



CHESNARA

HALF YEAR RESULTS 2026

Strong Performance. Disciplined Execution. Accelerating Growth.

25 August 2026

AGENDA



01.

**Overview of
strategic delivery**

02.

**Financial
highlights**

03.

**Outlook &
summary**



Steve Murray

Group Chief Executive Officer



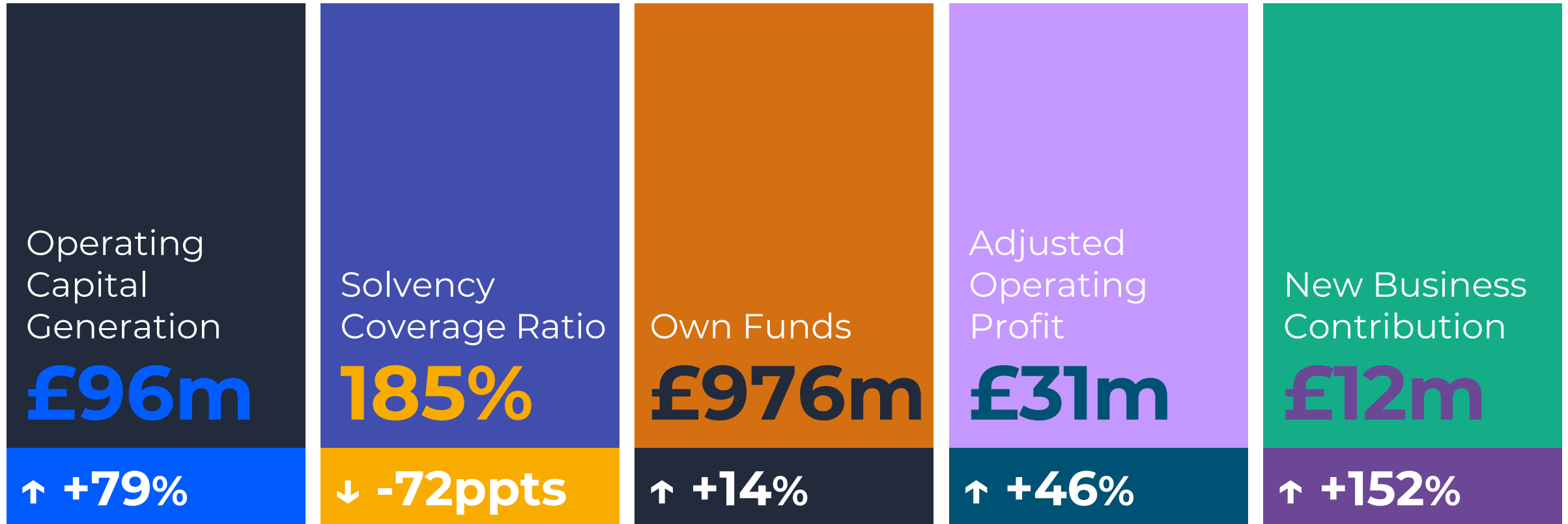
Tom Howard

Group Chief Financial Officer

OVERVIEW OF STRATEGIC DELIVERY

Steve Murray
Group Chief
Executive Officer

ANOTHER PERIOD OF VERY STRONG PERFORMANCE



CONTINUED STRATEGIC DELIVERY



1

DELIVER GOOD
OUTCOMES FOR
CUSTOMERS AND
MAXIMISE VALUE
FROM EXISTING
BUSINESS

2

ACQUIRE LIFE
AND PENSION
BUSINESSES

3

ENHANCE VALUE
THROUGH
PROFITABLE
NEW BUSINESS

BECOMING A SUSTAINABLE CHESNARA

Strong early
contribution from
Chesnara Life UK

UK integration
progressing at pace
and remains on track

SWE acquisition
progressing, expected
to complete around the
end of 2026

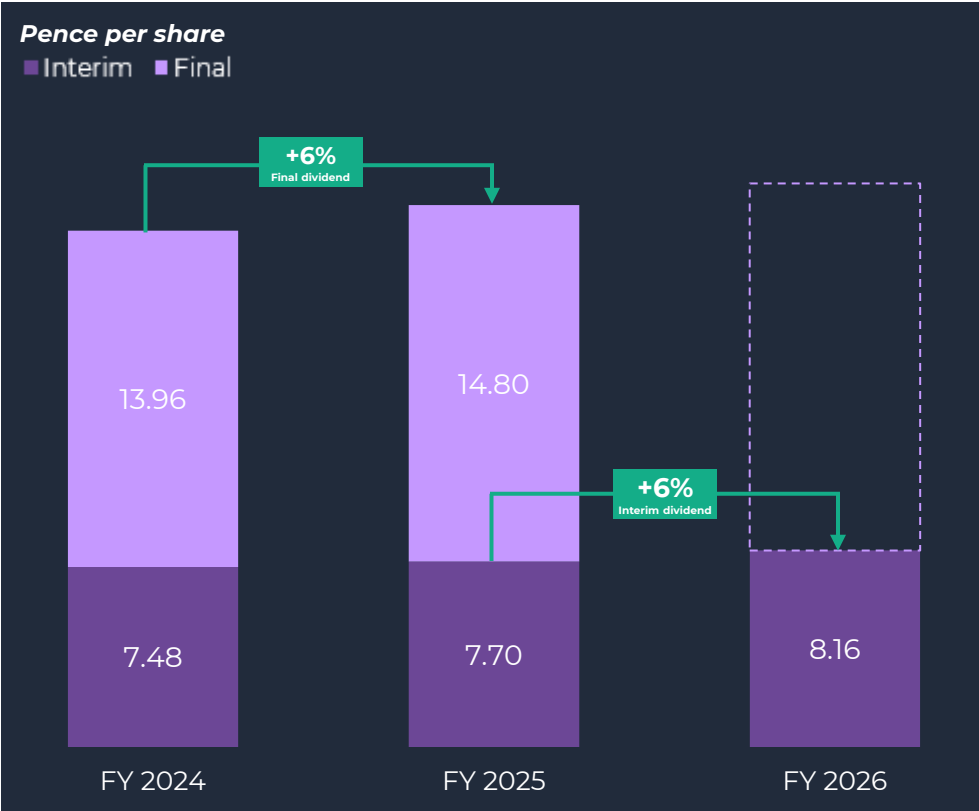
Material step up
in New Business
Contribution

DELIVERING PLANNED ONE-OFF UPLIFT IN INTERIM 2026 DIVIDEND



Announced today:

