QUANTUM INSURANCE LTD

ANNUAL REPORT - YEAR ENDED

DECEMBER 31,2025

QUANTUM INSURANCE LTD

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The Directors have the pleasure to submit the Annual Report of Quantum Insurance Ltd together with the audited financial statements for the year ended December 31, 2025.

1. PRINCIPAL ACTIVITIES

The principal activity of the Company is to underwrite short term insurance business which currently includes line of business such as Motor - Comprehensive and Third Party Liability, House insurance - property damage and allied perils, Travel insurance, Liability insurance, Accident and Health, and Engineering.

2. DIRECTORS

The name of directors of the Company at the end of the accounting period are:
Mr. Ron Hertshten
Mr. Dhiresh Jayantilal Shah
Mr. Mohamed Iqbal Rajahbalee
Mr. Alfred Joseph Gerard Robert Alain Rey
Mr. Devesh Bose Biltoo
Mr. Martin Aloysius Weintz (Chairman)
Mr. Zaheer Ahmad Hassen Oaris (Resigned on 01 October 2025)
Mr. Kritish Veeren (Appointed on 18 December 2025)

3. DIRECTORS' SERVICE CONTRACTS

The Executive Directors, namely Mr. Devesh Bose Biltoo, Mr. Zaheer M. Oaris (resigned on 01st October 2025) and Mr. Kritish Veeren (appointed on 18th December 2025), the Independent Non-Executive Directors, namely Mr. Alfred Joseph Gerard Robert Alain Rey and Mr. Mohamed Iqbal Rajahbalee, the Chairman of the Board,namely Mr. Martin Aloysius Weintz, a non executive Director, have service contracts with the Company. The other non-executive Directors do not have any formal service contracts.

4. DIRECTORS' REMUNERATION AND BENEFITS

Remuneration and benefits received, or due and receivable from the Company during the year are as follows:

	2025	2024
	Rs.	Rs.
Executive directors - Full-time	**7,173,607**	6,815,370
Non-executive directors	**4,435,736**	2,185,736
	11,609,343	9,001,106

5. CONTRACTS OF SIGNIFICANCE

There were no contracts of significance subsisting during the period to which the Company is a party and in which a director is or was materially interested, either directly or indirectly.

6. INTERESTS OF SENIOR OFFICERS IN EQUITY SECURITIES

	DIRECT INTERESTS		
	No. of shares	**Holding**	**Amount**
2025		**%**	**Rs.**
Name of Senior Officer:			
Mr Devesh Biltoo	**3,000,000**	**0.53%**	**3,000,000**
2024			
Name of Senior Officer:			
Mr Devesh Biltoo	3,000,000	0.53%	3,000,000

7. DONATIONS

No charitable donations were made during the financial year (2024: Rs.17,471). No political donations were made during the financial year (2024: None).

8. AUDITORS' FEES

The fees paid to the auditors, for audit and non-audit services were:

	2025	2024
	Rs.	Rs.
Audit fees	**815,350**	776,250
Non-audit fees*	**96,600**	92,000
	911,950	868,250

*Non-audit fees relate to fees for review of regulatory filing reports as approved by the Audit and Risk Committee.

Approved by the Board of Directors on 24th March 2026
and signed on its behalf by :

Director

Director

Date : 24 MAR 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors acknowledge their responsibilities for:

(i) adequate accounting records and maintenance of effective internal control systems;

(ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards")

(iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements.

(iv) establish an internal audit function to ensure internal controls are in force.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The directors report that :

(i) adequate accounting records and an effective system of internal controls and risk management and internal audit function have been maintained;

(ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

(iii) IFRS Accounting Standards have been adhered to. Any departure in the interest of fair presentation has been disclosed, explained and quantified.

(iv) The Mauritian Code of Corporate Governance has been adhered to. Reasons have been provided in the Statement of Compliance in case of non-compliance with any requirement.

Signed on behalf of the Board of Directors on 24th March 2026

..... **Director**

..... **Director**

Quantum Insurance Ltd (hereinafter referred to as '*Quantum*' or '*the Company*') is a private company limited by shares as per the Companies Act 2001 of Mauritius

Quantum holds a General Insurance Business Licence from the Financial Services Commission since November 21, 2014.

As an insurer, the Company's business is to establish contracts under which insurance cover is provided. A contract of insurance is, in essence, an agreement entered into by the Policyholders and the Company in good faith. The notion of good faith implies the element of trust and confidence in the relationship between the parties to the insurance contract. The Company is committed to fulfilling its obligations as an insurer by applying industry best practices and upholding the highest standards of ethical and professional conduct in all its dealings with stakeholders.

The Company has undertaken to report and abide by the principles of The National Code of Corporate Governance of Mauritius (2016) (hereinafter referred to as the "Code") within the limits of the size and complexity of its activities.

Pursuant to the First Schedule of the Financial Reporting Act 2004 of Mauritius, Quantum qualifies as Public Interest Entity as the Company is a financial institution regulated by the Financial Services Commission and qualifies as an insurance company, other than companies conducting external insurance business, licensed under the Insurance Act of Mauritius

Principle 1: Governance Structure

The Board assumes responsibility for leading and controlling the Company under the effective oversight and long-term financial sustainability.

Board Charter

The Board Charter of the Company (*'the Board'*) was adopted. and published on its website at CORPORATE GOVERNANCE - Quantum Insurance.

Code of Ethics

The Company has adopted a Code of Ethics that is appropriate and proportionate to its lean business model.

The Code of Ethics binds the Directors, Officers and the employees of the Company. The Code of Ethics has been approved by the Board of Directors and published on its website: CORPORATE GOVERNANCE - Quantum Insurance.

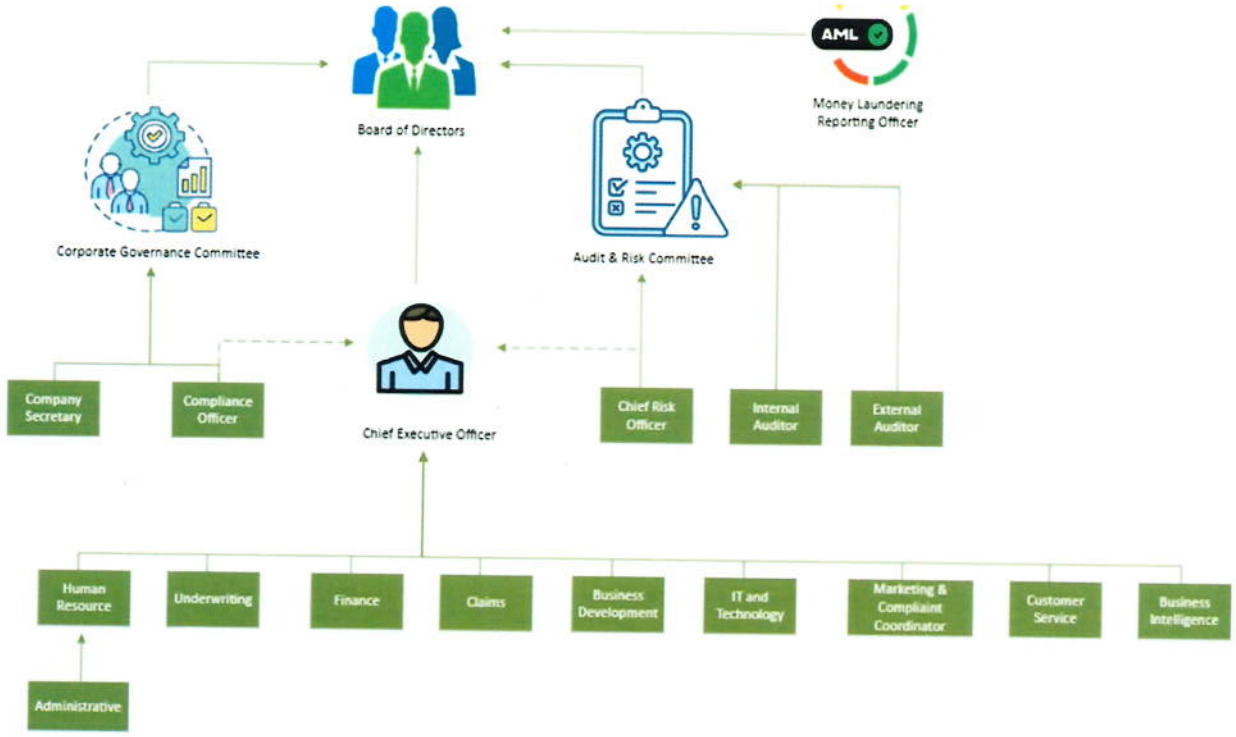
Senior Governance Positions and accountabilities

As of December 2025, the following people were senior officers who held senior governance positions within the Company:

- Mr. Devesh Biltoo (Chief Executive Officer and Executive Director)
- Mr. Kritish Veeren (Executive Director)

The above-mentioned senior governance positions are answerable and ultimately accountable to the Board of Directors.

The Organisation Chart of the Company is as follows:



Principle 2: The Structure of the Board and its Committees

2.1 Composition

Quantum is headed by a unitary Board composed of 7 Directors. The Board maintains an appropriate balance of executive, non-executive, and independent directors, consisting of two independent Directors and two Executive Directors, thereby ensuring a strong management presence and effective oversight.

As of December 31, 2025, the Board composed of 7 Board Members with the following composition:

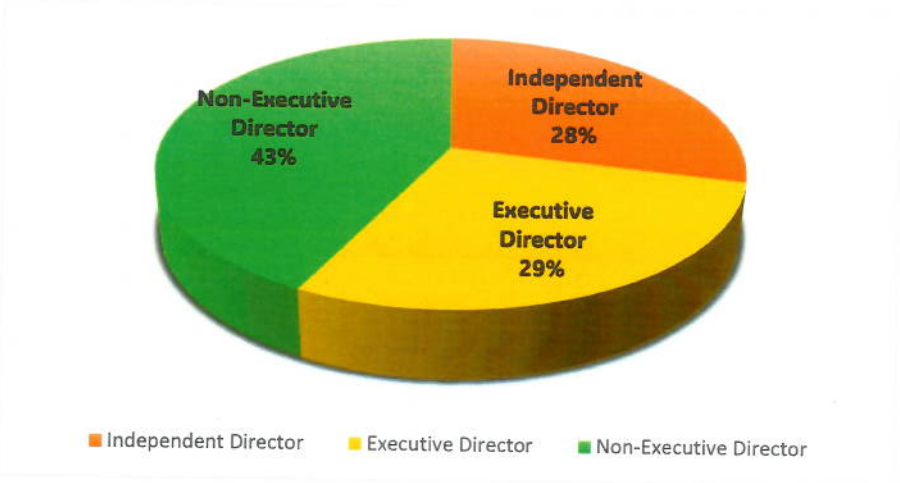
- Two Independent Non-Executive Directors
- Two Executive Directors
- Three Non-Executive Directors

The independence and gender balance criteria are given due consideration as the Company firmly believes that the selection process in appointment of a director should prioritize the candidate's technical knowledge of the sector but also experience that will add value to the Board's discussion and furtherance of the Company's growth as opposed to a box ticking exercise.

