2025 Full Year Results

1 October 2024 to 30 September 2025

27 November 2025

TOWER Forward thinking Future ready

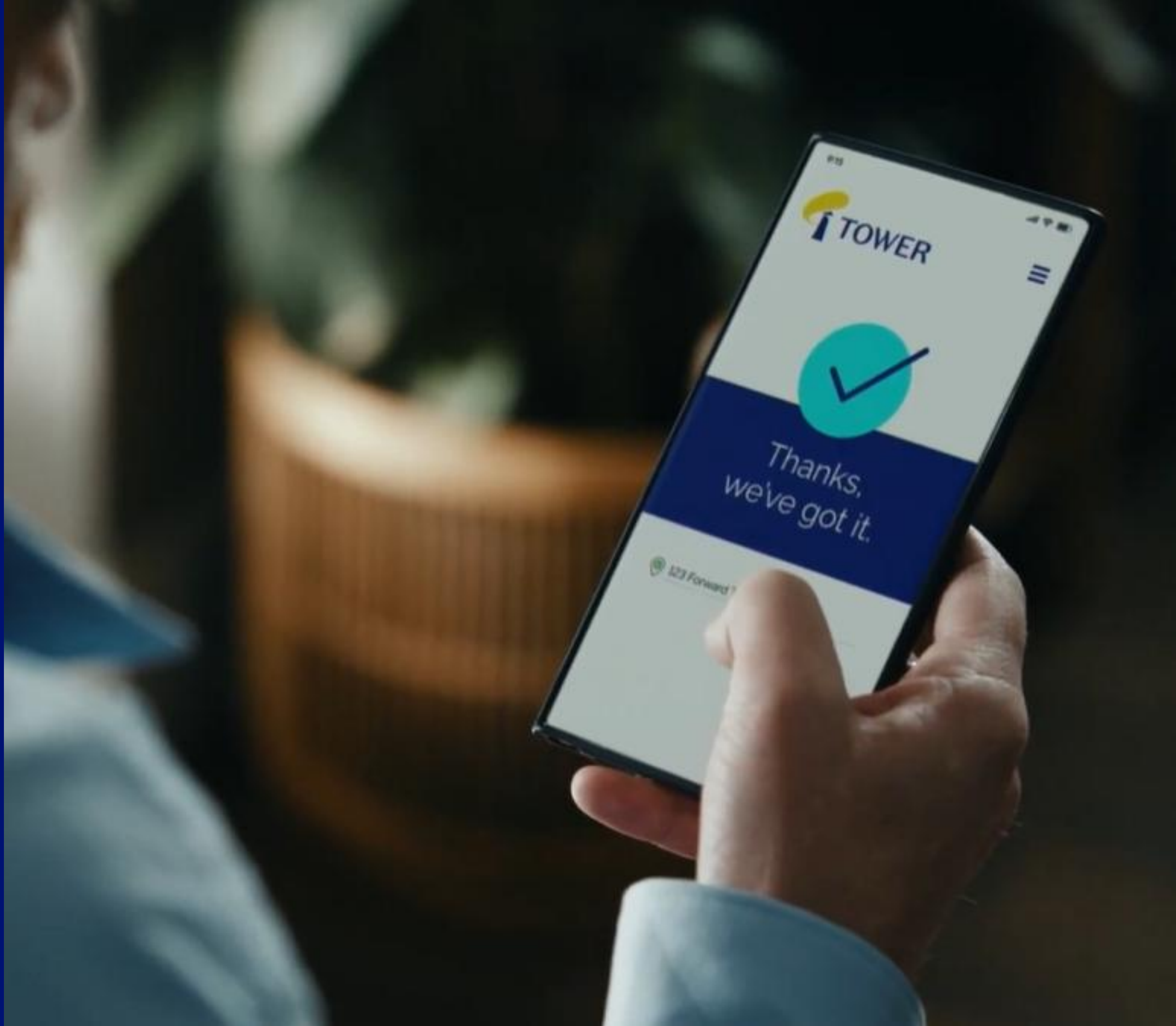
AGENDA

Chairman's update
Michael Stiassny,
Chairman

Business update
Paul Johnston,
Chief Executive Officer

Financial performance
Angus Shelton,
Interim Chief Financial Officer

Looking forward
Paul Johnston,
Chief Executive Officer



Chairman's update

Tower delivers record FY25 performance and positions for future growth

Strong, resilient business delivering shareholder value

- Capital return of $45m delivered
- Final dividend declared 16.5 cents per share; full year dividends of 24.5 cents per share – fully imputed
- Shareholder returns supported by sustainable profit growth
- Strong capital and solvency

Competitive advantages set Tower apart

- Address level risk-based pricing
- Disciplined execution of Tower's focused strategy
- Strategic partnerships and brand momentum underpin future growth
- Investing in innovation, technology and AI

Business update

Paul Johnston,

Chief Executive Officer

Overview

Record FY25 result

- Relatively benign claims environment – claims ratio historically low
- Strong policy growth whilst soft rating cycle lowers GWP

Strategic horizon 1: Focus on foundations

- Foundations strengthened with key initiatives delivered in FY25
- Improvements in digitisation, efficiencies, and underwriting
- Profitability improved through the cycle

Entering strategic horizon 2

- Primed for growth, innovation, and leading customer experience
- 5-10% GWP CAGR expected across FY26-FY28

Entering the next phase of growth

Foundations laid to deliver Horizons 2 and 3

We are entering Horizon 2 of our strategic plan

Resilience and Efficiencies

HORIZON 1
2024-2025

- Building foundational strength
- Well-managed risk exposure
- Operational efficiencies
- Technology investments
- Improving customer experience
- Effective and distinctive culture

Transform and Innovate

HORIZON 2
2026 - 2027

- Sustainable growth
- Leading customer experience
- Investment in customer data, digitisation, and innovation
- Embedding AI
- Consistently improving earnings

Expanded Growth and Leadership

HORIZON 3
2028 - 2030

- Broadening growth through new channels and innovative products
- Market challenger ⇨ market leader
  - Leading brand
  - Highly automated/digital
  - Personalised customer experiences

Our performance

Strong operational and business performance

GWP growth[1] (Gross written premium)	Customers	BAU claims ratio (Business as usual)	MER (Management expense ratio)
2% | $600m	**318,000**	**41%**	**31.4%**
vs $595m in FY24	**vs 305,000 at FY24**	**vs 48% in FY24**	**vs 31.4% in FY24**

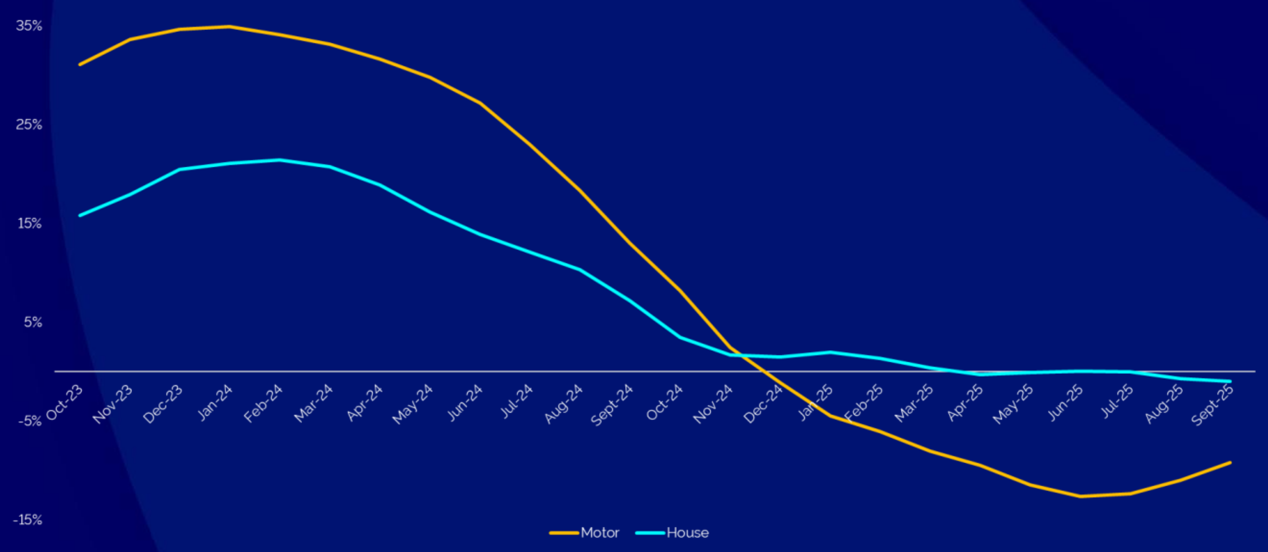
Large event costs[2]	Underlying profit[3]	Reported profit	Dividend per share Total FY25 declared dividends
$7.2m	**$107.2m**	**$83.7m**	**24.5 cents**
vs -$2.3m in FY24	**vs $83.5m in FY24**	**vs $74.3m in FY24**	**vs 9.5 cents, $45m capital return announced in FY24**