6% increase in the interim 2026 dividend in line with previous guidance



Unrivalled 21-year track record of dividend growth⁽¹⁾ in UK & European insurance

FINANCIAL HIGHLIGHTS

Tom Howard
Group Chief
Financial Officer

ANOTHER PERIOD OF VERY STRONG FINANCIAL PERFORMANCE



CASH

Operating Capital Generation

£96m

HY25: £54m

Cash Remittances

£73m

HY25: £56m

CAPITAL

Solvency Coverage Ratio

185%

FY25: 257%

Own Funds

£976m

FY25: £859m

VALUE

AUA⁽²⁾

£21bn

FY25: £15bn

Adjusted Operating Profit

£31m

HY25: £21m

Half year dividend

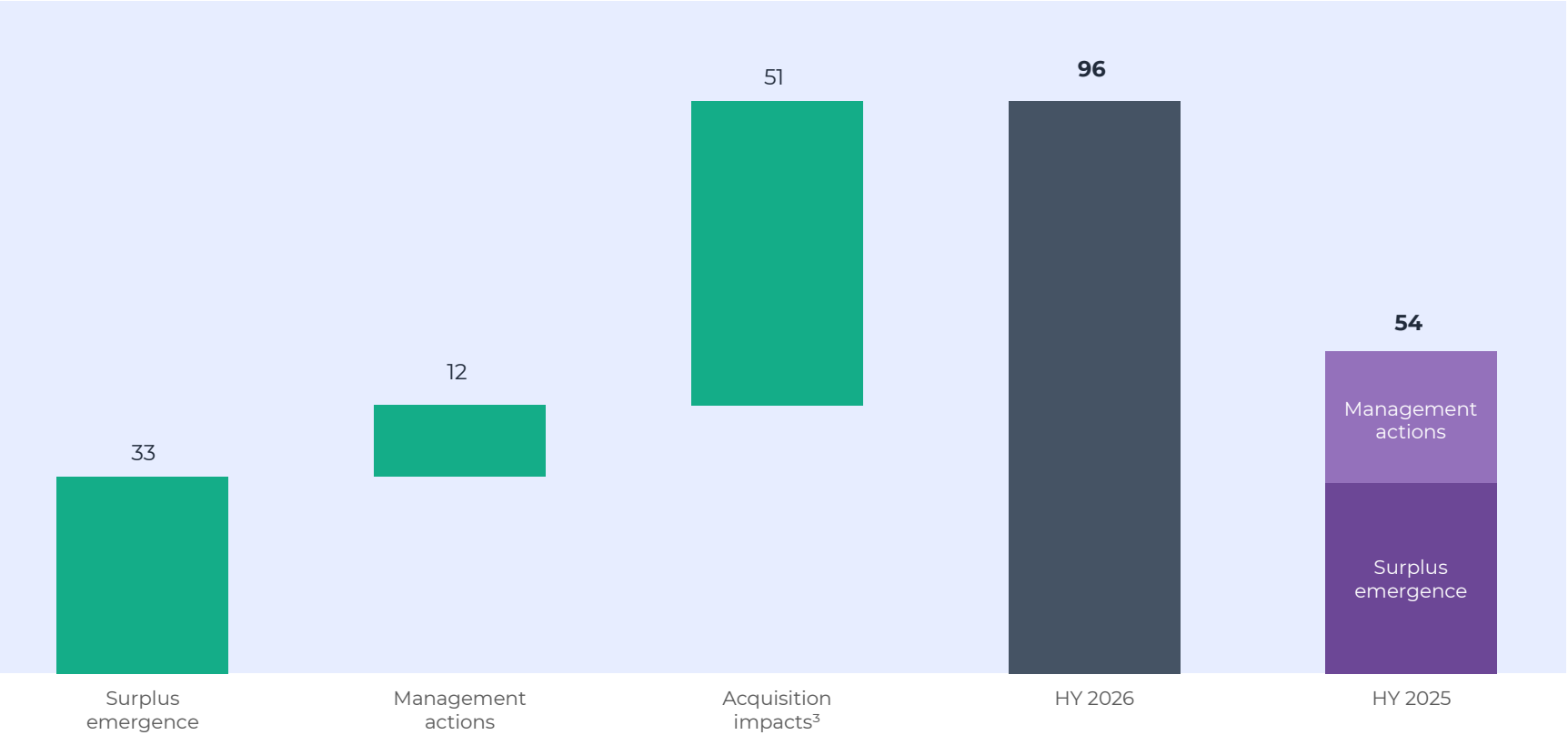
8.16p per share, **up 6% year on year**

OPERATING CAPITAL GENERATION: STRONG YEAR-ON-YEAR GROWTH



↑79%

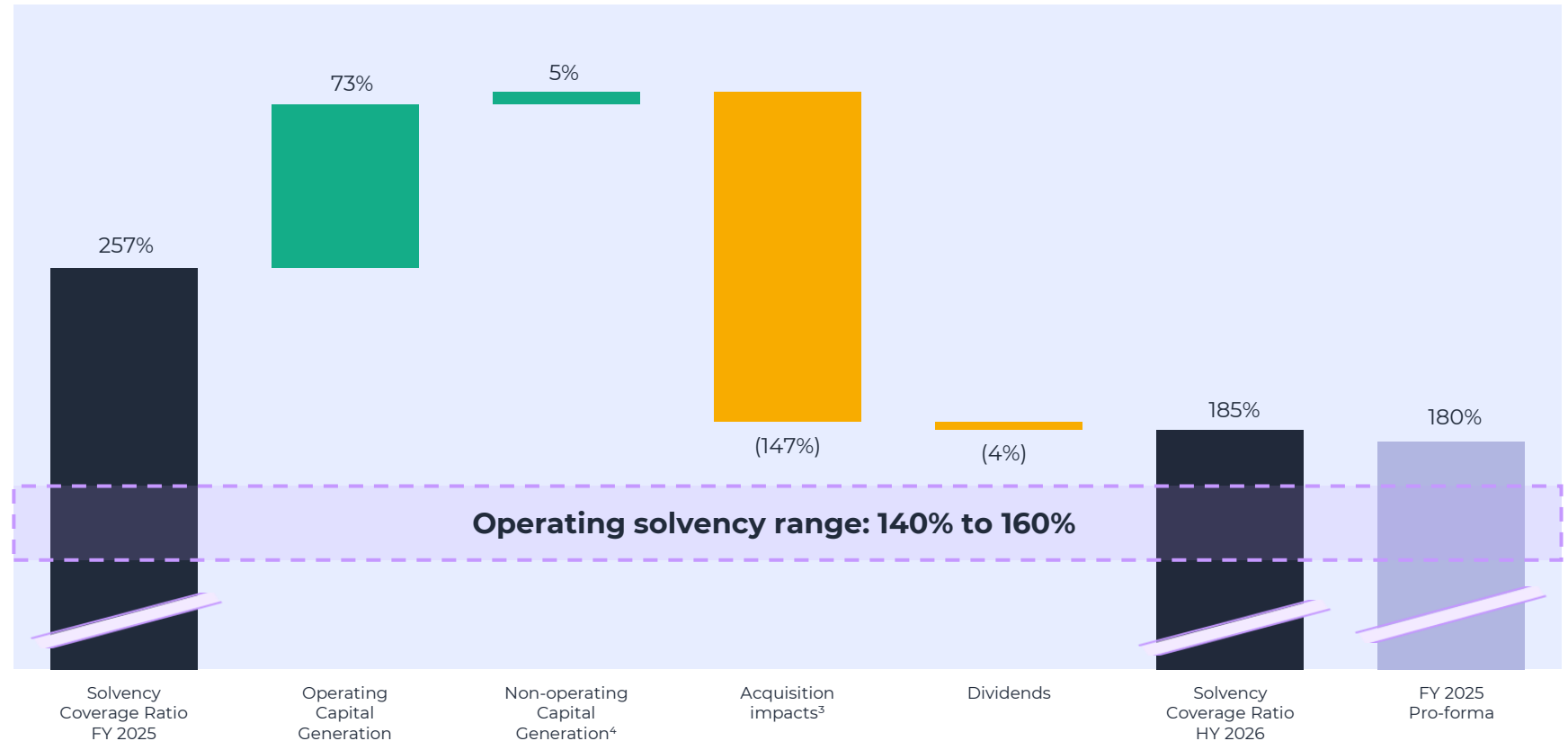
- Robust operating performance across the business units
- Capital optimisation management actions
- Acquisition impacts generated from Chesnara Life UK



SOLVENCY COVERAGE RATIO: EXCEEDS PROFORMA ESTIMATES



- **Solvency Coverage Ratio** above upper end of operating range & **above proforma estimate** of 180% disclosed at FY25
- Expected to remain **above the upper end** of our range post completion of SWE⁽⁵⁾
- Preserving **M&A headroom**

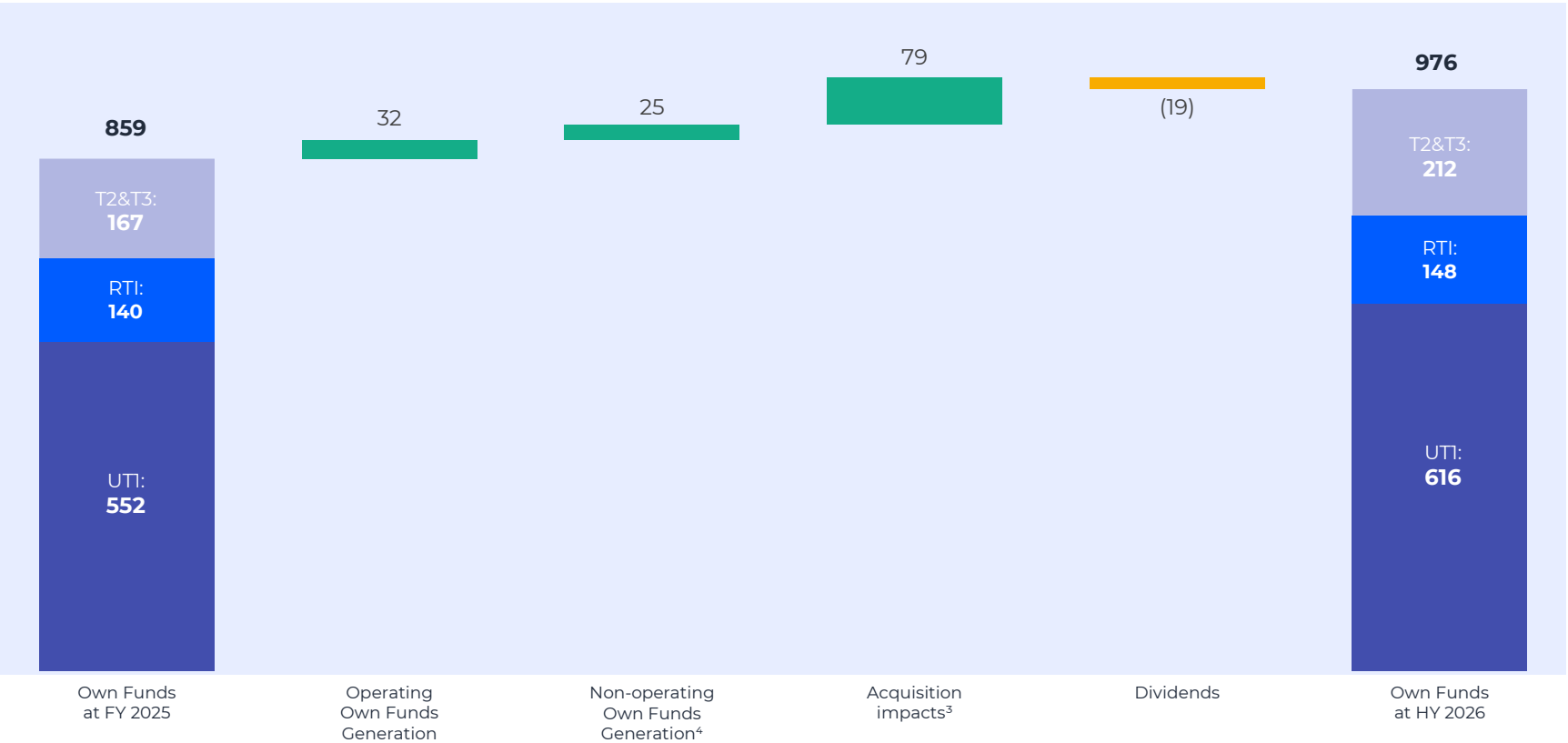


OWN FUNDS: APPROACHING £1BN POST ACQUISITION



↑14%

- Robust operating performance
- Positive markets
- Acquisition impacts
- Offset by integration & restructuring spend to deliver growth, and shareholder dividends