In accordance with Principle 2 of the National Code of Corporate Governance, the Board affirms that a sufficient number of Directors do not have a relationship with the majority shareholder, Hertshten Group Limited. While three Directors hold positions within the Hertshten Group, the Board comprises a majority of Directors, including two Independent Non-Executive Directors, who do not have any business, financial

or other relationship with the majority shareholder. The Board considers that this composition ensures independence of judgement, objectivity and effective oversight of management.

All members of the Board of Directors have been approved as officers by the Financial Services Commission of Mauritius in accordance with the applicable regulatory requirements.



2.2 Board and Board Committees Attendance

Directors	Board of Directors	Audit & Risk Management Committee	Corporate Governance, Nomination & Remuneration Committee
Mr. Martin Aloysius WEINTZ	3	-	-
Mr. Ron HERTSHTEN	3	-	-
Mr. Devesh Bose BILTOO	3	-	-
Mr. Kritish Veeren	3	-	-
Mr. Alfred Joseph Gerard Robert Alain REY	3	1	1
Mr. Iqbal RAJAHBALEE	3	1	1
Mr. Jayantilal Dhiresh SHAH	3	1	1

2.3 Expertise and Specialisation

Name	Type of Directorship / Board Committee Membership	Nationality / Residency	Gender	Qualification	Expertise	Other Directors
WEINTZ Martin Aloysius	Independent Non-Executive Director, Chairperson of the Board of Directors	German/ Mauritian	Male	- Applied Foreign Languages at Sorbonne University in Paris	- International Network Manager at GESA Assistance - Mutuaide Assistance within the Indian Ocean - AXA Assistance	- Bizz Consult International - Msaada International - Byhand International - Awetu International Ltd - Gaz Equipment Ltd - Tailblazsers International Ltd
Ron Hertshten	Non-Executive Director	Israeli	Male	- MBA from Yale School of Management and - BA in Economics and Political Science from University of Michigan	- Tactical and Business Solutions Management - Leadership and People management Skills - Analytics and Strategic skills	- Hertshten Group Limited, - Hertshten Properties Limited - Mercury Derivatives Trading Limited
Devesh Bose Biltoo	Chief Executive Officer and Executive Director	Mauritian	Male	- Associate of the Chartered Insurance Institute of the United Kingdom, - BSc in Economics and Mathematics from University of Witwatersrand.	- Good Leadership and Management expertise - Human Resource - Financial monitoring and analysis	Hertshten Group Limited

					- Business Development	
Kritish Veeren	Executive Director	Mauritian	Male	- Association of Chartered Certified Accountants – Advanced Diploma in Accounting and Business	- Leadership and Management Skills - Financial monitoring and analysis	-
Alfred Joseph Gerard Robert Alain Rey	Independent Non - Executive Director and Chairperson of the Audit and Risk Management Committee	Mauritian	Male	- BSc Economics from the London School of Economics and Political Science and - Member of Institute of Chartered Accountants of England and Wales	- Good Leadership and Management expertise - Financial monitoring and analysis - Analytics and strategic skills	- Terra Mauricia Ltd, - New Mauritius Hotels Ltd - Terra Foundation, - Terra Finance Ltd
Mohamed Iqbal Rajahbalee	Non - Executive Director and Chairperson of the Corporate Governance, Nomination & Remuneration Committee, also member of the Audit and Risk Management Committee	Mauritian	Male	- Master's degree in law (LLM) from London School of Economics and Political Science and admitted to the Middle Temple Inn of Court London due to his qualification at the London Council of Legal Education.	- Leadership Skills - Litigation counsel, legal advisory work, legal drafting, practised at the Mauritian Bar mainly in Corporate and Commercial as Senior Counsel	- Absa (Mauritius) Ltd, - The KIBO II LLC - Axis Holdco Limited
Dhiresh Jayantilal Shah	- Non - Executive Director, - Member of Audit and Risk Management Committee - Member of the	British	Male	- BSc in Management Science from the London School of Economics in 1985 - Member of the Chartered Institute of	- Advisory services on strategic finance, global structuring, tax optimization, accounting, risk management, due diligence, and acquisitions.	- Hertshten Group Limited, - Mercury Derivatives Trading Limited - Hertshten Properties Limited

	Corporate Governance Nomination & Remuneration Committee			Taxation in 1989	- Leadership and Management Skills	

The Board of Directors hereby attest that it's size and level of diversity is commensurate with the sophistication and scale of the organisation.

More on the profile of the Members of the Board of Directors can be found on our Website at CORPORATE GOVERNANCE - Quantum Insurance.

Company Secretary - NWT (Mauritius) Limited

NWT (Mauritius) Limited holds a management license and is regulated by the Financial Services Commission ("FSC") of Mauritius. NWT (Mauritius) Limited offers trust, corporate and fund solutions to corporate entities, high net worth individuals, fund managers and promoters.

Mr. Ritesh Kumar Bissessur, acting for and on behalf of NWT (Mauritius) Limited, holds a Bachelor of Commerce with specialisation in Business Administration and is a member of the Society of Trust and Estate Practitioners (STEP). He has been with Deutsche Bank Limited for 7 years where he acquired skills and experience in the trust and corporate services unit.

Board Committees

Given the nature and complexity of the activities of the Company, the following Committees have been set up:

- Audit and Risk Committee (ARC)

The Committee has two functions:

- an audit function, with a focus on assurance arrangements over: governance, financial reporting, annual report, and accounts, including the governance statement.
- a risk assurance function, with a focus on ensuring there is an adequate and effective risk management and assurance framework in place.

The charter of the ARC is published on the Company's website at CORPORATE GOVERNANCE - Quantum Insurance.

Corporate Governance, Nomination and Remuneration Committee

The Committee when assisting the Board is fulfilling its responsibilities with respect to:

i. the overall approach to corporate governance of the Company
ii. corporate social responsibility and related environmental, social and governance ("ESG") matters
iii. ascertaining the appropriate composition of the Board and endorsing the nomination of suitable Board Members to the Board and its committees in line with the guidelines on the nomination procedures;

iv. the assessment of the performance of the Board, Board Committees, each Board Member, and the Executives.
v. orientation and continuing education for directors
vi. the endorsement of the remuneration policy, strategy, and guidelines of the Company.

Principle 3: Director Appointment Procedures

In compliance with the Corporate Governance, Nomination and Remuneration Charter, the Company's constitution and the relevant local legislations and regulatory requirements, the Company assumes the responsibility for appointment of Directors and its succession planning program.

When appointing new Directors, Quantum takes cognisance of the needs of the Company in terms of skills, experience, diversity, size, and regulatory requirements.

Principle 4: Directors' Duties, Remuneration and Performance

Directors are aware of their fiduciary and legal duties. Members of the Board are briefed on their legal duties by the Company Secretary.

a) Conflict of interest

Management of Conflict of interest is guided under the Code of Professional Ethics and Conduct.

Directors declare any conflicts at each Board meeting, if any. They are also encouraged to declare conflicts as and when they arise.

Conflicts of Interest are classified according to severity levels.

The Company has adopted a Code of Professional Ethics and Conduct. The Company's Pledge, reflecting its commitment to ethical and professional conduct, is available on the Company's website: CORPORATE GOVERNANCE - Quantum Insurance.

(i) Board Evaluation

The Board self-evaluation was conducted in October 2025.

A summary of the results of the Board Self-evaluation is as follows:



Status	Average of Median_score2
PRINCIPLE 1	4
PRINCIPLE 2	5
PRINCIPLES 2/4	4
PRINCIPLES 2/5	4
PRINCIPLE 2/5/7	4
PRINCIPLE 3	4
PRINCIPLE 4	5
PRINCIPLE 4/7	4
PRINCIPLES 4/5/8	4
PRINCIPLE 5	4
PRINCIPLE 5/7	4
PRINCIPLE 7	4
Grand Total	4

Methodology and ratings

A Questionnaire was sent to the Directors of the Company where the Board Self-Evaluation was conducted for the assessment on each the Corporate Governance principles, their implementation by the Company and their effectiveness.

The ratings ranged from 1 - "Strongly Disagree," 2 - "Disagree," 3 - "Neutral/Not Sure," 4 - "Agree," 5 - "Strongly Agree".

An external facilitator for Board Evaluation will be appointed in 2027.

(ii) Directors' remuneration

It is the policy of the Company to renumerate its non-executive and independent directors as Board Members.

The remuneration for the period ended 31 December 2025 is as follows:

Director	Fees
Mr. Mohamed Iqbal Rajahbalee	MUR 417,868
Mr. Alain Rey	MUR 417,868
Mr. Martin Aloysius Weintz	MUR 3,600,000
Mr. Shah Jayantilal Dhiresh	NIL*

**Mr. Shah Jayantilal Dhiresh is being paid by Hertshten Group Limited, the parent Company of Quantum Insurance Ltd*

Executive Directors do not receive additional remuneration as Board Members. Their salaries and benefits are disclosed in their respective Contracts of Employment. The Company chooses not to disclose their remuneration package given that the Company's sector of operation is highly competitive.

i. Professional Development

At Quantum, professional development of all employees and directors is critical to business success.

The Board, following recommendation of the Corporate Governance, Nomination & Remuneration Committee, shall set up a Professional Development Program for all its staffs and directors.

ii. Information, information technology, and information security policy (*'IT'*)

The Company is registered with the Data Protection Office as a Data Controller. The Company has adopted Data, Privacy and Website Policies.

Principle 5: Risk Governance and Internal Control.

In accordance with the Insurance (Risk Management) Rules 2016 issued by the Financial Services Commission, the Board shall ensure the Company has an effective Risk Management Framework.

The Audit and Risk Management Committee shall oversee and monitor this process and report to the Board with recommendation.

The Risk Management Framework must be:

- implemented and effective;
- still appropriate for the insurer considering the current business model;
- consistent with the insurer's risk appetite;
- supported by adequate resources; and
- accurately documents key elements of the insurer's strategy for managing.

The Company's Risk Management Framework consists of all the strategies, systems, policies, processes, controls, and resources for identifying, assessing, managing, monitoring, and reporting on all material risks to which the Company is exposed.