Note 1: Excluding divested portfolios which include the Solomon Islands business and Vanuatu subsidiary, and the New Zealand commercial rural portfolio
Note 2: Large event costs were negative in FY24 due to the absence of large events in the financial year and a favourable revision to prior year large events costs
Note 3: Definition of underlying profit and a reconciliation to reported profit is included in the appendices

External factors influencing FY25 result

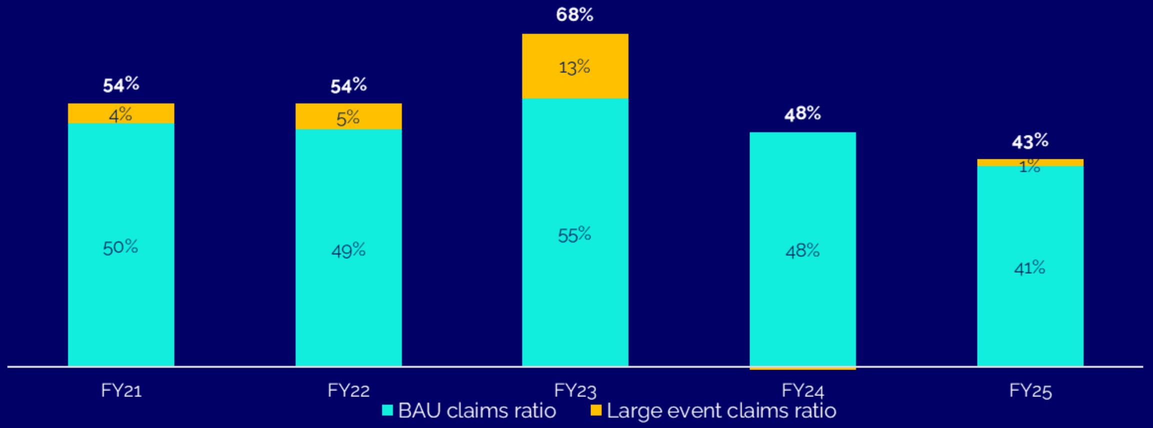
- Large event claims costs of $7.2m well below historical 10-year average of $15m
- Competitive environment reduced motor premiums
- Inflation now at historical averages
- Motor theft frequency back to pre-Covid levels
- OCR decrease reduces investment income yields

TOWER EFFECTIVE AVERAGE PREMIUM (ANNUAL CHANGE)



- Effective average premium highlights impact of change in technical premium, excesses, and sum insured on GWP

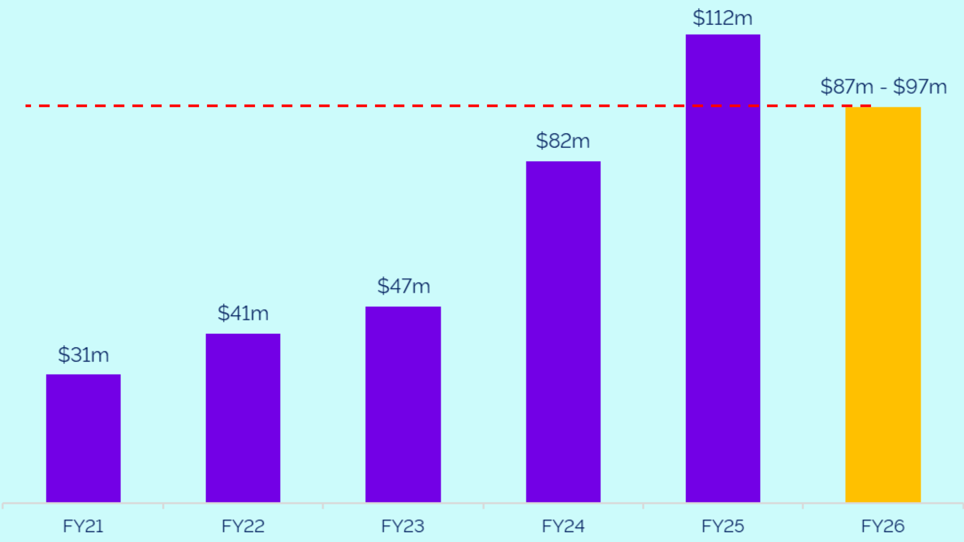
TOWER TOTAL CLAIMS RATIO



Sustained profitability improvement

- Through-the-cycle (FY21 – FY25) profitability has increased through business improvements:
  - Targeted growth enabling scale
  - Risk selection and risk-based pricing improvements (Flood, Sea Surge, Landslide)
  - Expense efficiencies from technology & Suva Hub
  - Foundational risk and resilience improvement
- Assisted by benign BAU claims experience in last two years
- FY26 guidance assumes soft rating cycle continues and normalisation of BAU claims ratio

UNDERLYING NPAT EXCLUDING LARGE EVENTS[1]

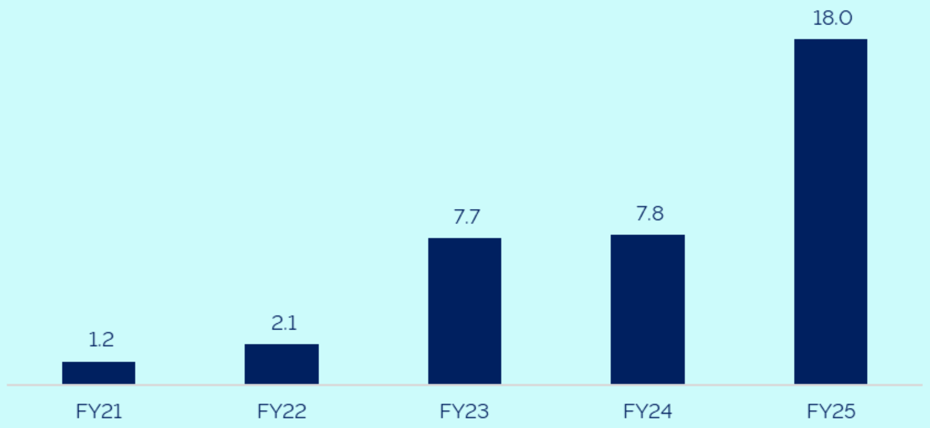


Note 1: The net cost to Tower of large event costs after tax for each financial year is as follows: FY21 $10m, FY22 $13.3m, FY23 $40.1m, FY24 -$1.6m, FY25 $5.2m