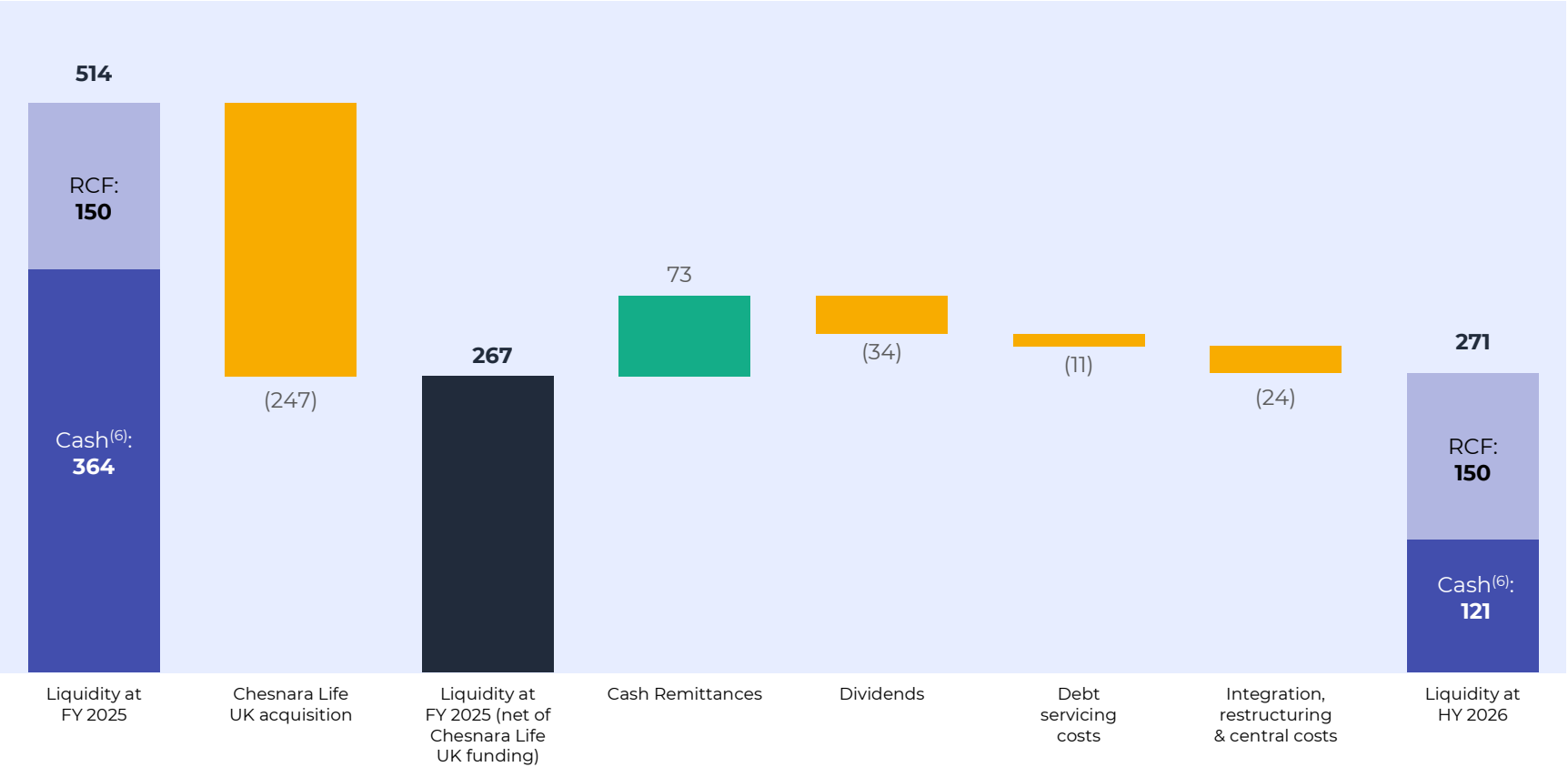
CENTRAL LIQUIDITY: HEADROOM TO FUND FURTHER M&A



£271m

of available resources

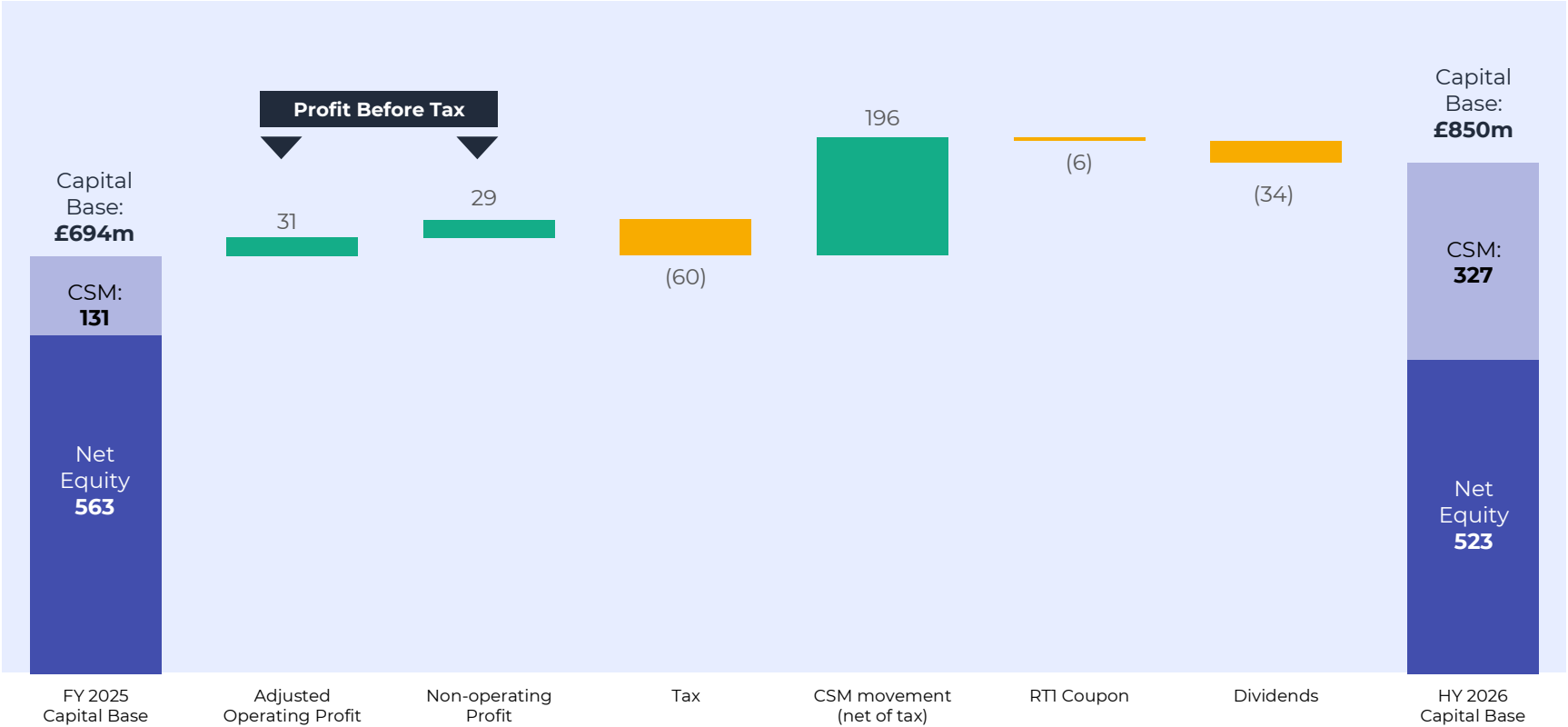
- Cash remittances of £73m are **31% higher** than HY25
- **Headroom** to fund further M&A activity



IFRS: 22% GROWTH IN CAPITAL BASE AND A SIGNIFICANT INCREASE IN STORE OF FUTURE PROFITS



- CSM growth of **£196m**, with a higher than expected contribution from Chesnara Life
- **22% growth** in IFRS Capital Base to £850m
- Leverage of **19%**, expected to remain below 30% post completion of SWE



VERY STRONG FINANCIAL PERFORMANCE & CONFIDENT OUTLOOK

CASH

Operating Capital Generation

£96m

HY25: £54m

Cash Remittances

£73m

HY25: £56m

CAPITAL

Solvency Coverage Ratio

185%

FY25: 257%

Own Funds

£976m

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VALUE

AUA⁽²⁾

£21bn

FY25: £15bn

Adjusted Operating Profit

£31m

HY25: £21m

Half year dividend

8.16p per share, **up 6% year on year**

OUTLOOK & SUMMARY

Steve Murray
Group Chief
Executive Officer

CLEAR AREAS OF FOCUS

1 Integration of
Chesnara Life UK

2 Completion of the acquisition of
Scottish Widows Europe SA

3 **Further balance
sheet optimisation**
including management actions

4 Evaluation and potential execution of
M&A opportunities

5 **Continue to grow profitable
new business** across the Group

6 Deliver decarbonisation activities in line with
our Climate Transition Plan

CHESNARA LIFE UK INTEGRATION AND SWE CHANGE IN CONTROL PROGRESSING WELL



CHESNARA LIFE UK

Formerly known as HSBC Life (UK)

DEAL METRICS⁽⁷⁾

£5bn
AUA

>440k
Policies

>£800m
Lifetime Cash
Generation

>£140m
Five-year Cash
Generation

ACTIONS COMPLETED

- ✓ £51m of OCG generated so far, with a Cash Remittance of £20m over the period
- ✓ Staff consultation processes have completed with combined UK leadership team confirmed
- ✓ First TUPE transfer of relevant staff to SS&C completed
- ✓ Expected migration remains on track for delivery in 2026

SCOTTISH WIDOWS EUROPE SA

DEAL METRICS⁽⁷⁾

€1.7bn
AUA

46k
Policies

>€250m
Lifetime Cash
Generation

>€100m
Five-year Cash
Generation

ACTIONS COMPLETED

- ✓ Submitted Change in Control application and progressing through regulatory review
- ✓ Completion of readiness testing successfully completed
- ✓ Completion planning activities substantially progressed
- ✓ Change of control anticipated around FY26

WE ARE WELL POSITIONED FOR FURTHER M&A



<i>Our financial considerations for M&A remain consistent</i>	
Solvency Operating range of 140% to 160%	✓
Leverage Maintain our investment grade rating	✓
Liquidity Retain robust liquidity at group level	✓
Acquisition capacity Capacity to finance smaller transactions without external fundraising	✓

- We continue to see a strong pipeline
- Management skills and capacity to enter new territories
- Scalable platforms that are capable of taking on portfolios and larger deals
- Strong record of customer service and positive relationships with regulators

STRONG PERFORMANCE. DISCIPLINED EXECUTION. ACCELERATING GROWTH.