The various risk management activities can be grouped under the following main categories:

- *Risk Governance*

The Allocation of roles and responsibilities, and the risk committees that constitute the Risk Management Framework within the Company and the Documented Risk Management Framework.

The Documented Risk Management Framework refers to the policies and other documentation required to ensure that the various risk management policies are adequately documented.

- *Risk Culture*

The Company recognizes that an effective risk culture is fundamental to sound risk governance. The Board and senior management promote a culture of integrity, accountability, and prudent risk-taking across all levels of the organization, ensuring that employees understand their roles in identifying and managing risks within their areas of responsibility.

- *Risk Strategy*

The type of business and risks the Company is willing to participate in and provides guidance on the approach to measuring and managing risk and return, consistent with the overall business strategy.

- *Risk Management Process*

Describes the various processes used to identify, assess, manage, monitor, and report on all material risks within the Company. The risk management process takes the probability and potential impact of risks into account.

• *Risk Resources*

The people and technology that enable the Risk Management Framework within the organisation; this is being the Risk Officer and the Compliance Officer. The Company also relies on actuarial expertise to quantify risk exposures and assess capital adequacy within the Own Risk and Solvency Assessment (ORSA) process.

The Company's Risk Management Framework components are:

- Risk Management Strategy
- Risk Registers
- Risk Appetite Statements
- Liquidity Policy
- ORSA Report
- Three Year Business Plan
- Management Information Systems that support the Risk Management process
- A designated Risk Management Function
- Documented Roles and Responsibilities within the Company

The Company has appointed a duly qualified Consultant, KA Pandit to carry out a yearly Independent Review of the ORSA.

5.1. Internal Control Systems and Assurance

Quantum Insurance Limited believes that internal controls serve as the organisation's first line of defence.

Internal Controls are intended to not only ensure go beyond regulatory compliance but to protect assets, mitigate risks, boost efficiency, prevent fraud, increase information accuracy and improve financial reporting.

As such, the company has an established comprehensive internal control system which has been developed and designed as per its line of activities. Quantum's internal control include:

- Documented process and policies
- Segregation of duties across key functions such as Underwriting, Claims and Finance
- System-based controls
- Internal audit reviews

5.2. Board Assurance on The Effectiveness of Internal Controls

The following reporting mechanisms are in place to provide the Board with assurance on the effectiveness of the Company's internal control systems:

- Internal Audit: Lancasters Chartered Accountants is the Internal Audit function that oversee the internal controls in place within the Company and reports to the Audit & Risk Committee and ultimately to the Board of Directors
- The Risk Officer ensures that she puts in place the risk register and updates it as and when required but also to design and implement the Risk Management framework of the Company in line with the Insurance Act 2007 and its rules and regulations. The Risk Officer reports to the Audit & Risk Committee and eventually to the Board of Directors

- The Compliance and Money Laundering Reporting Officer is engaged in the design, set up and implantation of the regulatory compliance framework of the Company as a Financial Services Commission's licensee. This senior governance position reports to the Board of Directors provide regular updates with regards to risks and compliance matters
- The Management provide reports to the Board with regards to the business performance, operational developments and any issues that may impact the strategic plan or objectives of the Company
- Internal and External Audit reports provide the Board an independent assurance with regards to the effectiveness of the internal controls in place
- As the Audit and Risk Committee oversee the financial reporting, internal controls and risk management of the company, it provides the Board assurance in this regard.

5.3. Risks in the Internal Control Environment

Quantum Insurance agrees that although the above internal controls are in place, it does not provide complete assurance with regards to risks or any potential failures. The company, with regards to its internal control environment acknowledge that the below risks may still arise:

1. Operational risks

2. Outsourcing risks

3. Cybersecurity risks

4. Climate change related risks

To minimize the realisation of those risks, the company conducts staffs' awareness, continuous monitoring, and periodic reviews of existing controls

5.4. Internal Audit Function

Quantum Insurance Ltd confirms that the company has an internal audit function. The company outsource this function to Lancasters Chartered Accountants to provide an independent, and objective oversight. The Internal Auditor performs regular reviews (financial and non-financial), and reports to the Audit and Risk Committee.

5.5. External Audit

The Board encourages consultation between internal and external auditors.

For independence of the External Auditors, the Board has decided to consider putting the external audit contract out to tender in 2026.

Principle 6: Reporting with Integrity

The Board is responsible for the preparation of the accounts, and the financial statements present fairly the state of affairs of the Company.

Concisely, the financial, environmental, social and governance position are as follows:

i) Environmental issues impact

The Company is conscious of the impact that its operations have on the environment and strives to ensure an environmentally friendly workplace.

The Company shall address through its Corporate Governance Committee the Environmental, Social, and Governance (ESG) directives during the year 2026 and report on its steps undertaken to implement this at the level of the Company.

ii) Health and Safety Issues

The Company strictly abides by all the requirements of the Worker's Right and Occupational Health and Safety Act.

Corporate Social Responsibility
The Company has not paid any amount towards CSR for the year ended 31 December 2025.

Charitable and Political Contributions
No contributions have been made in 2025 to charitable organisation or political parties.

Principle 7: Audit

External Audit

Auditors are reappointed every year at the Annual General Meeting of the shareholders. External Auditors do not provide any non-audit services.

Principle 8: Relations with Shareholders and Other Key Stakeholders

The Company's Ultimate Beneficial Owner is Hertshten Group Limited at 93.81% of shareholding.

The Non-executive and Executive Directors of Quantum Messrs. Dhiresh Jayantilal Shah, Ron Hertshten and Devesh Bose Biltoo who are also Directors of Hertshten Group Limited. They have been appointed as direct conduits between the Shareholders and the Company to enable the flow of information.

An Annual General Meeting of Quantum Insurance is held on a yearly basis in compliance with its Constitution and the law.

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act)

Name of Public Interest Entity: **Quantum Insurance Ltd**

Reporting Period: Year ended 31 December 2025

Throughout the year ended 31 December 2025, to the best of the Board's knowledge, **Quantum Insurance Ltd,** has complied with principles of the National Code of Corporate Governance of Mauritius (2016). The Company has applied all the principles set out in the Code and has explained how these principles have been implemented within its governance framework.

Director

Director

Date: 24th March 2026

QUANTUM INSURANCE LTD

SECRETARY'S CERTIFICATE - YEAR ENDED DECEMBER 31, 2025

In accordance to Section 166(d) of the Companies Act 2001 of Mauritius, we certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 31 December 2025, all such returns and forms as required under the Companies Act 2001 of Mauritius

NWT (Mauritius) Limited

Company Secretary

Date: 24th March 2026

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Report on the audit of the financial statements

Opinion
We have audited the financial statements of Quantum Insurance Limited (the "Company") as set out on pages 6 to 36, which comprise of the statement of financial position as at 31 December 2025, statement of profit or loss and other comprehensive income, statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of the financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and in compliance with the requirements of the Companies Act 2001 of Mauritius, the Financial Reporting Act 2004 of Mauritius and the Insurance Act 2005 of Mauritius.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (*including International Independence Standards)* (the "IESBA Code"), together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius. We have fulfilled our other ethical responsibilities in accordance with these requirements and to the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide an opinion on these matters. For the key audit matters below, our description of how our audit addressed the matter is provided in that context.

IFRS 17 Insurance Contracts

The Company continues to apply IFRS 17 Insurance Contracts which was adopted since 1 January 2023 using the full retrospective approach.

RSM (Mauritius) is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Report on the audit of the financial statements (Continued)

Key Audit Matters (Continued)

IFRS 17 Insurance Contracts (Continued)

The application of IFRS 17 remains complex and involves significant judgement and estimation by management.

Given the complexity of the standard and the significant judgements and estimates applied, the application of IFRS 17 continues to be a key audit matter.

How the matter was addressed in our audit

Our procedures in respect of this key audit matter included:

We performed the following procedures in conjunction with our actuarial specialist:

- Obtained an understanding of management's processes and controls over the ongoing application of IFRS 17, including updates to accounting policies, models and assumptions used.
- Evaluated the appropriateness of the methodologies applied in measuring insurance contract liabilities and reinsurance assets under IFRS 17.
- Assessed the reasonableness of significant assumptions used by management (including risk adjustment, discount rates, expense assumptions and contract boundary determinations), with reference to historical data, industry benchmarks and our actuarial specialist's expectations.
- Tested the completeness and accuracy of underlying insurance contract data used in the calculations.
- Reperformed the mathematical accuracy of a sample of calculations supporting the measurement of insurance contract liabilities and reinsurance assets.
- Assessed whether the disclosures in the financial statements appropriately describe the Company's application of IFRS 17, including the key judgements and sources of estimation uncertainty.

Valuation of (Re)Insurance Contract Assets and Liabilities

The valuation of (Re)Insurance contract assets and liabilities involves significant judgment and estimation, particularly in relation to:

- the estimation of the present value of future cash flows;
- the assessment of eligibility for the PAA; and
- the estimation of liabilities for incurred claims.

The key cash flow elements include expected premium receipts, ultimate cost of claims, and the allocation of insurance acquisition cash flows within contract boundaries. The measurement of these liabilities requires the use of complex methodologies, significant assumptions, and actuarial expertise. Key areas of estimation include the appropriateness of methodologies applied, reliability of underlying data, selection of assumptions (such as claims development patterns, lapse rates, and discount rates), and the determination of discount rates to derive present values.

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Report on the audit of the financial statements (Continued)

Key Audit Matters (Continued)

Valuation of (Re)Insurance Contract Assets and Liabilities (Continued)

Given the degree of judgment, complexity, and estimation uncertainty involved, the valuation of (Re)Insurance contract assets and liabilities is considered a key audit matter.

How the matter was addressed in our audit

Our procedures in respect of this key audit matter included:

- Understanding and evaluating the process, the design and implementation of controls in place to determine valuation of contract assets and liabilities.
- Assessment of the competence, capabilities and objectivity of the management appointed actuary and our external experts.
- Tested the completeness, and on sample basis, the accuracy and relevance of data used to determine future cashflows.
- Evaluated and assessed the recoverability of insurance receivables.
- Involved our external expert to evaluate the appropriateness of the methodology, significant assumptions including risk adjustment, PAA eligibility assessment, discount rates and expenses included within the fulfilment of cashflows. This included consideration of the reasonableness of assumptions against actual historical experience and the appropriateness of any judgments applied.
- Verified the source data used by experts to ensure accuracy and completeness.
- We independently reperformed the calculation to assess the mathematical accuracy of the (Re) Insurance contract assets and liabilities on selected classes of business, particularly focusing on largest and most reserves.