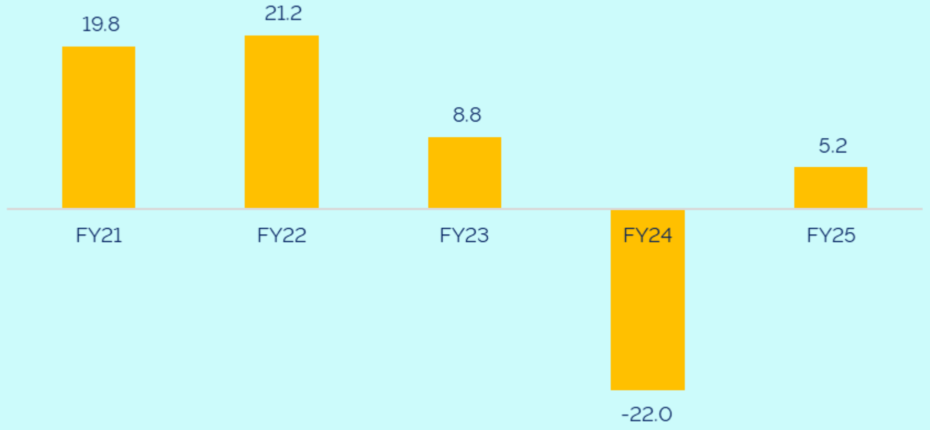
Policy growth in a competitive market

- +13k new customers to 318k
- 6% growth in NZ policies (house 11%, motor 2%, contents 7%)
- Strategic focus towards house is providing results
- Improved risk quality - Tower's expected average annual loss from flood reduced 21% on a per policy basis and 16% overall
- New brand campaign “The Misses” launched winning Kantar’s June 2025 Ad impact award

NZ HOUSE MOVEMENT IN RISK COUNT (000’s)

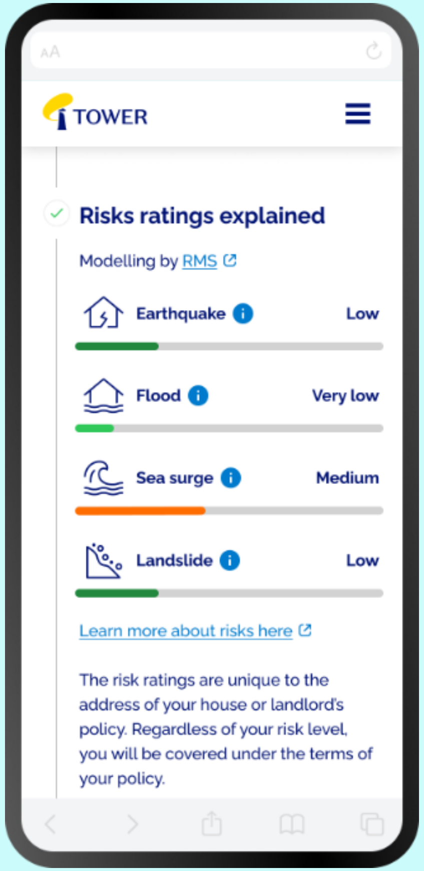


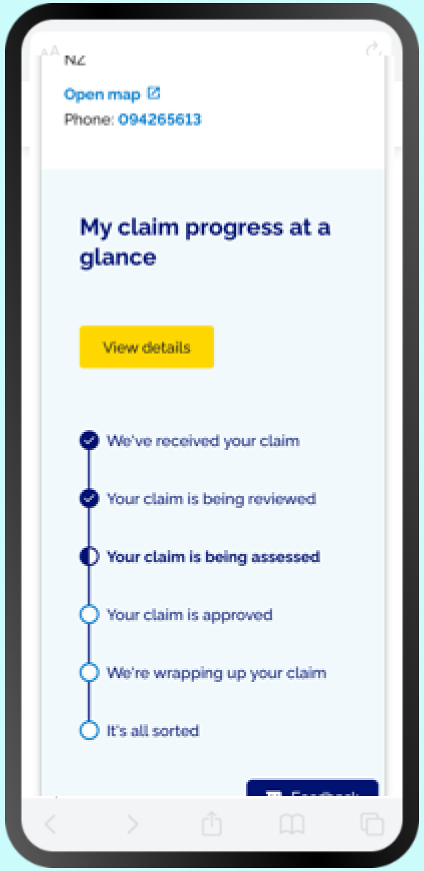
NZ MOTOR MOVEMENT IN RISK COUNT (000’s)



Investing for future value

- Launched Amazon Connect - AI enabled contact centre platform, streamlining processes and reducing frontline effort
- Integrated motor assessing system - reducing assessment time, manual effort on claims handling, and repair costs
- Digitisation build nearing completion – digital service capability at 79%
- Risk based pricing enhancements - Landslide and sea surge delivering improved risk quality
- AI enablement – strengthened foundations to deliver AI efficiencies across FY26-FY27



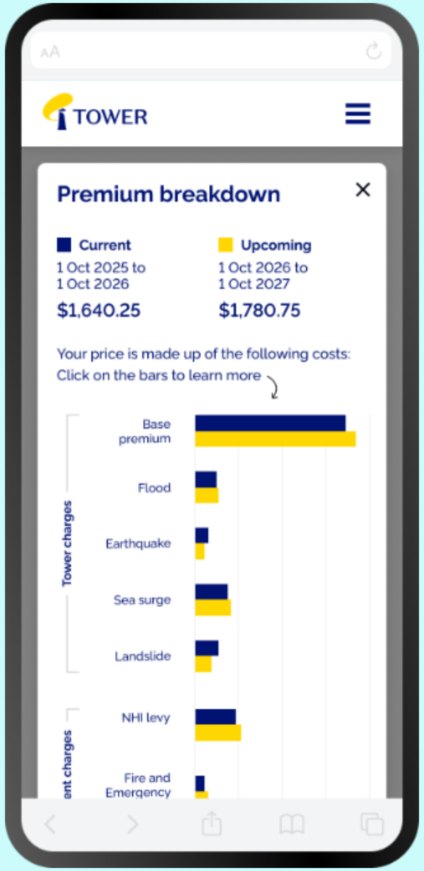


2025 5-STAR INSURANCE INNOVATOR

2024 5-STAR INSURANCE INNOVATOR

Elevating customer experience

- Net promoter score improved to +44 (FY24: +38)
- Sales and service abandonment rate reduced by 1% to 7%
- Digital efficiency: New Zealand digital tasks[1] – 63% sales, 51% service; 70% claims lodgement
- 59% of NZ customers registered for MyTower (FY24: 53%)
- Suva Hub answering 83% of NZ sales and service calls (FY24: 55%)
- CRM Contact Centre Awards (NZ): Insurance sector award winner 2025