**Very strong
financial results,
growing dividend**



**Chesnara Life UK
integration on
track**



**Balance sheet
optimisation
continues**



**Acquisition of
Scottish Widows
Europe SA
announced**



QUESTIONS



APPENDICES

CHESNARA BACKGROUND



WHO WE ARE

Chesnara plc is a FTSE 250 European life, pensions and investment company with specialist expertise in consolidation.

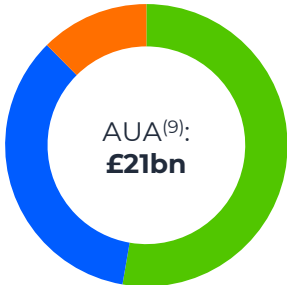
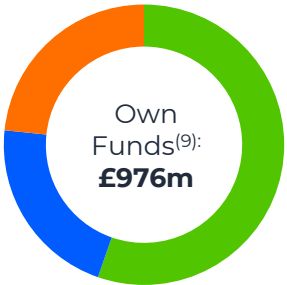
We now administer c1.3m policies across the Group’s business units of Countrywide Assured and Chesnara Life UK (formerly HSBC Life (UK) Ltd) in the UK, Scildon in the Netherlands and Movestic in Sweden.

Our new business franchises across the Group complement the Group’s long-term Operating Capital Generation.

We are committed to becoming a sustainable Chesnara, including decarbonising our operational and financed emissions in line with our published Climate Transition Plan.

KEY FINANCIAL METRICS

30 June 2026
Group Solvency II Ratio: 185%



OUR STRATEGIC PILLARS

- 1 DELIVER GOOD OUTCOMES FOR CUSTOMERS AND MAXIMISE VALUE FROM EXISTING BUSINESS**

The efficient management of life assurance, investment and pension policies, whilst ensuring good outcomes for customers and policyholders
- 2 ACQUIRE LIFE AND PENSION BUSINESSES**

Disciplined M&A Framework identifies opportunities that enhance value over the long term
- 3 ENHANCE VALUE THROUGH PROFITABLE NEW BUSINESS**

New business franchises in Sweden and the Netherlands and the sale of the Onshore Bond in the UK. Focused on delivering long-term cash flow accretion for the Group

ESTIMATES: H1 PERFORMANCE AHEAD OF FY 2025 ESTIMATES



	FY25 PROFORMA	HY26	DELIVERED?
Solvency Coverage Ratio	c180%	185%	✓
Own Funds	c£1bn	£976m	✓
CSM	c£200m	£327m	✓
IFRS Capital Base	c£800m	£850m	✓
Leverage	c20%	19%	✓
Assets under Administration	>£20bn	£21bn	✓
Dividend increase	6% increase (2025 final & 2026 interim)	6% increase (2025 final & 2026 interim)	✓

MACRO ENVIRONMENT

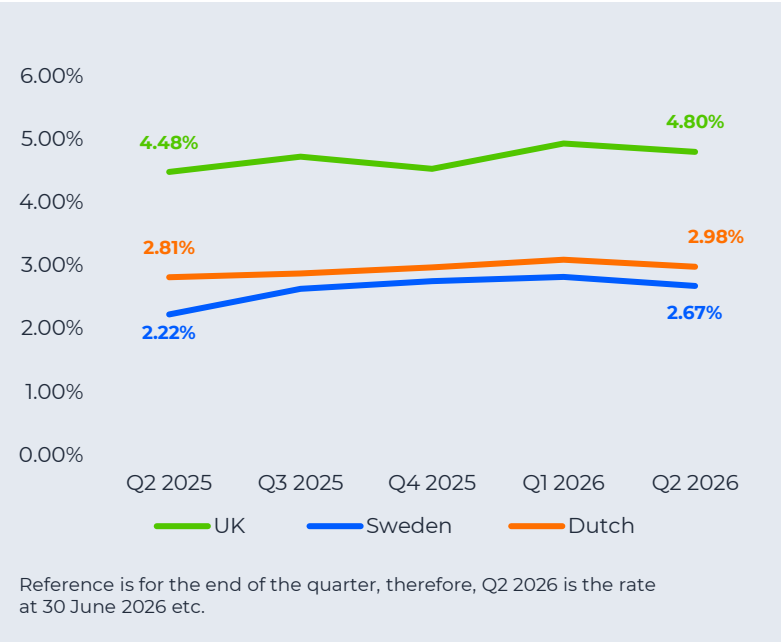


EQUITY MARKETS

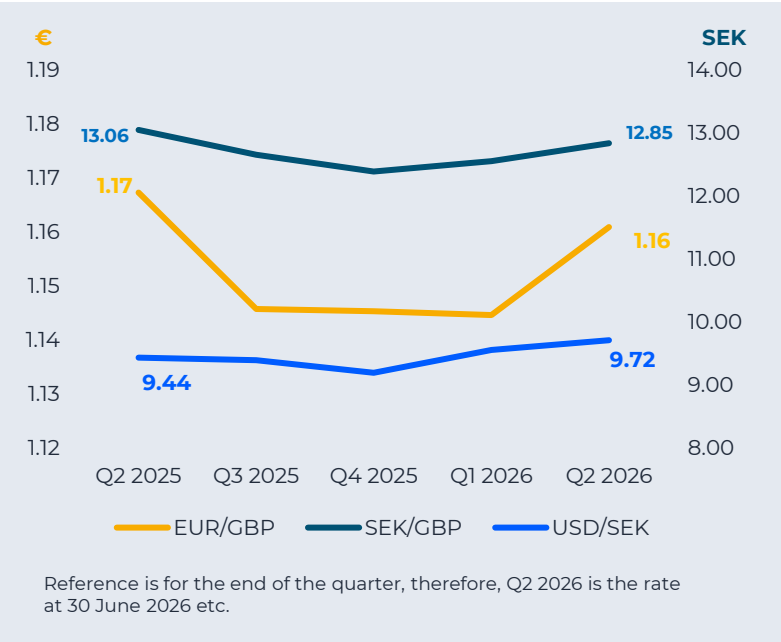
30 June 2026



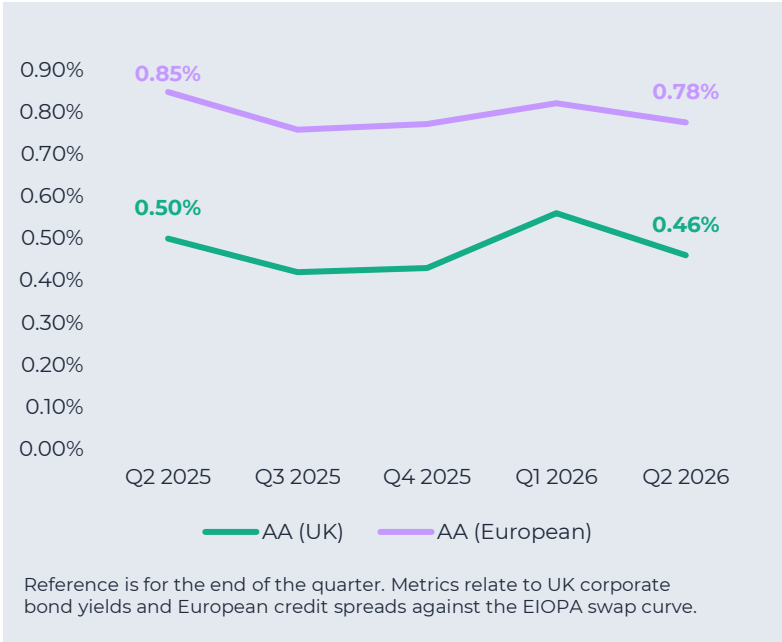
INTEREST RATES (10 YEARS)