Recognition and measurement of insurance revenue

Insurance revenue is recognised in accordance with IFRS 17 *Insurance Contracts*, which is a complex standard requiring significant judgment and estimates. The main areas of focus include estimating future cash flows, applying key assumptions, and recognising the Contractual Service Margin (CSM).

Key areas considered include the measurement of insurance revenue, which is recognised over time as insurance coverage is provided, based on premiums and services delivered during the policy period. The Company also estimates future cash inflows and outflows, including premiums, claims, and the impact of discounting, which involves significant judgment and may affect the amount of revenue recognised. In addition, the Company assesses revenue and expected recoveries arising from reinsurance arrangements in line with the terms of the agreements.

Key assumptions, such as future cash flows and discount rates, are reviewed and updated regularly, and changes in these assumptions may impact the recognition of revenue, with actual experience compared against prior estimates. Finally, the standard requires detailed disclosures to explain how insurance revenue is determined and to provide transparency over key assumptions and changes in estimates.

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Report on the audit of the financial statements (Continued)

Key Audit Matters (Continued)

Recognition and measurement of insurance revenue (Continued)

How the matter was addressed in our audit

Our audit procedures included, among others:

- Assessing the Company's application of IFRS 17 Insurance Contracts in line with our audit methodology;
- Reviewing insurance contract terms to ensure revenue is recognised over the coverage period;
- Testing a sample of premiums to supporting documentation;
- Checking that revenue is recorded in the correct period and appropriately spread over the policy term;
- Evaluating the reasonableness of key assumptions and estimates used in calculating future cash flows;
- Reconciling insurance revenue to actuarial models and underlying data;
- Assessing the calculation of the Contractual Service Margin (CSM); and
- Reviewing the financial statement disclosures for compliance with IFRS 17 Insurance Contracts.

Other Information
The directors are responsible for the other information. The other information comprises the Annual Report from the Directors, the Corporate Governance Report, the Secretary's Certificate and Other Statutory Disclosures. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Else, we have nothing to report in this regard.

Responsibilities of the Directors and Those Charged with Governance for the Financial Statements
The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act 2001 of Mauritius, the Financial Reporting Act 2004 of Mauritius and the Insurance Act 2005 of Mauritius, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Report on the audit of the financial statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with then all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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Report on the audit of the financial statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)
We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Companies Act 2001 of Mauritius
The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company, other than in our capacity as auditor and dealings in the ordinary course of business;
- We have obtained all information and explanations we have required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

The Financial Reporting Act 2004 of Mauritius
Our responsibility under the Financial Reporting Act 2004 of Mauritius is to report on the compliance of the Code of Corporate Governance (the "Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has, pursuant to section 75 of the Financial Reporting Act 2004 of Mauritius, complied with the requirements of the Code.

The Insurance Act 2005 of Mauritius
The financial statements have been prepared in accordance with the requirements specified by the Financial Services Commission (FSC).

Use of this Report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001 of Mauritius. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinion we have formed.

RSM (Mauritius) LLP
Ebene, Mauritius

Dharmanand Cushmajee, FCCA
Licensed by FRC

Date: 24 March 2026

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STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2025

	Notes	2025	2024
		Rs.	Rs.
ASSETS			
Cash and cash equivalents	17(b)	**56,509,323**	47,825,625
Investments	17(e)	**113,845,000**	49,403,000
Insurance contract assets	7.4.1	**20,118,134**	18,795,568
Reinsurance contract assets	7.5.1	**139,359,463**	158,191,913
Other receivables	11	**2,213,626**	1,390,093
Plant and equipment	8	**2,545,048**	2,235,721
Right-of-use assets	9A	**3,383,025**	6,766,053
Intangible assets	10	**40,642,887**	45,638,427
Total Assets		**378,616,506**	330,246,401
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	**565,000,000**	565,000,000
Accumulated losses		**(428,785,794)**	(430,136,178)
Total Equity		**136,214,206**	134,863,822
LIABILITIES			
Insurance contract liabilities	7.4.1	**210,030,965**	163,178,327
Reinsurance contract liabilities	7.5.1	**5,008,028**	7,328,262
Other payables	13	**23,554,897**	17,697,276
Lease liabilities	9B	**3,808,410**	7,178,714
Total Liabilities		**242,402,300**	195,382,579
Total Equity and Liabilities		**378,616,506**	330,246,401

These financial statements have been approved for issue by the Board of Directors on 24th March 2026

..... **Director**

..... **Director**

The notes on pages 10 to 36 form an integral part of these financial statements
Independent auditor's report on pages 5 to 5(e)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2025

	Notes	2025	2024
		Rs.	Rs.
Insurance revenue	7.1	**409,946,640**	342,770,984
Insurance service expenses	7.2	**(336,559,602)**	(367,462,908)
Incurred insurance service expenses:		**(247,188,094)**	(332,769,525)
Net Income / (expenses) from Insurance contracts held		**73,387,038**	(24,691,924)
Income or expense from reinsurance contracts held	7.3	**(47,134,942)**	22,198,368
Insurance service result		**26,252,096**	(2,493,556)
Marketing and administrative expenses	14B	**(28,873,489)**	(23,765,931)
Loss before finance income		**(2,621,393)**	(26,259,487)
Finance income	15(a)	**4,484,011**	1,822,533
Finance costs	15(b)	**(512,234)**	(1,806,182)
Profit / (Loss) before taxation		**1,350,384**	(26,243,136)
Taxation		**-**	-
Profit / (Loss) for the year		**1,350,384**	(26,243,136)
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income / (loss) for the year		**1,350,384**	(26,243,136)

STATEMENT OF CHANGES IN EQUITY - YEAR ENDED DECEMBER 31, 2025

	Notes	Share capital	Accumulated losses	Total
		Rs.	Rs.	Rs.
Balance at December 31, 2023		525,000,000	(414,789,669)	110,210,331
Issue of shares	12	40,000,000	-	40,000,000
Loss for the year			(26,243,136)	(26,243,136)
Transitional adjustment for IFRS 17		-	10,896,627	10,896,627
Balance at December 31, 2024		**565,000,000**	**(430,136,178)**	**134,863,822**
Issue of shares	12	-	-	-
Profit for the year		-	**1,350,384**	**1,350,384**
Balance at December 31, 2025		**565,000,000**	**(428,785,794)**	**136,214,206**

STATEMENT OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2025

	Notes	2025	2024
Cash flows generated/ (used in) from operating activities			
Cash generated/ (used in) from operations	17(a)	**83,498,241**	(27,714,226)
Interest received on term deposits and treasury bills	15(a)	**(4,484,012)**	(1,776,720)
Net cash generated/ (used in) from operating activities		**79,014,229**	(29,490,946)
Cash flows used in investing activities			
Purchase of plant and equipment	8	**(1,849,462)**	(1,415,805)
Purchase of intangible assets	10	**(4,640,539)**	(16,034,140)
Interest received on term deposits and treasury bills	15(a)	**4,484,012**	1,776,720
Net cash used in investing activities		**(2,005,989)**	(15,673,225)
Cash flows generated from financing activities			
Issue of ordinary shares	12	**-**	40,000,000
Principal paid on lease liabilities	17(c)	**(3,370,298)**	(2,970,373)
Interest paid on lease liabilities	17(c)	**(395,742)**	(616,337)
Investments made in term deposits and treasury bills	17(e)	**(64,442,000)**	(49,403,000)
Net cash used in financing activities		**(68,208,040)**	(12,989,710)
Net increase/ (decrease) in cash and cash equivalents		**8,800,200**	(58,153,881)
Movement in cash and cash equivalents			
At January 1,		**47,825,625**	107,123,533
Net foreign exchange difference	17(a)	**(116,492)**	(1,144,032)
Increase/ (Decrease)		**8,800,190**	(58,153,876)
At December 31,	17(b)	**56,509,323**	47,825,625

GENERAL INFORMATION

Quantum Insurance Ltd (the Company) is a limited liability private Company incorporated and domiciled in Mauritius. The address of its registered office is at Ground floor, Lot 15A4, Hyvec Business Park, Wall Street, Ebene, 72201, Mauritius.
The principal activity of the Company is to underwrite short term insurance business which currently includes line of business such as Motor - Comprehensive and Third Party Liability, House insurance - property damage and allied perils, Travel insurance, Liability insurance, Accident and Health, and Engineering.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of Shareholders of the Company.

The principal accounting policies applied in the preparation of the financial statements are included in the specific notes to which they relate. These policies have been consistently applied to all years presented, unless otherwise indicated.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The annual financial statements have been prepared in accordance with Accounting Standards as ("IFRS Accounting Standards") issued by the International Accounting Standards Board and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), (with consent from National Treasury for all Schedule 2 public entities).

2.2 Basis of preparation

The financial statements are that of an individual entity. The financial statements are presented in Mauritian Rupees ("Rs") to the nearest Rupee, except when otherwise indicated. The financial statements are prepared under the historical cost convention.
The Board of directors has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future.
In light of the above assessment and key areas of uncertainty, the Directors having considered the adequacy of the Company's funding, borrowing facilities and operating cashflows, for at least the next 12 months, are satisfied that the financial statements are prepared on a going concern basis based on the future plans that the directors have for the Company.

2.3 New and amended standards adopted by the Company

The Company has considered the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024:
Supplier Finance Arrangements: Amendments to IAS 7 and IFRS 7- Supplier Finance Arrangements amends IAS 7 Statement of Cash Flows to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments also add supplier finance arrangements as an example within the liquidity risk disclosure requirements of IFRS 7 Financial Instruments: Disclosures.
The effective date of the amendment is for years beginning on or after 01 January 2024.

Lease Liability in a Sale and Leaseback- Lease Liability in a Sale and Leaseback amends IFRS 16 by adding subsequent measurement requirements for sale and leaseback transactions.
The effective date of the amendment is for years beginning on or after 01 January 2024.

Non-current Liabilities with Covenants- Non-current Liabilities with Covenants amends IAS 1 Presentation of Financial Statements. The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also respond to stakeholders' concerns about the classification of such a liability as current or non-current.

The effective date of the amendment is for years beginning on or after 01 January 2024.

Classification of Liabilities as Current or Non-Current - Amendment to IAS 1- The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period, to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists, if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period. Additional disclosures would be required in such circumstances.

The effective date of the amendment is for years beginning on or after 01 January 2024.
New standards and interpretations and amendments to existing standards not yet effective and not yet adopted by the Company

Certain new IFRS Accounting Standards, amendments to IFRS Accounting Standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company:

IFRS 19 Subsidiaries without Public Accountability- An eligible subsidiary follows the requirements of other IFRS Accounting Standards, except for the disclosure requirements, which are replaced by the reduced disclosure requirements of IFRS 19. Disclosures works in conjunction with other IFRS Accounting Standards.