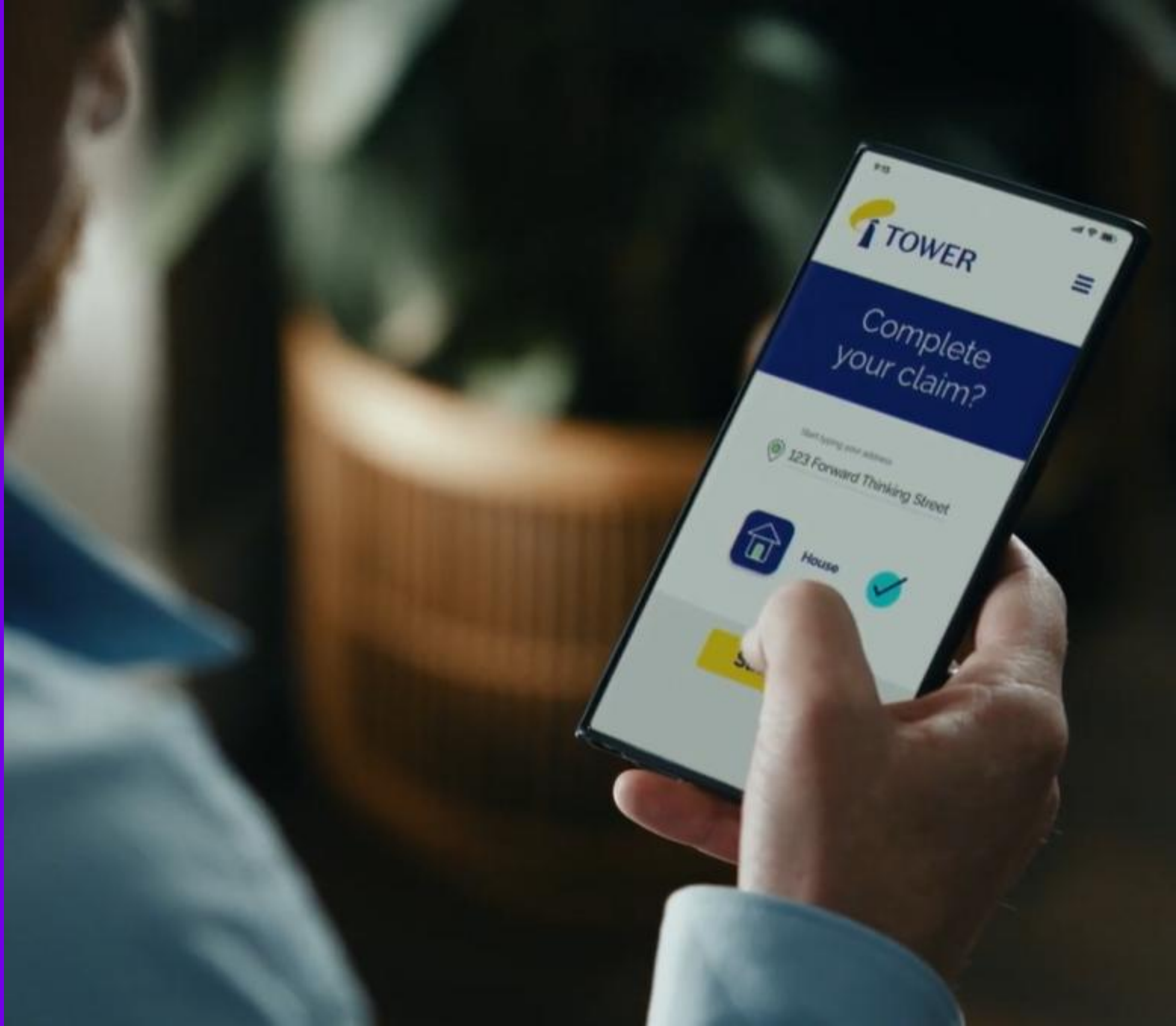


Note 1: Sales tasks are all New Zealand new business policies sold online (previously reported as Tower Direct only). Service tasks are either digital (actioned by the customer through the My Tower portal online) or assisted (through Tower's call centre). In prior years, multiple tasks completed on the same call were reported as one assisted transaction - these are now reported individually. Digital claims tasks refer to claim lodgement only.

Financial performance

Angus Shelton,

Interim Chief Financial Officer



Group underlying performance

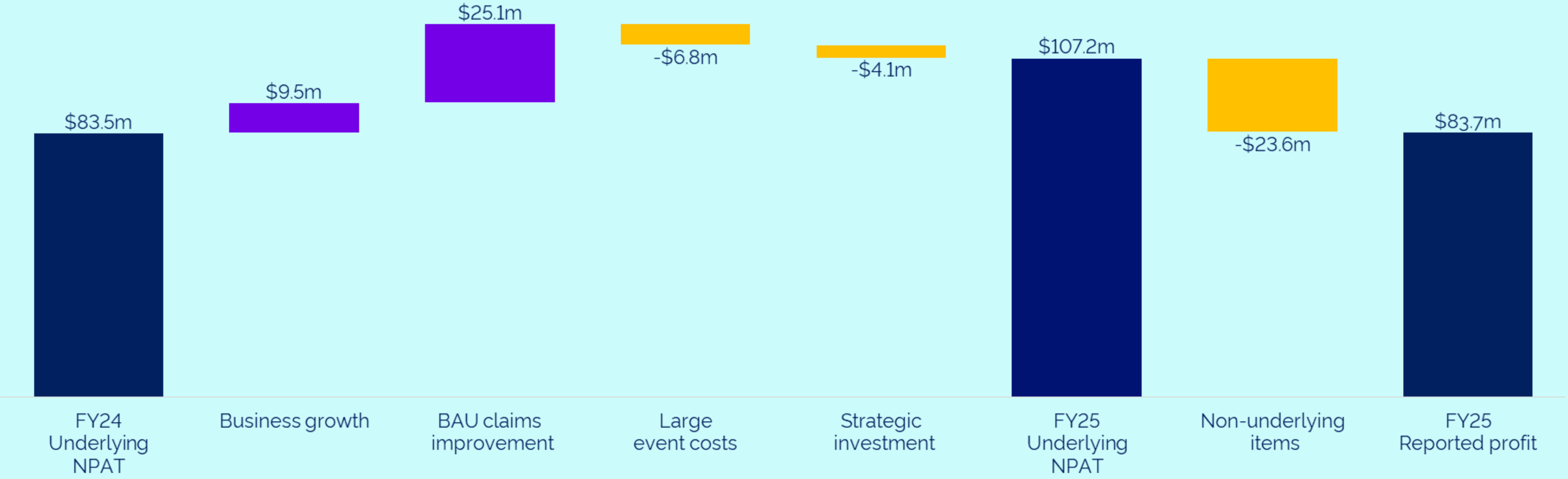
- Gross written premium growth of 2%[1]
- BAU claims ratio reduced to 41.3% due to targeted rate increases, risk selection and relatively benign weather
- Large event costs of $7.2m
- Management expense ratio of 31.4% in line with FY24
- Underlying NPAT[2] including large events of $107.2m
- Reported profit of $83.7m impacted by Canterbury earthquakes strengthening, costs of customer remediations and software impairment

Key ratios (% of Net insurance revenue)	FY25	FY24	Change
Claims ratio excluding large events	41.3%	48.1%	(6.8)%
Large event costs ratio	1.4%	(0.5)%	1.9%
Management expense ratio	31.4%	31.4%	0.0%
Combined ratio	**74.1%**	79.0%	(4.9)%

$ million	FY25	FY24	Change
Gross written premium	599.8	595.3	4.5
Insurance revenue	**597.1**	**566.2**	**30.9**
Reinsurance	(80.1)	(85.8)	5.7
Net insurance revenue	**517.0**	**480.4**	**36.6**
BAU claims expense	(213.6)	(230.9)	17.3
Large event claims expense	(7.2)	2.3	(9.5)
Management expenses	(153.0)	(142.1)	(10.9)
Net commission expense	(9.2)	(8.6)	(0.6)
Insurance service expense	**(383.1)**	**(379.4)**	**(3.8)**
Insurance service result	**133.9**	**101.0**	**32.8**
Net investment income	19.2	21.6	(2.4)
Net insurance finance expense	(1.6)	(2.6)	1.0
Other income and expenses	(1.5)	(0.6)	(0.9)
Underlying profit before tax	**150.0**	**119.4**	**30.6**
Income tax expense	(42.8)	(35.8)	(6.9)
Underlying profit after tax	**107.2**	**83.5**	**23.7**
Non-underlying items	(23.6)	(9.3)	(14.3)
Reported profit/(loss) after tax	**83.7**	**74.3**	**9.4**

Note 1: Adjusted to exclude sold portfolios: Solomon Islands, Vanuatu, and NZ commercial rural
Note 2: Definition of underlying profit and a reconciliation to reported profit is included in the appendices