FX RATES



CREDIT SPREADS

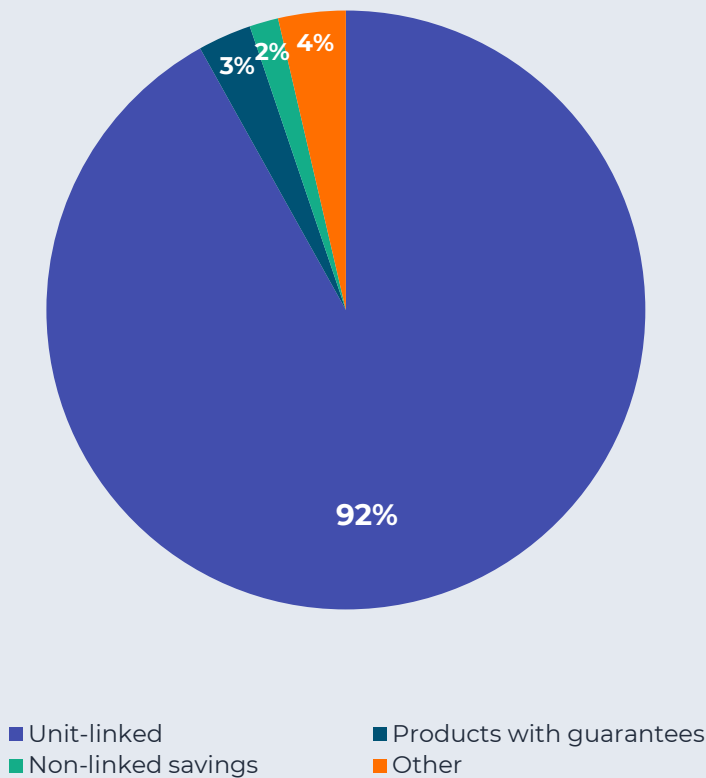


PRODUCTS

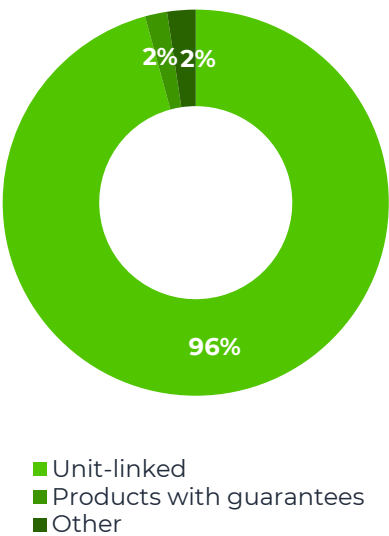


We have an asset risk lite portfolio with limited guarantee exposure

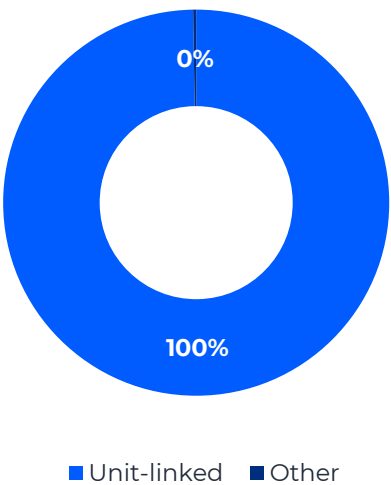
SII BEL⁽⁸⁾ BY PRODUCT



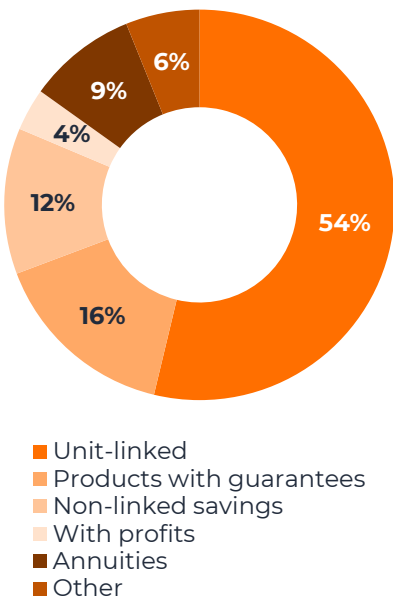
UK



SWEDEN



NETHERLANDS

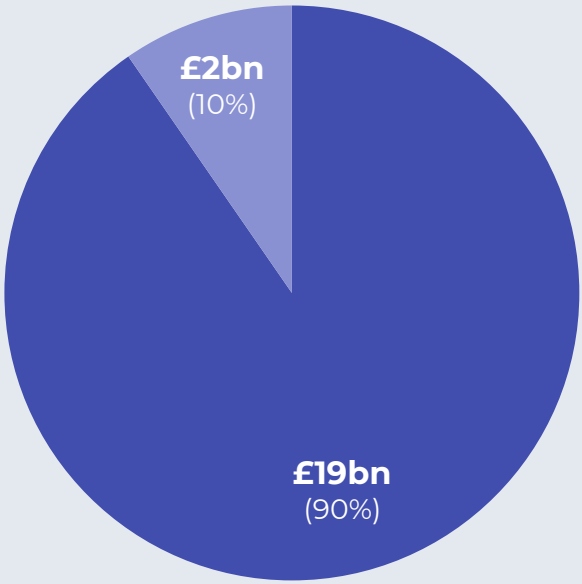


ASSETS UNDER ADMINISTRATION



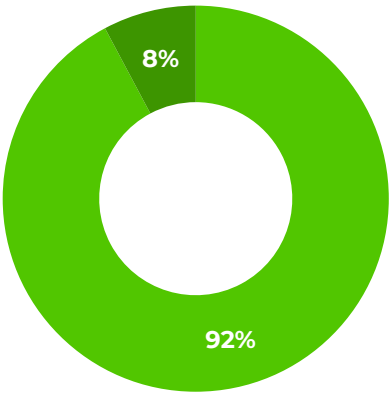
Predominantly asset risk lite: 90% unit-linked investment business