The reduced disclosure requirements of IFRS 19 aim to balance the information needs of users of the financial statements of eligible subsidiaries with the cost savings for preparers.
IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if it:
• does not have public accountability, and
• has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of the standard is for years beginning on or after 01 January 2027.

IFRS 18 Presentation and Disclosure in Financial Statements- The new standard will improve the quality of financial reporting by:
• requiring defined subtotals in the statement of profit or loss;
• requiring disclosure about management-defined performance measures; and
• adding new principles for aggregation and disaggregation of information.
The effective date of the standard is for years beginning on or after 01 January 2027.

The following amendments are effective for the period beginning 1 January 2025:
- Lack of exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates)
On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

International Tax Reform - Pillar Two Model Rules: Amendments to IAS 12-International Tax Reform—Pillar Two Model Rules amends IAS 12 Income Taxes. The amendments introduce a temporary exception to the requirements to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The amendments also introduce targeted disclosure requirements for affected entities. The effective date of the amendment is for years beginning on or after 01 January 2023.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (IAS 28)- If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture.
The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is yet to be determined by the IASB.

The directors have assessed the impact on the overall financial statements in relation to the new standards and interpretations and amendments to existing standards not yet effective and not yet adopted by the Company at the reporting date. They are of the opinion that the above will not have an impact on these financial statements.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.3 New and amended standards adopted by the Company (Cont'd)

IFRS 17 Insurance contracts (IFRS 17)

The IASB issued IFRS 17 Insurance contracts in May 2017 and on 25 June 2020, the IASB issued amendments to the standard. The effective date of IFRS 17 is for annual reporting periods beginning on or after 1 January 2023. The Company adopted the standard on 1 January 2023 and restated comparative information.

Transition approach

On transition date, 1 January 2022, the Company:

- Has identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied
- Has identified, recognised and measured assets for insurance acquisition cash flows as if IFRS 17 has always applied. However no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed and no impairment loss was identified
- Derecognised any existing balances that would not exist had IFRS 17 always applied
- Recognised any resulting net difference in equity

The Company adopted IFRS 17 as of 1 April 2023 on a fully retrospective basis for all its portfolios.

The Company concluded that reasonable and supportable information that was necessary to apply the full retrospective approach was available for all insurance contracts issued and reinsurance contracts held. Applying the fully retrospective approach, the Company identified, recognised and measured each group of insurance contracts and assets for insurance acquisition cash flows as if IFRS 17 had always applied, derecognised any existing balances that would not exist had IFRS 17 always been applied and recognised any resulting net difference in equity. As permitted under the transition requirements of IFRS 17, the Company did not perform any impairment assessment on the assets for insurance acquisition cash flows relating to periods prior to transition.

For presentation in the statement of financial position, the Company aggregates insurance contracts issued and reinsurance contracts held, respectively and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets
- Portfolios of insurance and reinsurance contracts issued that are liabilities
- Portfolios of reinsurance contracts held that are assets
- Portfolios of reinsurance contracts held that are liabilities

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously, the Company reported the following line items:

- Gross written premiums
- Net written premiums
- Changes in premium reserves
- Gross insurance claims
- Net insurance claims

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Insurance finance income or expenses
- Income or expenses from reinsurance contracts held

The Company provides disaggregated qualitative and quantitative information about:

- Amounts recognised in its financial statements from insurance contracts
- Significant judgements, and changes in those judgements, when applying the standard

2.4 New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 Financial Instruments and IFRS 7)
- *Contracts Referencing Nature-dependent Electricity (* Amendments to IFRS 9 and IFRS 7)

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 *Presentation and Disclosure in Financial Statements*
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- Translation to a Hyperinflationary Presentation Currency- Amendments to IAS 21

The Company is currently assessing the effect of these new accounting standards and amendments.

2.5 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Insurance contracts and reinsurance contracts held that generate cash flows in a foreign currency, are treated as monetary items. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS IN APPLYING ACCOUNTING ESTIMATES

Estimates and judgements are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates

3.1 Insurance contracts and reinsurance contracts

The uncertainty inherent in insurance is reflected in the financial statements principally with respect to the best estimate provision for LIC.

The Company also uses reported claim trends, claim severities, exposure growth, and other factors in estimating IBNR. These estimates cashflows are revised as additional information becomes available and as claims are actually reported. The Company uses accepted actuarial methods as well as professional actuarial judgement to estimate and evaluate the IBNR.

As the methods used to determine the IBNR use historical claims development information, they assume that the historical claims development pattern will occur again in future. There are

Changes in processes that affect the development/recording of claims paid and reported;

- Economic, legal, political and social trends;
- Changes in the mix of business; and
- Random fluctuations, including the impact of large losses and catastrophic events.

In addition to the above, the Company also establishes estimates of cash flows for unallocated loss adjustment expenses on IBNR.

3 CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS IN APPLYING ACCOUNTING ESTIMATES (CONT'D)

IBNR – provisions range

The Company uses accepted actuarial methods to calculate a range of potential outcomes in order to gain a better understanding of the variability of the IBNR.

Assumption changes

The methods used for the projection of the estimated ultimate claims and, hence, total cashflows are based on analysing trends in the progression of paid and incurred claims (defined to be the sum of paid claims and notified outstanding claims) from past data and projecting this development pattern into the future. This process implicitly assumes that the development pattern is stable over time. It also assumes that past patterns of inflation will be repeated in future and hence no explicit assumption is made for inflation.

The Company's IFRS 17 related estimates and judgements are set out below.

Risk adjustment

Measurement of insurance liabilities is inherently uncertain and as a consequence of this the ultimate cost of settlement of outstanding claims can vary substantially from initial estimates. The Company includes a risk adjustment for non-financial risk, the determination of which requires significant judgement.

The risk adjustment for non-financial risk is determined by the Company using a confidence level technique. To determine the risk adjustments for non-financial risk for reinsurance contracts, the Company applies these techniques gross of reinsurance and derives the amount of risk being transferred to the reinsurer using a proportional approach based on this.

Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows. No changes to this methodology were made since the prior period.

3.2 Provision for expected credit losses

As disclosed in the accounting policies, the ECL calculation requires the use of significant estimates to calculate the probability of default, the exposure at default and the loss given default. These require estimation of the likelihood of default over a certain time horizon, the estimate of exposure of future default dates and estimates of the loss arising in the case where a default occurs at a given time. In its ECL models, the Company relies on a broad range of information, such GDP growth and unemployment rates.

3.3 Useful lives and residual values of property, plant and equipment

Determining the carrying amounts of property, plant and equipment requires the estimation of the useful lives and residual values of these assets which carry a degree of uncertainty. The directors have used historical information relating to the Company to best determine the useful lives and residual values of property, plant and equipment.

3.4 Recoverable amount on insurance and other receivables

In preparing the financial statements, the directors have made estimates of the recoverable amounts of insurance and other receivables and impaired those receivables where the carrying amounts exceeded recoverable amounts. The estimation of recoverable amounts involves an assessment of the financial condition of the debtors concerned and estimate of the timing and the extent of cash flows likely to be received by the Company.

Judgements

3.5 Leases Determining the lease term of contracts with renewal and termination options

Company as lessee:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). The Company included the renewal period as part of the lease term with shorter non-cancellable period (12 months). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases with longer non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

3.6 Plant and equipment

Plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives as follows:

Furniture and fittings	5.5 years
Computer equipment	3 years
Leasehold improvements	3-10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The carrying amount of an item of plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals of plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

3.7 Intangible assets

Intangible assets are stated at historical cost less amortisation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Computer software and externally incurred website costs

Acquired computer software licences and externally incurred website costs are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (4 to 6 years).

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software controlled by the Company and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives.

The website is a major part of the Company's business model as it intends to sell a big part of its insurance policies online.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of intangible assets are determined by comparing proceeds with carrying amount and are included in profit or loss.

An intangible asset is derecognised on disposal, when no future economic benefits are expected from its use or disposal. Gains and losses arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

4 MATERIAL ACCOUNTING POLICIES

4.1 Significant accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and Company's accounting policies. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are highlighted below with more detail provided in the specific notes to which they relate:

(i) Categories of financial assets

The Company classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial assets at initial recognition.

- *Loans and receivables*
  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.
  The Company's loans and receivables comprise cash and cash equivalents, and trade and other receivables.

(ii) Recognition and measurement

Purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Investments are initially measured at fair value plus transaction costs for all financial assets.

(iii) Impairment of financial assets

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment of non-financial assets

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

4.2 Financial liabilities

(i) Categories of financial liabilities

The Company classifies its financial liabilities in the following categories: lease liabilities and accruals. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its financial liabilities at initial recognition.

(ii) Recognition and initial measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. They are initially measured at fair value, net of directly attributable transaction costs.

(iii) Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest method.
a) Lease liabilities are initially measured at the present value of future lease payments and subsequently increased by interest and reduced by lease payments made, in accordance with IFRS 16 Leases.
b) Accruals and other payables are measured at amortised cost and represent obligations to pay for goods and services that have been acquired in the ordinary course of business.

(iv) Derecognition

A financial liability is derecognised when the obligation is extinguished i.e., when the contractual obligation is discharged, cancelled, or expires. Any difference between the carrying amount of the liability and the consideration paid is recognised in profit or loss.

4 MATERIAL ACCOUNTING POLICIES (CONTD)

4.3 Unearned Premium Provision (UPR)

Premiums written are recognised as income over the term of the policy in proportion to the period of risk. The portion of premiums relating to periods of risk subsequent to the reporting date is carried forward as an unearned premium provision. The UPR is calculated on a time-apportioned basis and adjusted where necessary to reflect variations in the incidence of risk.

Under IFRS 17, the UPR has been replaced by the Liability for Remaining Coverage (LRC), which measures fulfilment cash flows and contractual service margin.

4.4 Expenses

Expenses are recognised in profit or loss on an accrual basis. Operating and administrative expenses are recognised as and when incurred.

4.5 Related Parties

A related party is a person or entity that has control or joint control over the Company, has significant influence over the Company, or is a member of the key management personnel of the Company or its parent.

Transactions with related parties include those involving directors, key management personnel, subsidiaries, associates, joint ventures, shareholders, and entities under common control.

Related-party transactions are conducted at arm's length and on terms comparable to those that would be available in dealings with unrelated parties.

Outstanding balances at year-end are disclosed in the financial statements, together with the nature of the relationship, amounts involved, and any terms and conditions

4.6 Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

4.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

4.8 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deduction, net of tax, from proceeds.