Movement in underlying NPAT



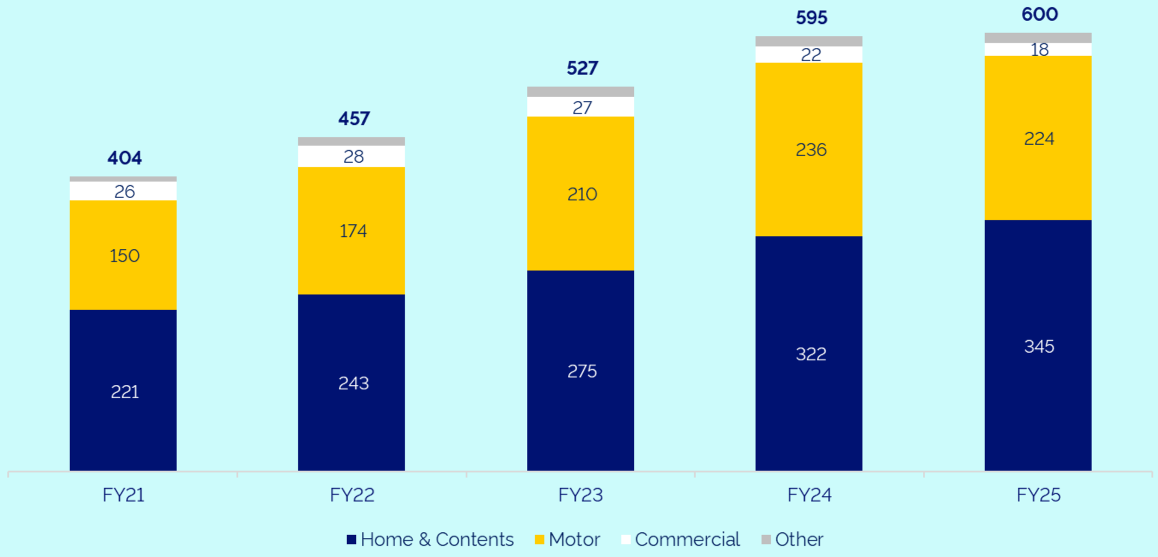
- Underlying NPAT[1] of $107.2m vs $83.5m in FY24
- Business growth reflects higher net insurance revenue less the associated growth in claims and management expenses
- BAU claims ratio improved from rating and underwriting actions, relatively benign weather, and lower motor frequency
- Large event costs in FY25 of $7.2m before tax versus a release of $2.3m before tax in FY24
- Strategic investments to deliver future growth and efficiency

Note 1: A definition of underlying profit and a reconciliation to reported profit is included in the appendix

Rating pressure impacts GWP growth

- 2%[1] premium growth reflects softer rating environment
- NZ House GWP growth 10%; 11% policy growth
- NZ Motor GWP growth -5%; 2% policy growth offset by rate reductions to balance margin and growth
- Partnerships GWP growth of 12%
- NZ retention rate of 78% (FY24: 77%)

GROSS WRITTEN PREMIUM ($m)

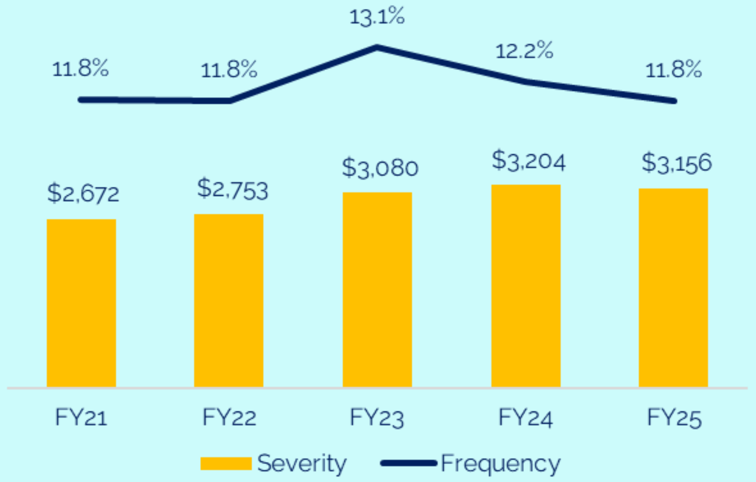


Note 1: Adjusted to exclude sold portfolios: Solomon Islands, Vanuatu, and NZ commercial rural

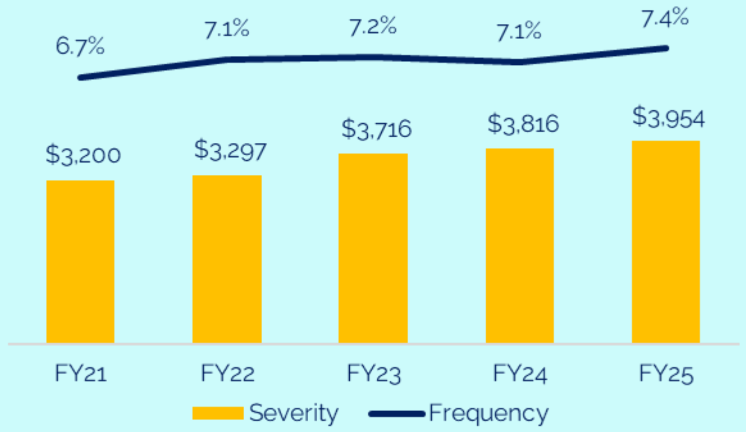
Lower frequency and severity of claims

- BAU claims ratio of 41.3% (FY24: 48.1%) due to high premium earning through as well as severity and frequency flattening off
- Prior period high theft motor off-risking has lowered frequency and severity of motor claims
- Reduction of external assessing usage has lowered motor handling costs
- House frequency impacted by increase in small weather claims
- Large event costs of $7.2m

NZ MOTOR SEVERITY[1] & FREQUENCY[2]

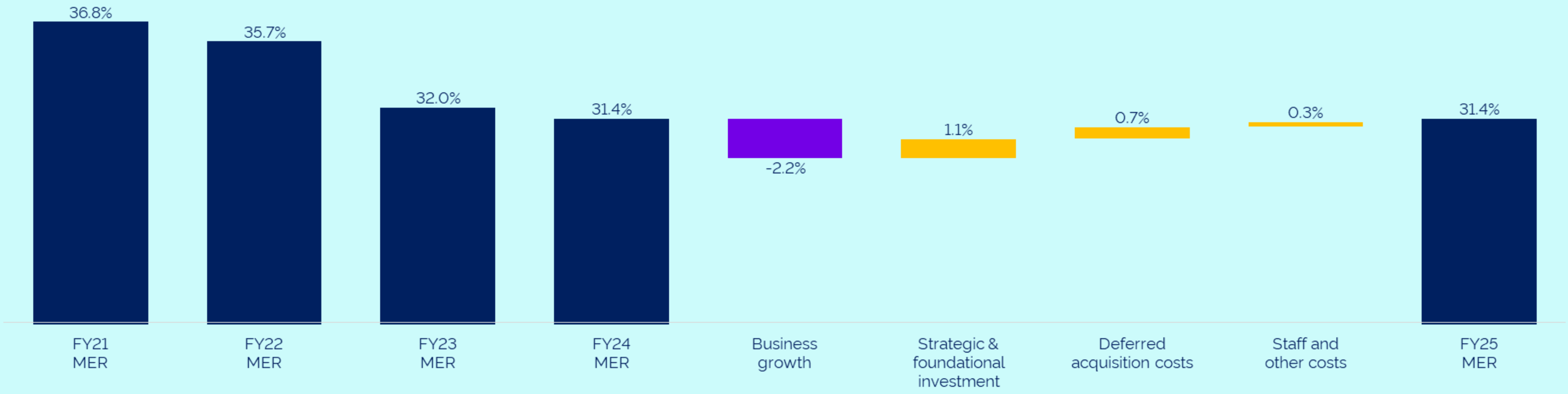


NZ HOUSE SEVERITY & FREQUENCY



Note 1: Severity is defined as the cost of claims (excluding large events, large house, windscreen) divided by the count of claims
Note 2: Frequency is defined as the number of claims (same exclusions as above) divided by risks in force
The historical severity and frequency numbers are current estimates as at 30 September 2025 reflecting development of prior year claims in their respective incurred periods