GROUP AUA BY PRODUCT TYPE



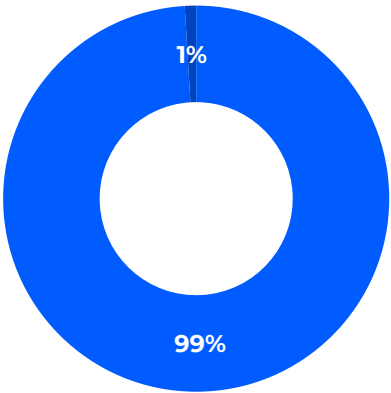
■ Unit-Linked ■ Non-linked

UK
AUA⁽⁹⁾⁽¹⁰⁾: £11bn



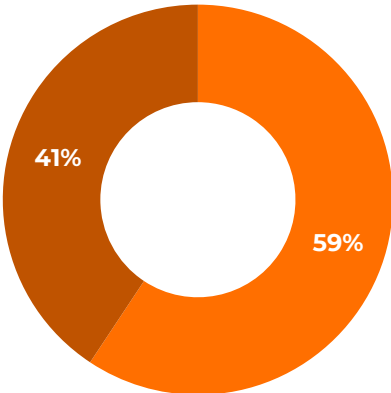
■ Unit-linked ■ Non-linked

SWEDEN
AUA: £7bn



■ Unit-linked ■ Non-linked

NETHERLANDS
AUA: £3bn

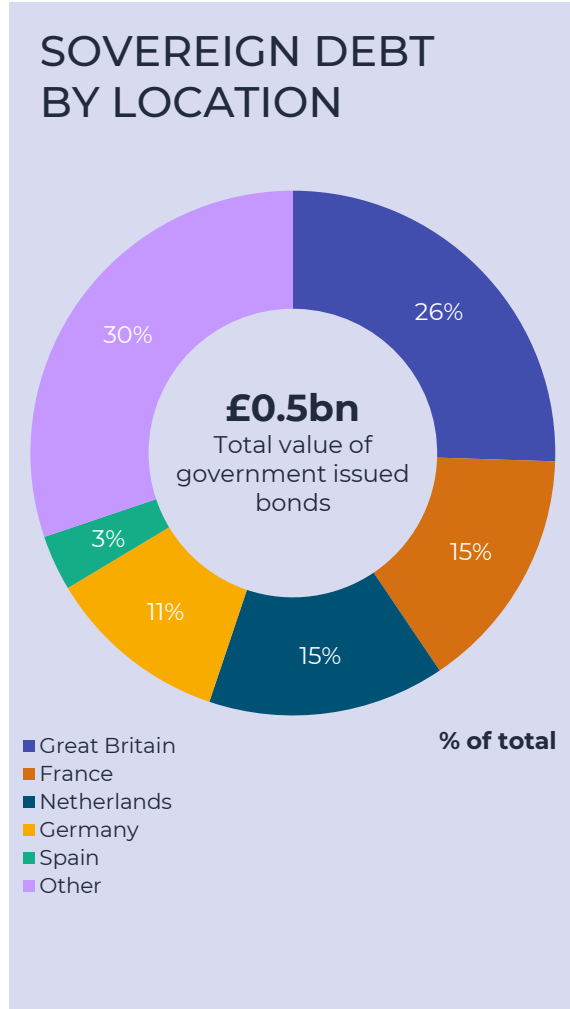
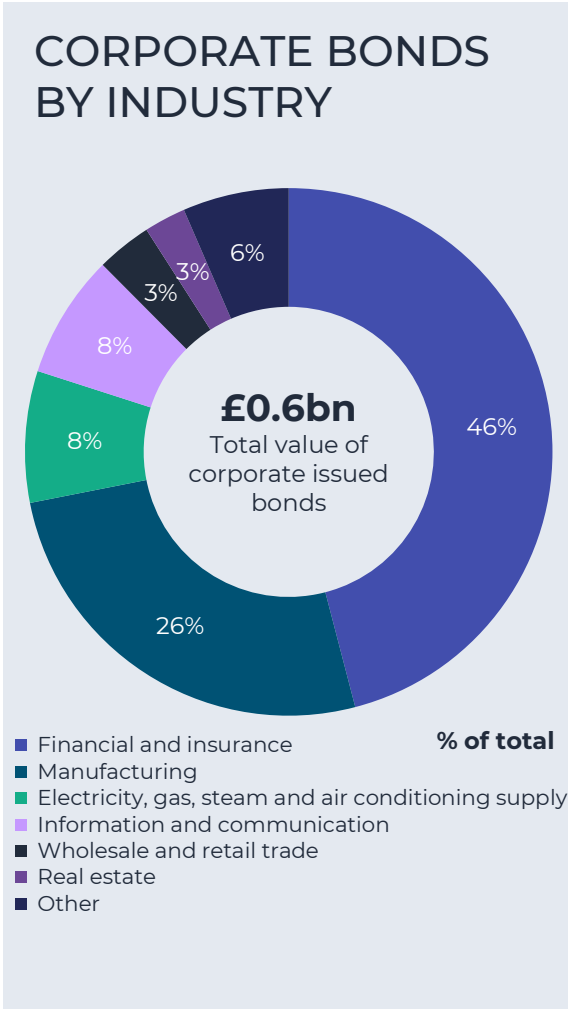
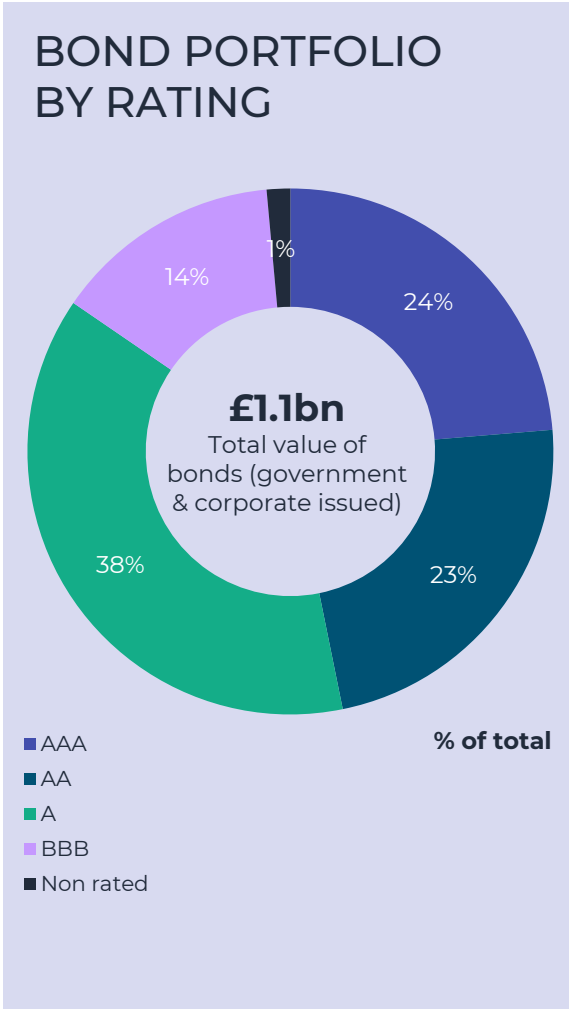
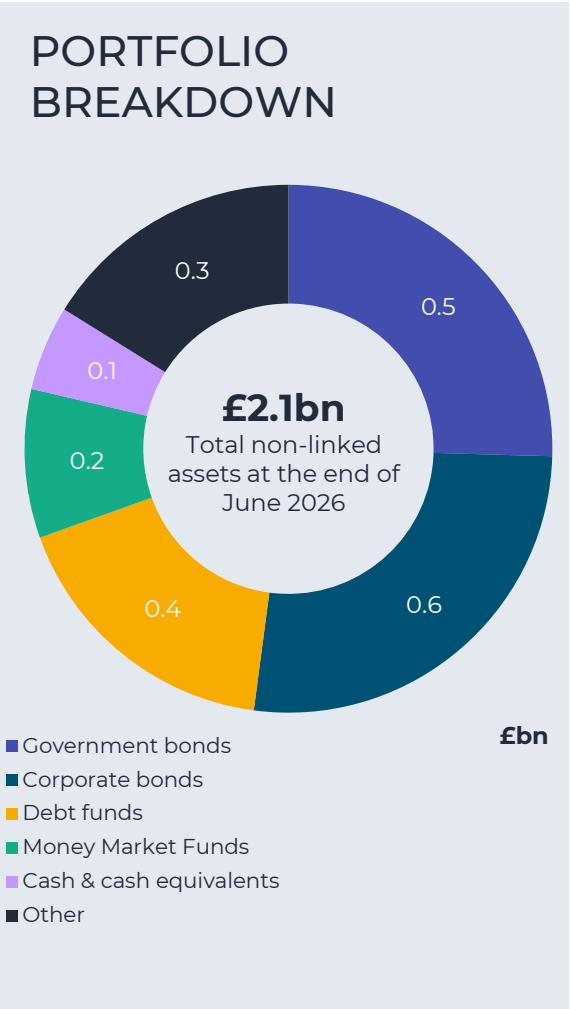


■ Unit-linked ■ Non-linked

NON-LINKED ASSETS



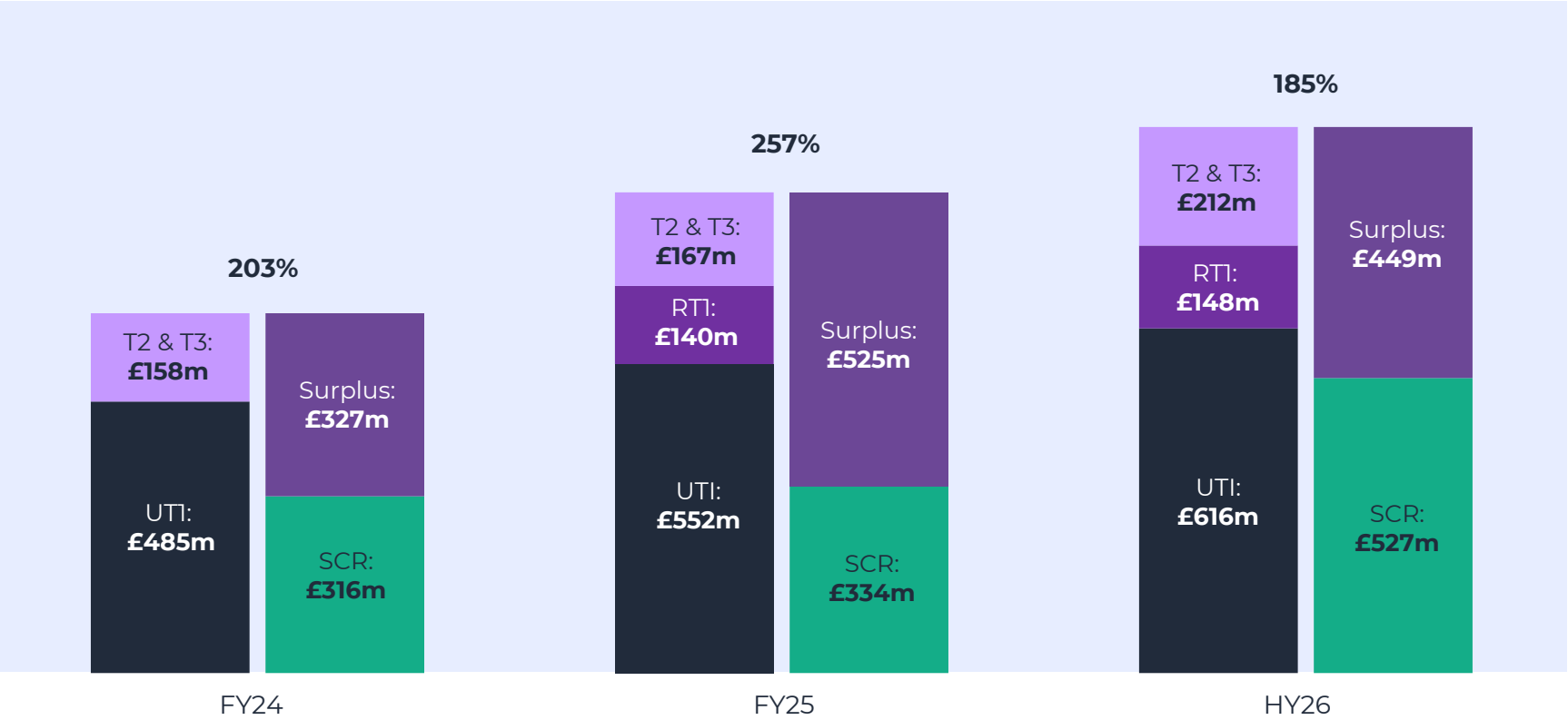
High-quality shareholder asset portfolio; 99% bonds externally-rated at investment grade