4.9 Current and Deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

4.10 Leases

(a) Leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

(b) The Company obtains substantially all the economic benefits from use of the asset; and

(c) The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Company considers only the economic benefits that arise from the use of the asset, not those incidental to legal ownership or other potential benefits.

4 MATERIAL ACCOUNTING POLICIES (CONT'D)

4.10 Leases (Cont'd)

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Right of use assets are initially measured at the amount of the lease liability.
Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

4.11 Contingent liabilities

A contingent liability is recognised when there is a possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably

4.12 Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption is based on the assumptions used in management forecasts and on the continued financial support of the Company's shareholders.

5. FINANCIAL RISK MANAGEMENT

5.1 Objective and framework

As an insurance Company, The Company is exposed to various insurance and financial risks. These risks cause uncertainty and therefore the challenge for management is to determine what level of uncertainty is acceptable for insurance business as it strives to enhance stakeholder value.
The Company has adopted a risk management approach and framework that enables management to effectively deal with uncertainty and thus enhance the capacity to build value by efficiently and effectively deploying resources in pursuit of achieving the group's objectives.
The Company has procedures in place to identify, quantify and manage risk exposures by class of business. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

5.2 Risk assessment process

The Company analyses quantifiable risks by using an internally developed economic capital model. The model covers the following risk categories:

- insurance risk (consisting of underwriting and reinsurance risk)
- credit risk
- market risk
- operational risk
- claims risks
- Catastrophe risk

5.2.1 Insurance risk

Insurance risk refers to the risk of loss as a result of underwriting insurance contracts. More specifically, the Company defines insurance risk to include:
• Pricing and underwriting risk
• Reinsurance risk

i) *Pricing and underwriting risk*

Underwriting risk results from fluctuations in the timing, frequency and severity of insured events. It includes the risk that premium provisions (liabilities for remaining cover) turn out to be insufficient to compensate for expected future claims, that the claims provisions (liability for incurred claims) raised for both reported and unreported claims are inadequate, as well as the risk resulting from the volatility of expense payments.
The Company manages underwriting risk through its underwriting strategy and proactive claims handling. The underwriting strategy aims to ensure that the portfolio of insurance contracts issued is well-diversified and reasonably priced. Claims costs are actively managed to ensure that the impact of factors such as the volatility of the Rs is adequately addressed.
To mitigate such risks, underwriting guidelines are reviewed regularly.

ii) *General insurance*

General insurance includes mainly motor insurance. Claims are payable on a claims-occurrence basis. The Company is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time and a larger element of the claims provision relates to the Liability for incurred claims (LIC). There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and risk management procedures adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury by employees (for employer liability covers) or members of the public (for public liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of the accident.

iii) *Motor and liability insurance*

The frequency and severity of claims can be affected by several factors, the most significant resulting from severe weather events like cyclones, flooding, fire and perils and their consequences and liability claims awarded by the Court. Inflation is another factor that may affect claims payments.
The Company's underwriting strategy attempts to ensure that the underwritten risks are well diversified in type, amount of risk and industry. The Company has underwriting limits by type of risks and by industry. Performances of individual insurance policies are reviewed by management and the Company reserves the right not to renew individual policies.

The Company can impose deductibles and has the right to reject the payment of a fraudulent claim. Where relevant, the Company may pursue third parties for payment of some or all liabilities (subrogation). Claims development and provisioning levels are closely monitored.

Reinsurance risk

Reinsurance risk is the risk of loss due to either insufficient or inappropriately structured reinsurance cover relative to the group and Company's risk management strategy and objectives. It also includes the risk that the reinsurance programme is inappropriately administered. The Company obtain third-party reinsurance cover to reduce risks from single events or accumulations of risk that could have a significant impact on the current year's earnings or the Company's capital.

The reinsurance arrangements of the Company include excess of loss and catastrophe coverage and as such, the maximum loss that the Company may suffer in any one year is predetermined.

v) *Property insurance*

Property claims are analysed separately for cyclone and non-cyclone claims. The development of large losses/catastrophes is analysed separately. Non-cyclone claims can be estimated with greater reliability, and the Company estimation processes reflect all the factors that influence the amount and timing of cash flows from these contracts. The shorter settlement period for these claims allows the Company to achieve a higher degree of certainty about the estimated cost of claims and Liability for incurred claims (LIC) is held at the end of the reporting period.
The insurance risk arising from these contracts is balanced between commercial and personal properties in the overall portfolio of insured buildings.

Reinsurance risk

A portion of the above types of insurance is ceded to reinsurers. Although the reinsurers are liable to the extent of the reinsurance ceded, the Company remains primarily liable to the policy holder as the direct insurers of all risks reinsured. Reinsurance enables the Company to underwrite more policies, due to a portion of its liabilities being transferred to the reinsurer. This enables the Company to take on more risk and to remain solvent by recovering all or part of a payout.

The Company has developed its insurance underwrting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

5. FINANCIAL RISK MANAGEMENT (CONT'D)

5.2.2 Credit risk

Credit risk reflects the financial impact of the default of one or more of Company's counterparties.

The credit risk analysis is used by management to determine the level of risk capital that should be held for the following types of exposures:

- Risk-based assets such as bonds and bank deposits
- Outstanding premiums due from intermediaries and reinsurance receivables due from reinsurers
- Reinsurance asset for incurred claims
- Exposure to potential reinsurance recoveries based on the losses generated by the internal model

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet all or part of its contractual obligations. The Company's credit risk is primarily attributable to insurance receivables (i.e. insurance contract holders and insurance intermediaries), reinsurer's share of insurance liabilities and amounts due from reinsurers in respect of claims already paid. The amounts presented in the statement of financial position are net of allowances for estimated irrecoverable amounts receivable, based on management's prior experience and the current economic environment.

The Company has no significant concentration of credit risk in respect of its insurance business with exposure spread over a large number of clients. The Company has policies in place to ensure that sales of services are made to clients with sound credit history.

Reinsurance credit exposures

The Company is exposed to the possibility of default by its reinsurers in respect of share of insurance liabilities and refunds in respect of claims already paid.
Reinsurance's share of claims incurred under the proportional insurance are settled on a quarterly basis through the returns made to the reinsurers. Any claims made under the excess of loss treaty are notified with supporting documents to ensure prompt settlement.
At year end, the Company's reinsurance counterparties are African Reinsurance Corporation, Compagnie Commune de Réassurance des Etats Membres de la Conférence Interafricaine des Marchés d'Assurances (CICA Re), Continental Reinsurance Company Limited, GIC Re South Africa, Société Centrale de Réassurance (SCR), WAICA Reinsurance Kenya Limited and Trust Re. At December 31, 2024, Reinsurance assets recoverable are Rs. 83,167,993 (2023: Rs.82,080,537).
Amounts recoverable from reinsurers are closely monitored by management. The external credit rating of reinsurers are reviewed and assessed for credit worthiness prior to the renewal or signing of new reinsurance contracts and management ensures that risks are ceded to top-rated and credit worthy reinsurers only.

Recoveries from third parties credit exposures

The directors have performed an impairment of the claims recoverable from third party as at December 31, 2025 and have considered the following criteria:
The directors have considered that the Company has legal rights under the local laws to recover these assets through subrogation rights per Article 1983 -50 of the Mauritius Civil Code, Section 68D and 68F of the Road Traffic Act.
Insurance recoverable shall become time barred five years after the occurrence of the event giving rise to a claim as provided under Articles 1983 - 37 and 38 of the Civil Code of Mauritius.
For part of those balances which are greater than 180 days, the directors expect repayment through recourse to legal actions. Legal actions has started in 2019.

5.2.3 Market risk

Market risk arises from the level or volatility of the market prices of financial instruments. Exposure to market risk is measured by the impact of movements in the level of financial variables such as interest rates, equity prices and exchange rates. The following financial and insurance assets, disclosed based on similar characteristics, are affected by market risk:

- Equity and similar securities
- Interest-bearing investments
- Investment funds
- Deposits and similar securities
- Insurance contract assets
- Reinsurance contract assets
- Non-current assets held for sale
- Loans and receivables
- Cash and cash equivalents

5.2.3.1 Price risk

The Company is subject to price risk due to the impact that volatility in the market has on the value of its equity portfolios resulting in either a positive or negative effect on the net asset value of the Company.
The Company has a well-defined investment strategy, including return objectives, asset allocation, portfolio construction and asset manager selection.

5.2.3.2 Interest rate risk

The Company does not hold any variable interest bearing assets or liabilities and is therefore not exposed to interest rate risk.
Short term insurance liabilities are not discounted and therefore contractually non-interest bearing. However, due to the time value of money and the impact of interest rates on the level of bodily injury related claims, a reduction of interest rates would normally produce higher insurance liability. The class of insurance to which bodily injury related claims are as follows: accident & health and motor.

5.2.3.3 Currency risk

Foreign currency risk is the risk that the Company will be negatively impacted by changes in the level or volatility of currency exchange rates relative to the Rs.
The Company has cash balances denominated in currencies other than its functional currency, Mauritian rupees. These balances are held primarily in United States Dollar ("USD") and Euro ("EUR") . Consequently, the Company is exposed to the risk that the exchange rate of the MUR relative to these currencies may change in a manner, which has a material effect on the reported values of the Company's assets and liabilities.
Currency exposure arising from the foreign exchange transactions can be managed by negotiating settlement by the holding Company at preferential exchange rates on behalf of the Company. In addition, movements in exchange rates are carefully monitored on a daily basis before settlement in currencies other than the functional currency.
The insurance assets and liabilities are not exposed to currency risk.

Sensitivity

At December 31, 2025, if the rupee had weakened/strengthen by 10% (2024: 10%) against the US dollar with all other variables held constant, post-tax profit for the year would have been Rs. 1,078,309 (2024: 2,624,314) higher/lower, mainly as a result of foreign exchange gains/losses on translation of US dollar denominated deposits and cash & bank balances. Changes in the rate of EUR against the rupee would not have a material impact on profit or loss and equity.
The sensitivity was determined based on the average evolution of the rupee against the US dollar over the past 5 years.

5.2.4 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet the commitments associated with its financial obligations as a result of assets not being available in a form that can immediately be converted into cash.
Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Company aims at maintaining flexibility in funding by keeping committed credit lines available in order to maintain sufficient financial resources to meet their obligations as they fall due.

5. FINANCIAL RISK MANAGEMENT (CONT'D)

5.2.5 Operational risk

Operational risk is the risk of direct or indirect losses resulting from human factors, external events and inadequate or failed internal processes and systems. Operational risks are inherent in the Company's operations and are typical of any enterprise. Major sources of operational risk can include operational process reliability, information security, outsourcing of operations, dependence on key suppliers, implementation of strategic and operational change, integration of acquisitions, fraud, human error such as not placing the necessary facultative reinsurance, client service quality, inadequacy of business continuity arrangements, recruitment, training and retention of employees, and social and environmental impact.

