuckle Health, more than 84,000 customers accessed services during the year.

nib Thrive supported more than 40,000 participants and delivered a positive UOP contribution through a period of significant change in the National Disability Insurance Scheme. Service and operational performance improved through the year, with lapse rates declining and participant numbers stabilising in the second half.

We have also now completed the sale of nib Travel, with the Australia and New Zealand businesses transitioning to Allianz Partners and World Nomads to SiriusPoint and International Medical Group. This completes an important step in simplifying the Group and allows us to focus our capital and capability on private health insurance, disability support and health and insurance services. Through our long term partnership with Allianz Partners, nib customers will continue to have access to nib branded travel insurance.

Through Honeysuckle Health, we are helping customers access the right care earlier, in more convenient settings and, where appropriate, outside higher cost hospital environments.

During FY26, more than 151,000 telehealth consultations were delivered, over 22,300 customers participated in health management programs, and 2,000 customers received care at home.

Working with clinicians and specialised providers, treatments including IV antibiotics, chemotherapy, wound care, palliative care and rehabilitation can be delivered in the home where appropriate.

Together, our care-at-home and health management programs helped avoid more than 28,300 hospital bed days, supporting patients in more appropriate settings while preserving hospital capacity for those who need acute and complex care.

AI and automation is becoming an increasingly important part of how we work and serve our customers. Across nib, we are using AI to simplify work across service, claims, operations, technology and corporate services.

More than 700 operational employees are using nibGPT, with 345,000 interactions during the year. In our Australian contact centre, AI call summaries, nibGPT and AI chat have saved more than 26,000 hours of manual effort, while giving our people better context to help customers faster.

The bigger opportunity is not simply efficiency. It is using technology to make healthcare easier to access, improve service and create new sources of long term customer value.

Importantly, our people are embracing this change. In our knowledge-based roles, 85% are actively using Copilot Premium, while 77% of our people say they have the AI skills, confidence and tools they need to succeed in their roles, and 85% understand the guardrails for using AI responsibly.

We will continue to invest in our people's skills, while being transparent about how work is changing. This will be supported by strong governance, clear accountability and safe, ethical and responsible adoption.

Looking ahead, our FY27 outlook remains unchanged. We expect Group UOP growth, with FY27 guidance of $265m - $285m excluding nib Travel and subject to risk equalisation.

We expect second half UOP to be stronger than first half given working day skew, the expected Australian Residents premium increase in 4Q27 and the timing of acquisition offers.

Year to date investment income was $10.1m to October 2026, impacted by global market volatility and the effect of rising long term interest rates on bond valuations.

I want to thank our people across nib for their commitment, care and focus throughout the year. I also thank our customers, participants, providers, partners, shareholders and the Board for their continued support.

With a clear strategy, strong foundations and growing capability across health insurance, health services and technology, we are well positioned to navigate change, deliver better customer outcomes and create sustainable long term value.

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