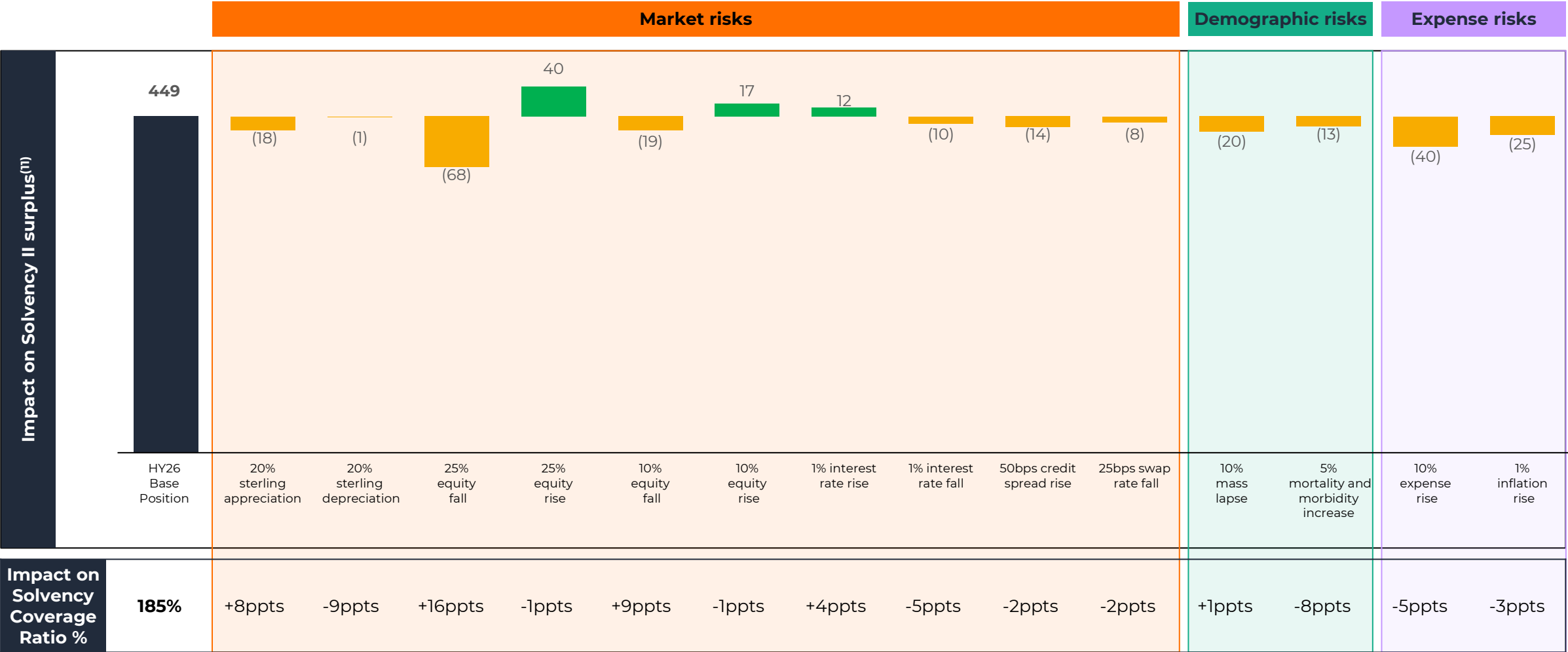
SOLVENCY II



Solvency Coverage Ratio **down 72ppts** to **185%** at the end of June 2026 driven by the acquisition of Chesnara Life UK, **ahead of FY25 proforma and above** upper end of target operating range



THERE HAS BEEN NO MATERIAL CHANGE IN THE GROUP'S SENSITIVITIES POST CHESNARA LIFE UK ACQUISITION

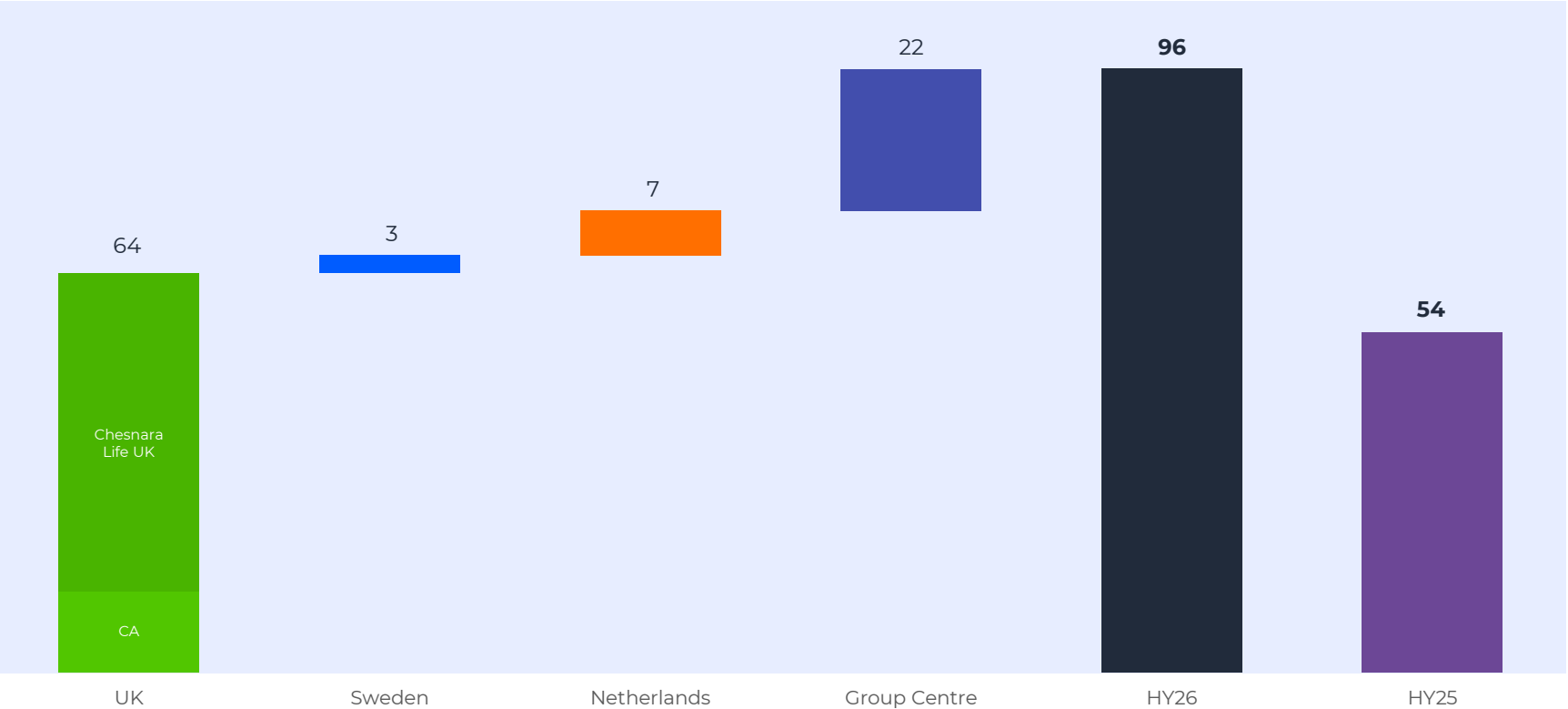


OPERATING CAPITAL GENERATION



↑ **79%**

- Incremental OCG from Chesnara Life UK of £51m supported by capital optimisation actions
- Robust operating performance across the Group