The Company manage operational risk by a comprehensive system of internal controls. From a risk governance perspective, the three lines of defence approach is used to identify the various levels of controls, oversight and assurance, including consideration of role-player independence. Risk management processes for oversight include using a range of techniques and tools to identify, monitor and mitigate its operational risk in accordance with the group's risk appetite. These tools include risk and control self-assessments and questionnaires, key risk indicators (e.g. fraud and service indicators), scenario analyses and loss reporting. In addition, the Company has developed a number of contingency plans including incident management and business continuity plans. Quantitative analysis of operational risk exposures material to the Company is used to inform decisions on controls and the overall amount of capital held for potential risk exposures.

5.2.6 Claims risks

General insurance risk arises from: fluctuations in the timing, frequency, severity of claims and claim settlements relative to expectations, unexpected claims arising from a single source, and inadequate reinsurance protection or other risk transfer techniques. The risk is mitigated by the proportional reinsurance structure which is in place for the financial year whereby the reinsurers share the risk of claims uncertainties. The structure is reviewed and renegociated on an annual basis.

5.2.7 Catastrophe risk

The risk of loss, or of adverse change, in the value of the insurance liabilities resulting from significant uncertainty of pricing and provisioning assumptions related to extreme or exceptional events. The risk is mitigated by the reinsurance structure which is in place for the financial year whereby the reinsurers share the risk of claims uncertainties. The Company also has a multiple layered excess of loss cover which mitigates any one event catastrophe. Both the proportional and non-proportional structure is reviewed and renegociated on an annual basis.

5.2.8 Concentration risk

Product concentration risk

The Company's business is heavily concentrated in the Motor general insurance market. However, the Company offers a diversified portfolio of products for all types of motor vehicles and sold through different distribution channels to its customers which can be individuals or corporates.

Reinsurance concentration risk

Reinsurance is purchased from a number of providers to ensure that a diverse range of counterparties is contracted with, within the desired credit rating range.

5.3 Solvency and capital management

Capital adequacy risk is the risk that the Company is holding insufficient funds to cover material negative variations in actual future experience.

The Company must maintain a capital balance that will be at least sufficient to meet obligations in the event of substantial deviations, such as a 1-in-200-year event, from the main risk assumptions affecting the Company's business.

The Company have established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

• to ensure that the Minimum Capital Requirement ratio of 150% (with a minimum of Rs.25m) as required by the Insurance Act 2005 be maintained at all times at Company level.

This is a risk based capital method of measuring the minimum amount appropriate for an insurance Company to support its overall business operations in consideration of its size and risk profile. The calculation is based on applying capital factors to amongst others, the Company's assets, outstanding claims, unearned premium liability and assets above a certain concentration limit.

• to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

• to provide an adequate return to shareholders by pricing insurance contracts and other services commensurately with the level of risk.

• to maintain the required level of stability of the Company thereby providing a degree of security to policyholders.

• to maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended December 31, 2025 and December 31, 2024.

The operations of the Company are also subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities as these arise.

Under the Insurance (General Insurance Business Solvency) Rules 2007, the minimum capital requirement for general business is the sum of capital required for the statement of financial position as per Rule 6, capital required for investment above concentration limit as per Rule 7, capital required for policy liabilities as per Rule 8, capital required for catastrophes as per Rule 9 and capital required for reinsurance ceded under Rule 10.

Approach to capital management

The capital structure of the Company consists of debt, which includes borrowings, net of cash and cash equivalents and equity, comprising stated capital and retained earnings as disclosed in the statements of changes in equity. The Company is fully funded by equity.

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders and policyholders.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics. An important aspect of the Company's overall capital management process is the setting of target risk adjusted rates of return, which are aligned to performance objectives and ensure that the Company is focused on the creation of value for shareholders.

5.4 Regulatory and compliance risk management

Regulatory and compliance risks are risks that the group and Company will be negatively affected by changes in regulations or non-compliance with regulations or internal policies that are already in place, resulting in regulatory sanctions and significantly impacting the Company's reputation.

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

The operations of the Company are subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimise the risk of default and insolvency on the part of insurance companies to meet unforeseen liabilities as these arise.

The Company has complied with the local solvency regulations for regulated entities.

6.1 Insurance contracts portfolio report - Profit or Loss

Segment information is derived from internal reports regularly reviewed by the Executive Committee. These reports guide resource allocation and performance assessment within the Company. The operating segments are identified based on these reports, which management uses to make strategic and operational decisions.

31 December 2025	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Insurance revenue	18,338,149	15,289,841	53,661,930	21,864,349	4,144,863	235,996,280	50,979,536	9,671,692	409,946,640
Insurance service expenses	**(9,712,683)**	**(11,959,994)**	**(41,717,554)**	**(8,020,015)**	**(2,178,878)**	**(230,850,727)**	**(25,320,306)**	**(6,799,444)**	**(336,559,602)**
Incurred insurance service expenses:	(7,266,700)	(12,438,405)	(6,613,696)	(7,410,608)	(1,713,538)	(212,444,936)	(23,507,104)	(6,535,067)	(277,930,054)
Claims	(4,616,224)	(8,339,213)	-	(3,671,257)	(998,041)	(165,235,684)	(14,844,008)	(5,151,115)	(202,855,543)
Expenses	(2,312,845)	(3,041,046)	(6,613,696)	(3,142,117)	(522,671)	(28,675,213)	(6,709,661)	(1,147,580)	(52,164,829)
Other movements related to current service	(337,632)	(1,058,146)	-	(597,233)	(192,826)	(18,534,039)	(1,953,435)	(236,372)	(22,909,683)
Amortisation of insurance acquisition cash flows	(1,940,931)	(3,438,123)	(35,206,315)	(2,637,257)	(492,301)	(24,940,460)	(6,940,422)	(1,165,306)	(76,761,116)
Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Reversal of Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Changes that relate to past service:	**(505,052)**	**3,916,535**	**102,457**	**2,027,849**	**26,961**	**19,145,060**	**5,127,221**	**900,930**	**30,741,960**
Changes in estimates in LIC fulfilment cash flows	(678,388)	2,493,199	91,319	1,288,339	(17,022)	4,726,914	3,349,286	722,493	11,976,139
Experience adjustments in claims and other insurance service expenses in LIC	173,336	1,423,336	11,138	739,510	43,983	14,418,147	1,777,935	178,437	18,765,821
Changes that relate to future service:	**-**	**-**	**-**	**-**	**-**	**(12,610,391)**	**-**	**-**	**(12,610,391)**
Losses for the net outflow recognized on initial recognition	-	-	-	-	-	-	-	-	-
Losses and reversal of losses on onerous contracts – subsequent measurement	-	-	-	-	-	(12,610,391)	-	-	(12,610,391)
Insurance service result	**8,625,466**	**3,329,847**	**11,944,375**	**13,844,333**	**1,965,985**	**5,145,553**	**25,659,230**	**2,872,248**	**73,387,038**

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Insurance revenue	14,705,295	65,684,027	(12,439,141)	18,090,594	2,731,297	213,714,744	32,593,064	7,691,104	342,770,984
Insurance service expenses	(14,952,074)	(36,871,496)	(22,961,822)	(5,569,912)	(807,132)	(253,129,809)	(29,898,828)	(3,271,835)	(367,462,908)
Incurred insurance service expenses:	(7,898,821)	(28,906,733)	(4,993,257)	(7,118,482)	(802,868)	(242,724,542)	(32,802,012)	(3,053,446)	(328,300,160)
Claims	(4,917,439)	(22,212,662)	(91,319)	(3,327,065)	(191,508)	(190,221,288)	(23,537,683)	(1,402,246)	(245,901,210)
Expenses	(2,672,101)	(5,134,841)	(4,890,801)	(3,079,398)	(567,377)	(34,921,833)	(7,365,970)	(1,472,763)	(60,105,083)
Other movements related to current service	(309,280)	(1,559,230)	(11,138)	(712,019)	(43,983)	(17,581,421)	(1,898,359)	(178,437)	(22,293,867)
Amortisation of insurance acquisition cash flows	(627,055)	(2,532,510)	(17,968,565)	(1,086,865)	(165,950)	(10,723,142)	(1,760,262)	(505,447)	(35,369,796)
Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Reversal of Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Changes that relate to past service:	(6,494,229)	(5,432,253)	-	2,350,977	161,685	(6,049)	4,663,447	287,057	(4,469,366)
Changes in estimates in LIC fulfilment cash flows	(6,872,269)	(5,284,877)	-	1,782,834	115,398	(2,660,789)	3,951,706	122,422	(8,845,576)
Experience adjustments in claims and other insurance service expenses in LIC	378,040	(147,375)	-	568,143	46,287	2,654,740	711,741	164,635	4,376,210
Changes that relate to future service:	68,031	-	-	284,458	-	323,924	-	-	676,413
Losses for the net outflow recognized on initial recognition	-	-	-	-	-	-	-	-	-
Losses and reversal of losses on onerous contracts – subsequent measurement	68,031	-	-	284,458	-	323,924	-	-	676,413
Insurance service result	(246,779)	28,812,531	(35,400,963)	12,520,683	1,924,164	(39,415,065)	2,694,236	4,419,268	(24,691,924)

6.2 Reinsurance contracts portfolio report - Profit or Loss

Segment information is derived from internal reports regularly reviewed by the Executive Committee. These reports guide resource allocation and performance assessment within the Company. The operating segments are identified based on these reports, which management uses to make strategic and operational decisions. The Company conducts mainly insurance and investment activities.