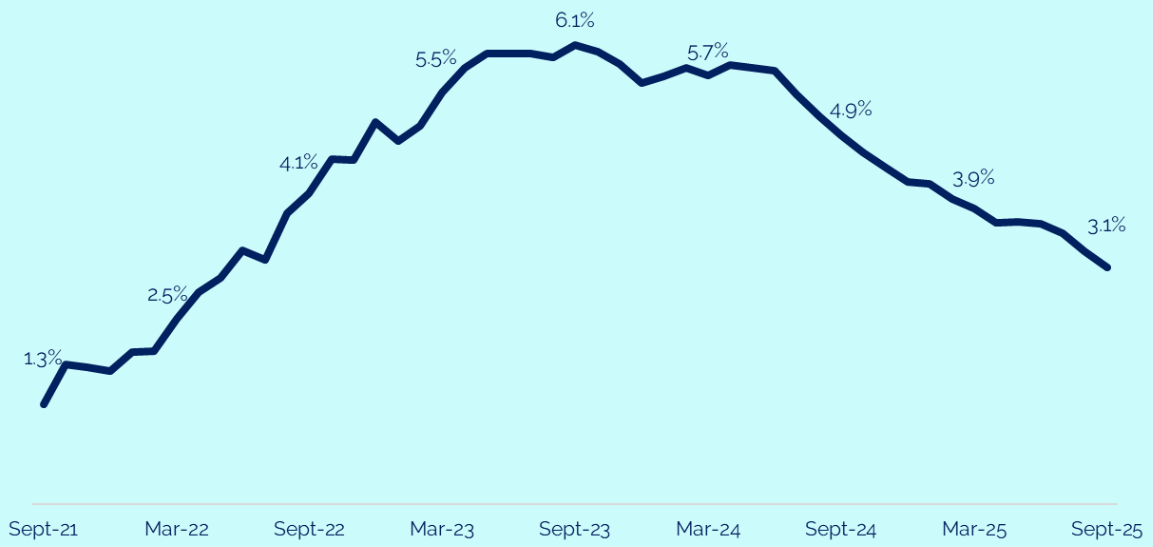
Stable management expense ratio



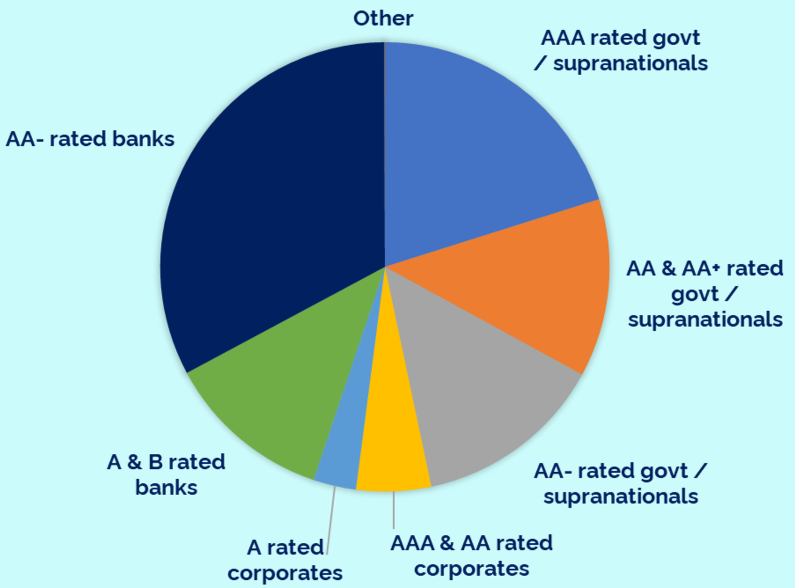
- Management expense ratio (MER) remained at 31.4%
- Scale efficiencies from business growth contributes 2.2% reduction in MER
- Strategic and foundational investments are being made to improve growth, efficiency, and resilience
- Timing differences related to recognition of deferred acquisition costs increases MER by 0.7%
- Staff and other costs increasing from inflation and to drive growth

Conservative investment strategy

CORE INVESTMENT PORTFOLIO[1] YIELD



INVESTMENT ASSET PROFILE



- Net investment income $19.2m; $2.4m lower than FY24
- Running yield on the core investment portfolio is 3.1% as at 30 September 2025
- Conservative investment strategy with low duration (target of 6 months)
- Yields expected to remain suppressed in line with OCR

Note 1: Core investment portfolio refers to Tower's fixed income investment portfolio in NZ. It excludes cash held for operational purposes in NZ and cash and short-term deposits held by Tower's Pacific subsidiaries. Subsidiaries of banking groups with a credit rating have been grouped under their parent bank's credit rating, even if unrated themselves

CEQ and customer remediation

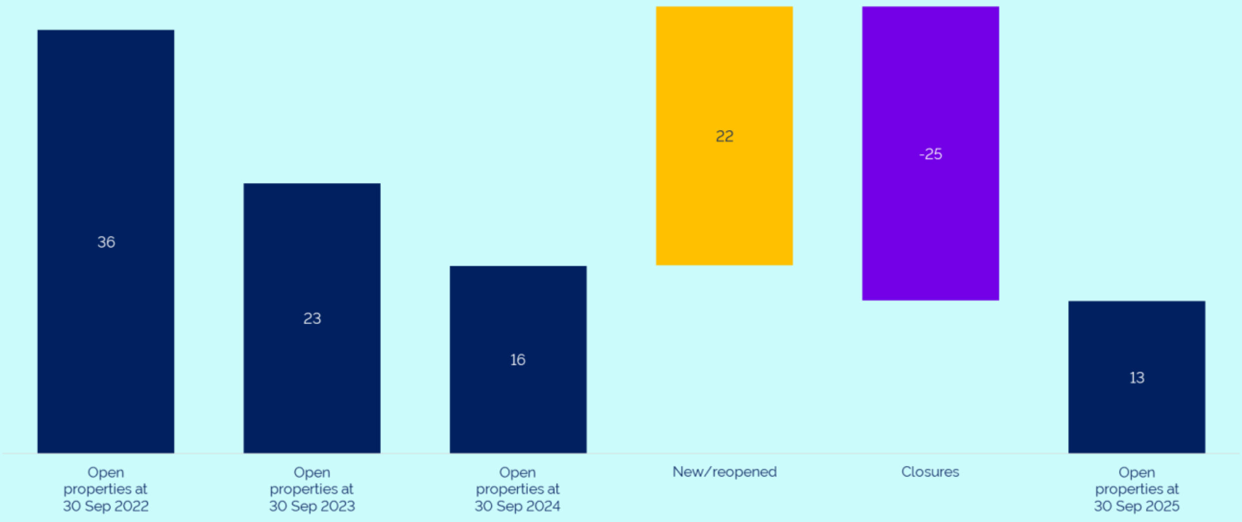
Canterbury earthquakes (CEQ)

- FY25 charge of $7.9m after tax, treated as a non-underlying item
- 13 properties open as at 30 September 2025
- 22 new over cap or reopened claims from NHC in the year (+7 vs FY24), with an average cost higher than historical levels, drove an increase in valuation assumption for future claims

Customer remediation

- FY25 charge of $10.9m after tax, treated as a non-underlying item
- Includes further provision for payments to customers, plus remediation programme costs

