

ASX announcement

8 November 2021

nib to acquire Kiwi Insurance Limited

nib holdings limited (ASX: NHF) today announced its New Zealand subsidiary, nib nz holdings ltd (nib NZ) has agreed to purchase 100% of the shares in Kiwi Insurance Limited (a wholly owned subsidiary of Kiwi Group Holdings Limited), for a total consideration of approximately \$43 million (NZ\$45 million).

The acquisition is subject to receipt of regulatory approvals and is targeted for completion in early 2022.

Under the transaction, nib NZ will acquire Kiwi Insurance Limited and will also enter an exclusive relationship with Kiwibank (a wholly owned subsidiary of Kiwi Group Holdings Limited) which will see the bank refer its retail customers to nib for their life and living insurance needs.

nib Managing Director, Mark Fitzgibbon said the acquisition was aligned with the nib's "personalisation" strategy and would allow nib NZ to provide health insurance members and Kiwibank customers with a more comprehensive suite of products relevant to our purpose of "your better health".

"In New Zealand, living, life and health insurance are complementary products so often purchased as a package. We're responding to this preference with what should be a more integrated and seamless experience for members and customers. And it means more people will benefit from the investment we're making in more personalised health risk assessment and management," Mr Fitzgibbon said.

Mr Fitzgibbon said nib NZ had been actively exploring opportunities for some time and was very confident a more comprehensive and integrated offering would enhance market penetration in both health and life products and lift revenues. The local living insurance market is twice the size of the health insurance market and has delivered consistent growth over the last decade.

"While in a regulatory sense we distinguish health and life they are both about meeting the needs of people for personal security. Our personalisation strategy or what we've dubbed P2P (Payer to Partner), is taking this to another level by offering greater health security in addition to financial security," he said.

Kiwi Insurance Limited was established in 2002 and offers life and living insurance products and services through Kiwibank. The acquisition represents a significant opportunity for the nib NZ business and will see the immediate addition of around 34,000 new members.

nib will fund the transaction through a combination of existing capital and new debt. The transaction on completion is expected to be accretive to earnings per share, excluding one-off transaction costs (forecast to be approximately NZ\$8 million).

The transition is expected to take around 12 months. Kiwi Insurance Limited's current policyholders won't need to take any action with all current benefits honoured and nib committed to providing a seamless transition.

The purchase will not have a material impact on nib's FY22 earnings.

This announcement has been authorised for release by Roslyn Toms, nib Company Secretary.

Investor Relations

Amber Jackson

Head of Investor Relations

Phone: +61 402 210 817

Email: a.jackson@nib.com.au

Media Enquiries

Renea Jaeger

Head of Corporate Relations

Phone: +61 402 376 835

Email: r.jaeger@nib.com.au