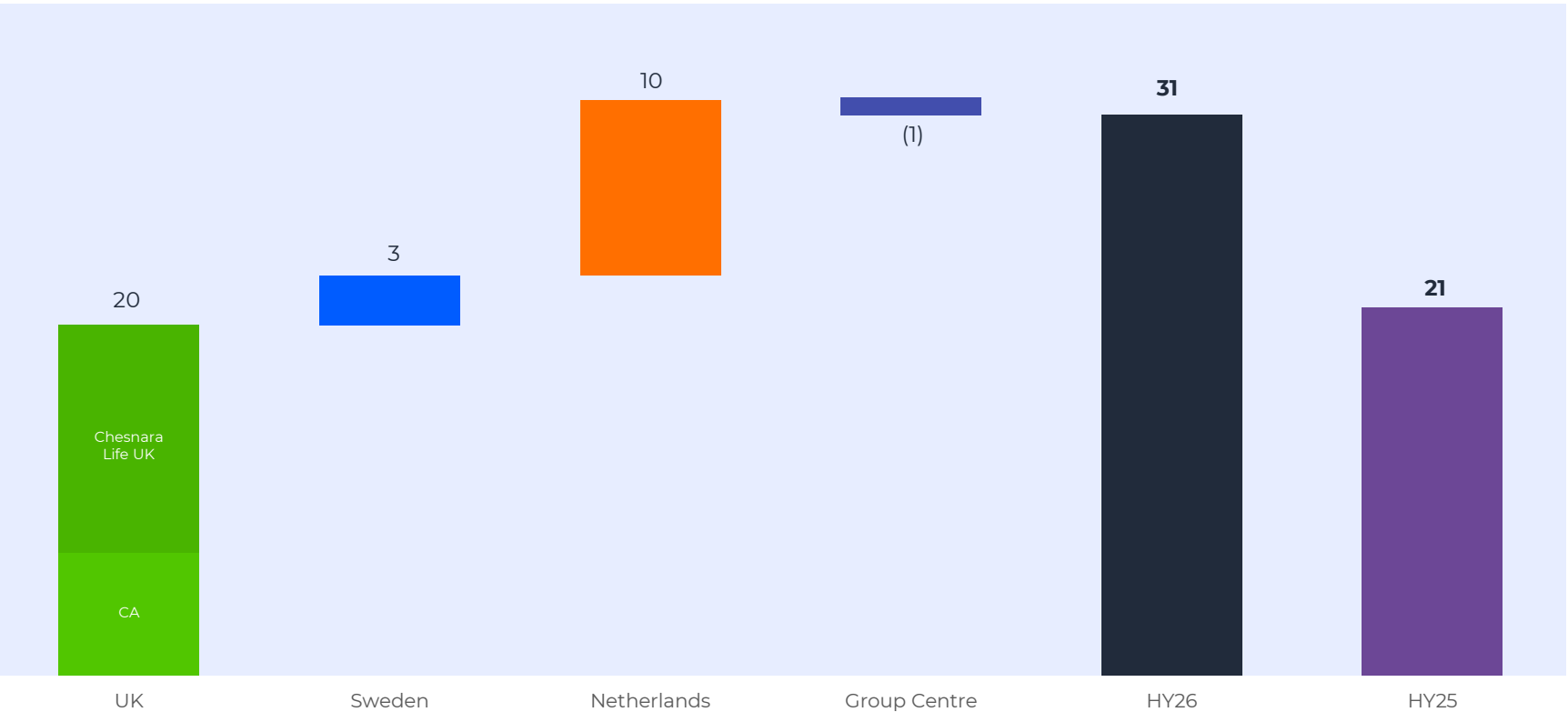
ADJUSTED OPERATING PROFIT



↑46%

○ Incremental AOP from Chesnara Life UK of £13m

○ Robust operating performance across the Group

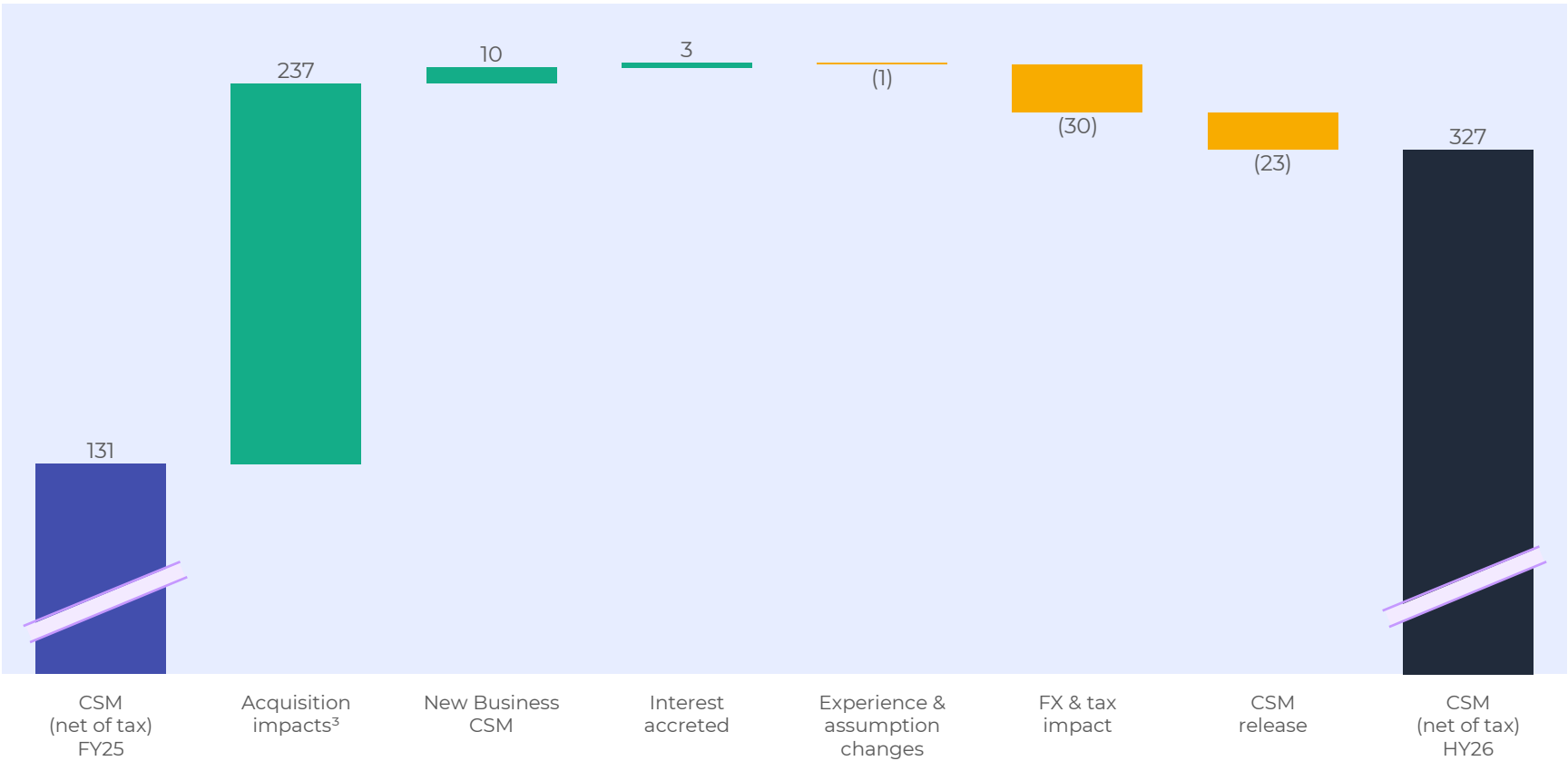


IFRS BALANCE SHEET - CSM

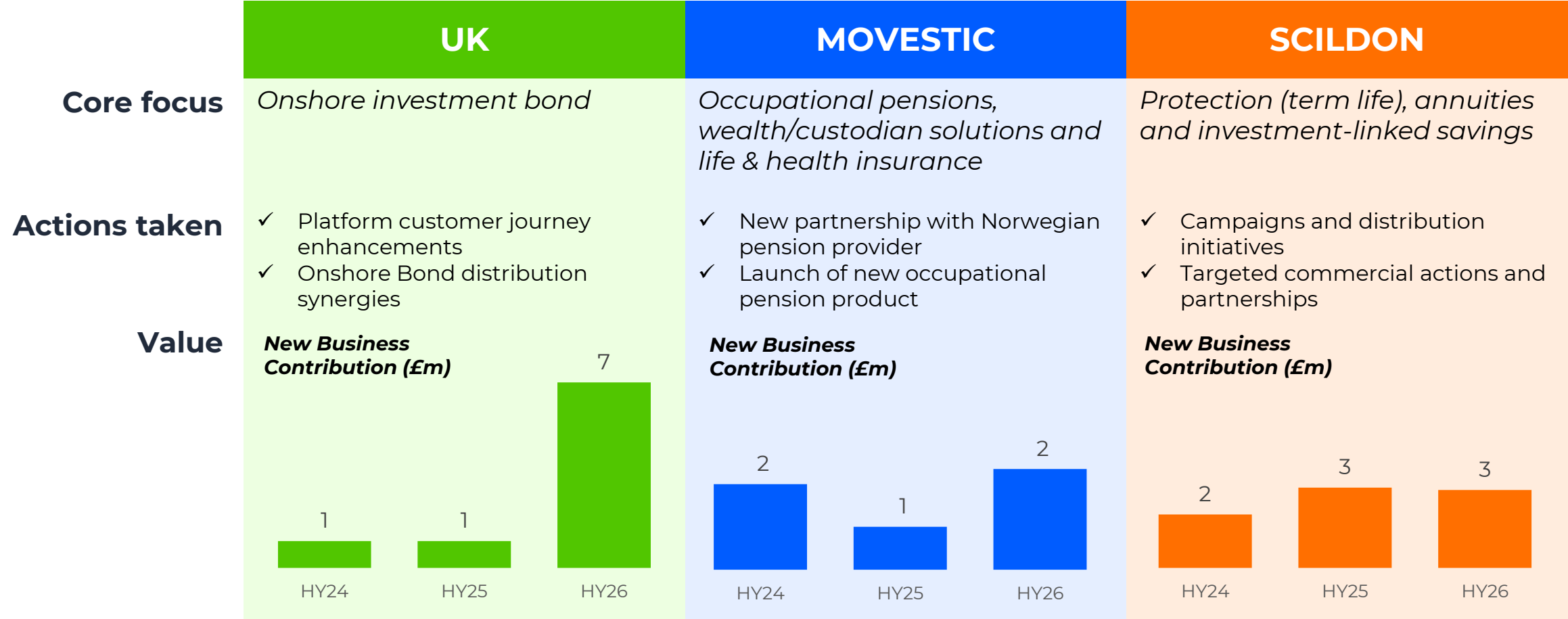


↑£196m
Of CSM growth

Significant increase in the future store of profits generated from the acquisition of Chesnara Life UK



CHESNARA LIFE PROVIDES MATERIAL NEW BUSINESS SCALE POTENTIAL



SUSTAINABILITY COMMITMENTS AND 2026 DELIVERY



Our sustainability strategy underpins our three strategic objectives. We are actively prioritising the management of sustainability-related risks and opportunities



DO NO HARM. DO GOOD. ACT NOW FOR LATER.

OUR 2026 DELIVERY					
Enhancing our management of climate-related risks, in line with the PRA's Supervisory Statement 5/25	Deepening our social value impact across the group, including through charity partnerships, internships and volunteering	Taking action in line with our Climate Transition Plan including reducing our operational footprint by closing our Wognum office	Continuing to identify opportunities to direct capital into positive solutions	Continuing to embed sustainability into our governance processes, decision making and key partner engagement	Increasing disclosure and reporting of actions we're taking

DIVIDEND HISTORY



Interim Final

FOOTNOTES



SUMMARY OF FOOTNOTES USED THROUGHOUT THE PRESENTATION

(1)	Verified by RBC research.
(2)	Assets under Administration (AUA) includes the pro forma impact of the second Canada Life portfolio acquisition following completion of the Part VII transfer and subsequent migration by early August 2026.
(3)	For OCG, this Includes mass lapse reinsurance and the introduction of Loss Absorbing Capacity of Deferred Taxes (LACDT) in Chesnara Life UK, and the central diversification benefits of the acquired SCR. For Own Funds and Solvency Coverage Ratio charts, this refers to the day one Own Funds and SCR impact of acquiring the Chesnara Life UK business. On the CSM chart, this represents the day one acquisition CSM of the Chesnara Life UK business.
(4)	Non-operating includes investment variances, FX translation movements, integration & restructuring spend and movements in the solvency II tiering restrictions, plus some other smaller impacts.
(5)	SWE completion is subject to regulatory approval.
(6)	Defined as 'Cash & Cash equivalents'.
(7)	Deal metrics taken from the respective regulatory announcement, unless newer information is available.
(8)	Based on Group Solvency II Best estimate of Liabilities (BEL) as at 30 June 2026.
(9)	Own Funds and AUA UK results include Countrywide Assured, Chesnara Life and Group Centre.
(10)	FY 2025 data has been used for Chesnara Life UK due to current data availability.
(11)	SII sensitivities have been calculated based on the balance sheet at 30 June 2026 which includes the impacts from Chesnara Life UK. Scottish Widows Europe SA has not been included.

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