OPEN CEQ CLAIMS

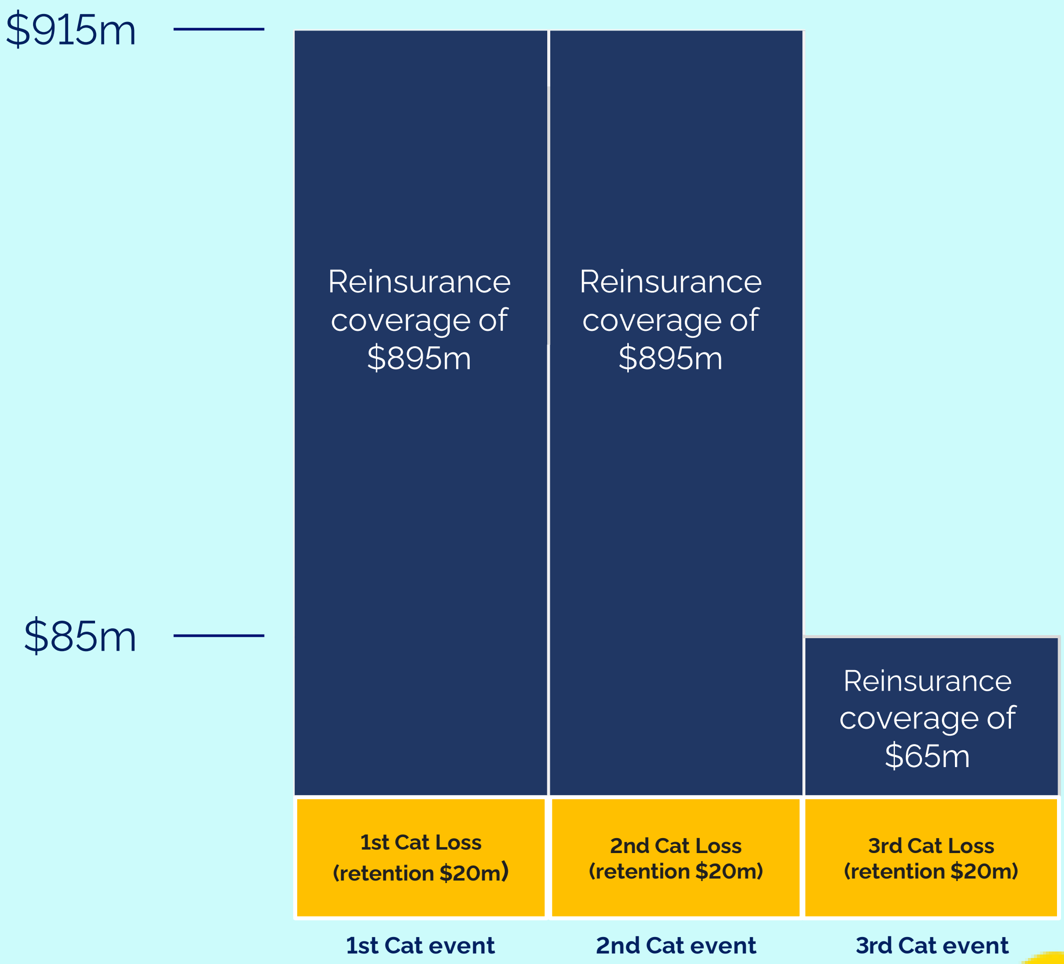


Reinsurance programme

- Successfully renewed FY26 programme with a lower cost to GWP ratio reflecting changes to risk profile, structure, and global market ratings
- Catastrophe reinsurance of up to $915m for two events, (FY25: $800m) and an additional prepaid third event cover up to $85m
- Increase in retention for catastrophe event to $20m (FY25: $18.75m) from expiring multi-year contracts
- Reinsurance programme also includes:
    - Excess of loss[1] for large single property claims
    - General accident and marine cover

FY26 large event allowance

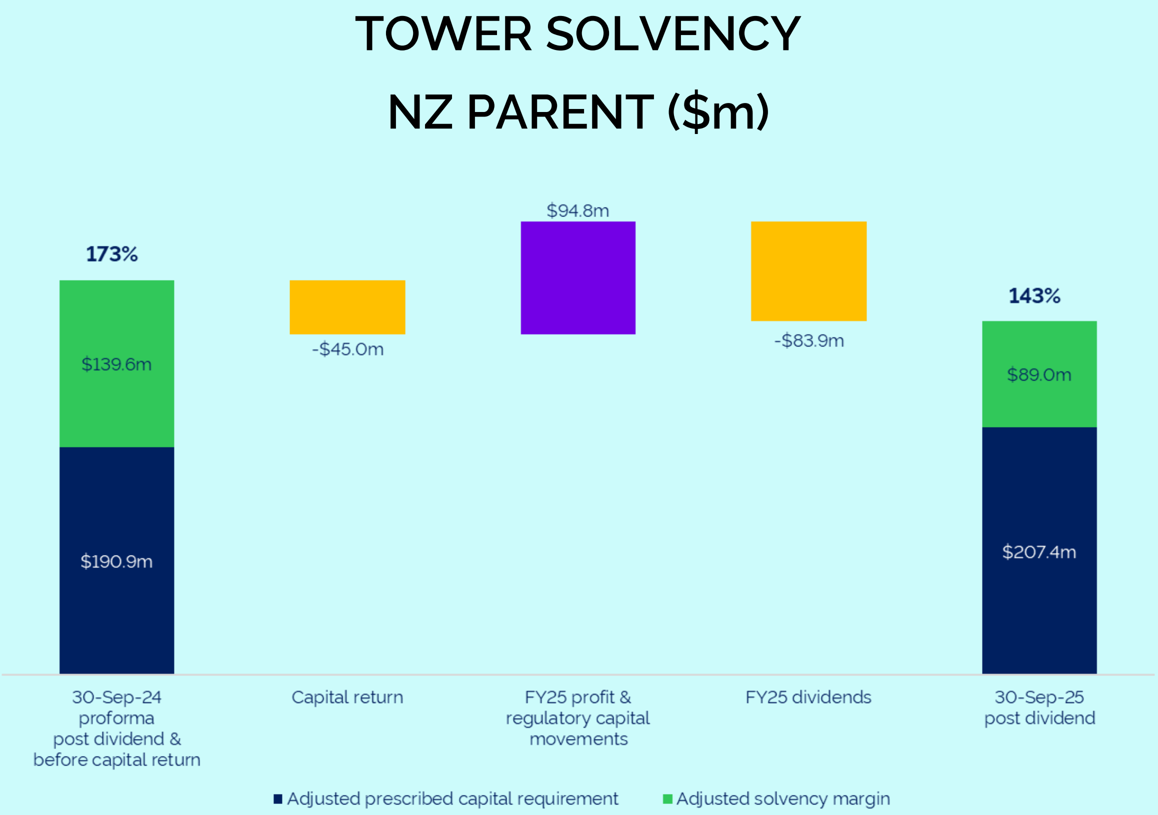
- Improved risk selection reduces large event allowance to $45m
- One large event incurred in FY26 to date at an estimated cost to Tower of $4.5m



Note 1: Excess of loss reinsurance means Tower retains responsibility for claims up to a certain threshold, with the reinsurer covering losses above that amount.

Capital and solvency position

- Solvency ratio[1] of 143%
- Tower's regulatory solvency position is calculated under the second amendment to the Interim Solvency Standard (ISS), effective 1 March 2025
- 30 September 2024 solvency position has been recalculated under the new ISS for comparative purposes
- Adjusted solvency margin as at 30 September 2025 is $89m - stated net of final dividend of 16.5 cents per share[2]
- A- financial strength rating reaffirmed in April 2025 by AM Best



Note 1: SR = Solvency ratio – the ratio of solvency capital to adjusted prescribed capital
Note 2: Based on Tower's ordinary dividend policy to pay a sustainable annual dividend in the range of between 60-80% of adjusted earnings where prudent to do so

Looking forward

Paul Johnston,

Chief Executive Officer

Entering the next phase of growth

Foundations laid to deliver Horizons 2 and 3

We are entering Horizon 2 of our strategic plan

Resilience and Efficiencies

HORIZON 1
2024-2025

- Building foundational strength
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Expanded Growth and Leadership

HORIZON 3
2028 - 2030

- Broadening growth through new channels and innovative products
- Market challenger ⇨ market leader
  - Leading brand
  - Highly automated/digital
  - Personalised customer experiences

Strategic initiatives for growth

- Targeting >$750m GWP in FY28 through organic growth
- Partnership agreement with Westpac NZ
- Referral of Kiwibank back book
- Investing further in Tower brand marketing
- Sea surge and landslide risk ratings improve targeting of lower risk properties
- Multi-policy discount removal simplifies pricing offering

Customer experience and efficiency through innovation

- Targeting 80% of sales, service, and claims lodgement tasks to be through digital channels by FY28
- Customer data platform to enable hyper-personalised service in future
- AI enablement roll out to streamline processes
- Claims transformation – house assessing platform
- Partnership with Amazon Connect enabling best-in-class enhancements to new contact centre platform
- Product innovation to meet emerging customer needs

FY26 guidance and future targets

	FY25 Actual	FY26 Guidance	FY28 Target
GWP growth	$600m (2%)	$630m - $660m (5-10%)	>$750m (>7.5% CAGR)
Management expense ratio	31.4%	31% - 32%	28% - 30%
Underlying NPAT (excluding large events)	$112m	$87m - $97m	
Large events	$7m	$45m	
Combined operating ratio	74%	86% - 88%	85% - 87%
Underlying NPAT (assuming full utilisation of large events allowance in FY26)	$107m	$55m - $65m	

- Any unused portion of the large events allowance (after tax) at year end will increase underlying NPAT to improve the full year result.
- Reported NPAT will be impacted by non-underlying items for remediation activity and costs associated with regulatory change

Questions?

Appendices

Business unit distribution

TOWER DIRECT

- No underlying growth[1] in FY25 due to policy growth offset by premium rate reductions
- New risks sold +22% vs FY24

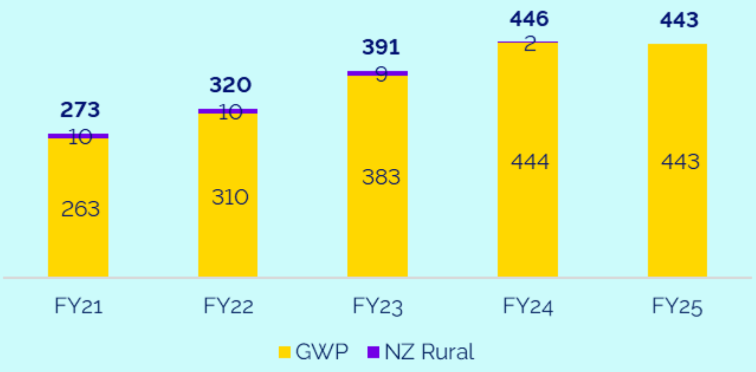
PARTNERSHIPS

- Underlying growth of 12%
- Total in force risks increased 18% to 129,000

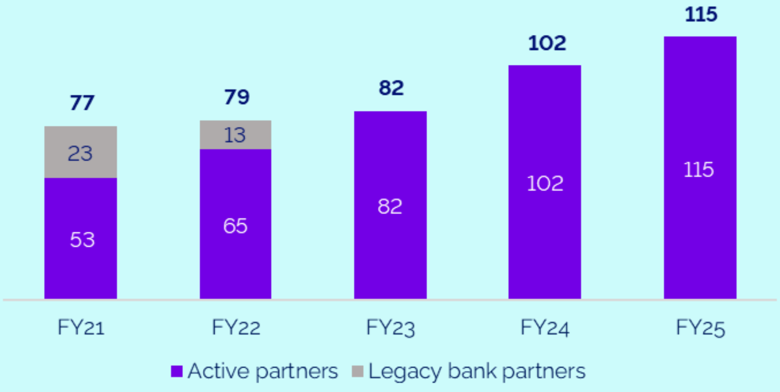
PACIFIC

- No underlying growth[1] in FY25 due to risk review in Samoa
- Solomon Islands & Vanuatu businesses sold in FY24; PNG in FY23

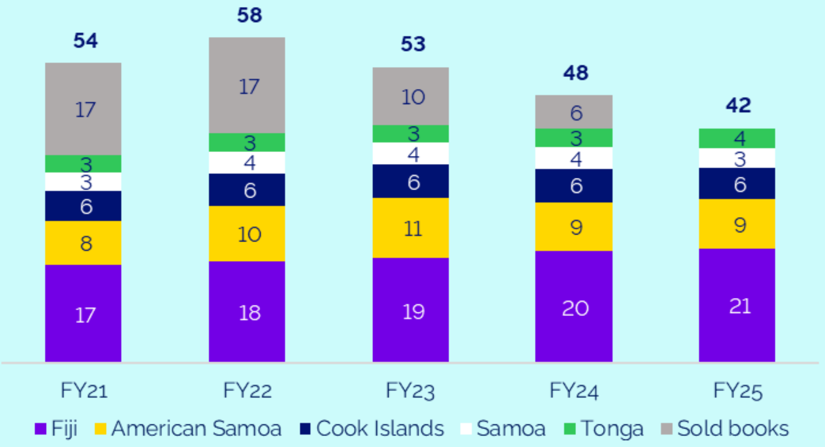
TOWER DIRECT GWP ($m)



PARTNERSHIPS GWP ($m)



PACIFIC GWP ($m)



Note 1: Excluding divested portfolios which include the Solomon Islands business and Vanuatu subsidiary, and the New Zealand commercial rural portfolio

Reconciliation between underlying profit after tax and reported profit after tax

$ million	FY25 underlying profit	Non-underlying items (1)	Management expense reclasses (2)	Reclass of reinsurance expenses (3)	Reclass of reinsurance & other recovery revenues (4)	FY25 reported profit
Gross written premium	599.8					
Insurance revenue	**597.1**	(2.7)				**594.3**
Reinsurance expense	(80.1)			80.1		
Net insurance revenue	**517.0**	**(2.7)**	**0.0**	**80.1**	**0.0**	
BAU claims expense	(213.6)	(11.0)	(29.8)		1.8	
Large event claims expense	(7.2)					
Management expenses	(153.0)	(13.9)	28.8			
Net commission expense	(9.2)				(4.4)	
Insurance service expense	**(383.1)**	**(24.9)**	**(1.0)**	**0.0**	**(2.6)**	**(411.6)**
Net expense from reinsurance contracts held				(80.1)	2.6	(77.5)
Insurance service result	**133.9**	**(27.6)**	**(1.0)**	**0.0**	**0.0**	**105.2**
Net investment income	19.2					19.2
Net insurance finance expense	(1.6)					(1.6)
Other income and expenses	(1.5)	(4.6)	1.0			(5.1)
Underlying profit before tax	**150.0**					
Income tax expense	(42.8)	8.7				(34.1)
Underlying profit after tax	**107.2**					
Canterbury impact	(7.9)	7.9				
Other non-underlying costs	(15.7)	15.7				
Reported profit after tax	**83.7**	**0.0**	**0.0**	**0.0**	**0.0**	**83.7**

Underlying and reported profit:

- "Net insurance revenue", "net insurance service expense" and "underlying profit" do not have a standardised meaning under Generally Accepted Accounting Practice (GAAP). Consequently, they may not be comparable to similar measures presented by other reporting entities and are not subject to audit or independent review.
- Tower uses underlying profit as an internal reporting measure as management believes it provides a better measure of Tower's underlying performance than reported profit, as it excludes large or non-recurring items that may obscure trends in Tower's underlying performance, and is useful to investors as it makes it easier to compare Tower's financial performance between periods.
- Tower has applied a consistent approach to measuring which items are excluded from underlying profit in the current and comparative periods.
- "Reported profit after tax" is calculated and presented in accordance with GAAP

(1) Non-underlying items include net impact of customer remediation provision increase and related costs, Canterbury earthquake valuation update, provision for software impairment, regulatory and compliance projects such as Financial Markets (Conduct of Institutions) Amendment Act
(2) Reclassification of claims handling expenses from management expenses to claims expense; and FX gains/losses from other income to management expenses
(3) Reclassification of reinsurance expenses to present as net income from reinsurance contracts held for statutory purposes
(4) Reclassification of reinsurance and other recoveries to present as net income from reinsurance contracts held for statutory purposes

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