31 December 2025	**ACCIDENT**	**ENGINEERING**	**GUARANTEE**	**LIABILITY**	**MISCELLANEOUS**	**MOTOR**	**PROPERTY**	**TRANSPORTATION**	**TOTAL**
Income or expense from reinsurance contracts held	(6,013,104)	(32,820,932)	33,573	(2,850,460)	(1,255,388)	9,987,321	(13,936,398)	(279,553)	(47,134,942)
Allocation of the premiums paid	(7,309,206)	(14,328,446)	-	(4,341,699)	(1,613,161)	(21,347,059)	(23,767,360)	(4,245,907)	(76,952,838)
Amounts recovered from reinsurance									
Amounts recovered from reinsurance:	**1,285,966**	**(18,585,199)**	**33,573**	**1,495,292**	**358,358**	**31,411,459**	**9,837,306**	**3,966,354**	**29,803,107**
Incurred insurance service expenses:	**3,992,814**	**6,308,153**	**-**	**653,651**	**158,172**	**10,461,401**	**6,188,226**	**4,455,309**	**32,217,726**
Claims	3,625,014	5,637,049	-	545,421	134,184	9,550,335	5,789,118	4,455,309	29,736,430
Expenses	-	-	-	-	-	-	-	-	-
Other movements related to current service	367,800	671,104	-	108,230	23,988	911,066	399,108	-	2,481,296
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-	-
Changes that relate to past service (changes in fulfilment cash flows re LIC):	**(2,706,848)**	**(24,893,352)**	**33,573**	**841,641**	**200,186**	**20,950,058**	**3,649,079**	**(488,955)**	**(2,414,618)**
Changes in estimates in LIC fulfilment cash flows	(1,926,055)	(19,639,523)	33,573	866,791	194,079	19,548,993	3,695,932	(488,955)	2,284,835
Experience adjustments in claims and other insurance service expenses in LIC	(780,793)	(5,253,829)	-	(25,150)	6,107	1,401,065	(46,853)	-	(4,699,453)
Changes that relate to future service:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Loss recovery related to losses on underlying insurance contracts at initial	-								-
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	-								-
Changes in Risk of Non-Performance	10,136	92,713	-	(4,053)	(585)	(77,080)	(6,344)	-	14,787
Total Net Expenses from Reinsurance Contracts	**(6,013,104)**	**(32,820,932)**	**33,573**	**(2,850,460)**	**(1,255,388)**	**9,987,321**	**(13,936,398)**	**(279,553)**	**(47,134,942)**

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Income or expense from reinsurance contracts held	5,075,578	31,219,516	(33,573)	(7,207,265)	(1,369,389)	12,331,604	(13,185,249)	(4,632,853)	22,198,368
Allocation of the premiums paid	(7,144,401)	(18,455,759)	0	(8,159,675)	(1,371,791)	(57,181,387)	(18,227,127)	(3,874,961)	(114,415,101)
Amounts recovered from reinsurance									
Amounts recovered from reinsurance:	12,204,203	49,704,536	(33,573)	946,319	1,669	69,361,686	4,923,252	(703,008)	136,405,085
Incurred insurance service expenses:	5,245,233	41,696,864	(33,573)	1,624,705	135,420	114,250,322	29,112,527	1,102,070	193,133,569
Claims	4,698,497	37,245,961	(33,573)	1,332,794	110,128	105,664,079	26,278,013	1,102,070	176,397,969
Expenses	-	-	-	-	-	-	-	-	-
Other movements related to current service	546,736	4,450,903	-	291,911	25,293	8,586,243	2,834,514	-	16,735,600
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-	-
Changes that relate to past service (changes in fulfilment cash flows re LIC):	6,987,783	8,007,673	-	(524,965)	(133,751)	(43,502,342)	(24,189,275)	(1,805,078)	(55,159,955)
Changes in estimates in LIC fulfilment cash flows	6,358,006	6,991,585	-	(380,580)	(94,484)	(42,592,216)	(21,986,680)	(1,665,410)	(53,369,779)
Experience adjustments in claims and other insurance service expenses in LIC	629,777	1,016,087	-	(144,385)	(39,267)	(910,126)	(2,202,595)	(139,668)	(1,790,176)
Changes that relate to future service:	(28,813)	-	-	(153,422)	-	(1,386,294)	-	-	(1,568,529)
Loss recovery related to losses on underlying insurance contracts at initial	-	-	-	-	-	-	-	-	-
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	(28,813)	-	-	(153,422)	-	(1,386,294)	-	-	(1,568,529)
Changes in Risk of Non-Performance	15,776	(29,262)	-	6,092	733	151,305	118,626	(54,884)	208,385
Total Net Expenses from Reinsurance Contracts	5,075,578	31,219,516	(33,573)	(7,207,265)	(1,369,389)	12,331,604	(13,185,249)	(4,632,853)	22,198,368

Segment information is derived from internal reports regularly reviewed by the Executive Committee. These reports guide resource allocation and performance assessment within the Company. The operating segments are identified based on these reports, which management uses to make strategic and operational decisions.The Company conducts mainly insurance and investment activities.

6.3 Insurance contracts portfolio report - balance sheet

31 December 2025	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	UNALLOCATED CASH	TOTAL
Assets										
Insurance contract assets	-	-	13,950,917	-	-	-	-	6,167,217	-	20,118,134
Liability for remaining coverage:	**-**	**-**	**13,950,917**	**-**	**-**	**-**	**-**	**(2,901,149)**	**-**	**11,049,768**
Total estimates of present value of future cash flows:	-									
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-	-
Liability for remaining coverage of contracts measured under the	-	-	13,950,917	-	-	-	-	(2,901,149)	-	11,049,768
Liability for incurred claims:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9,068,366**	**-**	**9,068,366**
Estimates of present value of future cash flows	-	-	-	-	-	-	-	9,304,738	-	9,304,738
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	(236,372)	-	(236,372)
Pre-recognition acquisition cash-flows										
Total Insurance contract assets	**-**	**-**	**13,950,917**	**-**	**-**	**-**	**-**	**6,167,217**	**-**	**20,118,134**
Liabilities										
Liability for remaining coverage:	**(3,538,239)**	**(14,781,908)**	**-**	**(10,072,554)**	**(92,013)**	**(85,519,881)**	**(15,213,537)**	**-**	**(900,690)**	**(130,118,822)**
Total estimates of present value of future cash flows:	-	-	-	-	-	-	-	-	-	-
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-	-
Liability for remaining coverage of contracts measured under the PAA	(3,538,239)	(14,781,908)	-	(10,072,554)	(92,013)	(85,519,881)	(15,213,537)	-	(900,690)	(130,118,822)
Liability for incurred claims:	**(3,016,120)**	**(6,039,201)**	**-**	**(4,605,674)**	**(1,164,565)**	**(53,016,313)**	**(12,070,270)**	**-**	**-**	**(79,912,143)**
Estimates of present value of future cash flows	(2,536,345)	(4,214,621)	-	(3,847,143)	(971,739)	(25,098,291)	(9,905,314)	-	-	(46,573,453)
Risk adjustment for non-financial risk	(479,775)	(1,824,580)	-	(758,531)	(192,826)	(27,918,022)	(2,164,956)	-	-	(33,338,690)
Pre-recognition acquisition cash-flows										
Total insurance contract liabilities	**6,554,359**	**20,821,109**	**-**	**14,678,228**	**1,256,578**	**138,536,194**	**27,283,807**	**-**	**900,690**	**210,030,965**

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	UNALLOCATED CASH	TOTAL
Assets										
Insurance contract assets	-	-	11,224,803	-	-	-	-	7,570,765	-	18,795,568
Liability for remaining coverage:	-	-	11,224,803	-	-	-	-	(1,476,083)	-	9,748,720
Total estimates of present value of future cash flows:	-									
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-	-
Liability for remaining coverage of contracts measured under the	-	-	11,224,803	-	-	-	-	(1,476,083)	-	9,748,720
Liability for incurred claims:	-	-	-	-	-	-	-	9,046,848	-	9,046,848
Estimates of present value of future cash flows	-	-	-	-	-	-	-	9,225,285	-	9,225,285
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	(178,437)	-	(178,437)
Pre-recognition acquisition cash-flows										
Total Insurance contract assets	-	-	11,224,803	-	-	-	-	7,570,765	-	18,795,568
Liabilities										
Liability for remaining coverage:	(2,054,990)	(10,842,833)	-	(5,073,396)	(193,480)	(58,814,277)	(9,081,897)	-	(2,092,471)	(88,153,344)
Total estimates of present value of future cash flows:	-	-	-	-	-	-	-	-	-	-
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-	-
PAA	(2,054,990)	(10,842,833)	-	(5,073,396)	(193,480)	(58,814,277)	(9,081,897)	-	(2,092,471)	(88,153,344)
Liability for incurred claims:	(2,046,740)	(6,631,889)	(102,457)	(4,956,512)	(235,491)	(51,534,521)	(9,517,374)	-	-	(75,024,983)
Estimates of present value of future cash flows	(1,731,260)	(4,442,120)	(91,319)	(4,055,704)	(191,508)	(27,732,391)	(7,527,918)	-	-	(45,772,220)
Risk adjustment for non-financial risk	(315,479)	(2,189,769)	(11,138)	(900,808)	(43,983)	(23,802,130)	(1,989,456)	-	-	(29,252,763)
Pre-recognition acquisition cash-flows										
Total insurance contract liabilities	4,101,729	17,474,722	102,457	10,029,908	428,971	110,348,798	18,599,271	-	2,092,471	163,178,327

6.4 Reinsurance portfolio report - balance sheet

31 December 2025	**ACCIDENT**	**ENGINEERING**	**GUARANTEE**	**LIABILITY**	**MISCELLANEOUS**	**MOTOR**	**PROPERTY**	**TRANSPORTATION**	**TOTAL**
Reinsurance Contract Assets	8,008,244	18,007,607	-	6,500,981	729,535	91,215,731	14,897,365	-	139,359,463
Liability for remaining coverage:	**1,450,128**	**10,212,601**	**-**	**3,153,328**	**395,825**	**1,335,771**	**4,872,352**	**-**	**21,420,005**
Total estimates of present value of future cash flows:	-								
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-
PAA	1,450,128	10,212,601		3,153,328	395,825	1,335,771	4,872,352		21,420,005
Liability for incurred claims:	**6,558,116**	**7,795,006**	**-**	**3,347,653**	**333,710**	**89,879,960**	**10,025,013**	**-**	**117,939,458**
Estimates of present value of future cash flows	5,468,628	6,500,850	-	2,790,818	278,323	76,066,499	8,359,754	-	99,464,872
Risk adjustment for non-financial risk	1,089,488	1,294,156	-	556,835	55,387	13,813,461	1,665,259	-	18,474,586
Total Insurance contract assets	**8,008,244**	**18,007,607**	**-**	**6,500,981**	**729,535**	**91,215,731**	**14,897,365**	**-**	**139,359,463**
Reinsurance Contract Liabilites	-	-	-	-	-	-	-	5,008,028	5,008,028
Liability for remaining coverage:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,133,096**	**1,133,096**
Total estimates of present value of future cash flows:	-	-	-	-	-	-	-	-	-
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-
PAA	-	-	-	-	-	-	-	1,133,096	1,133,096
Liability for incurred claims:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(6,141,124)**	**(6,141,124)**
Estimates of present value of future cash flows	-	-	-	-	-	-	-	(6,141,124)	(6,141,124)
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-
Total insurance contract liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,008,028**	**5,008,028**

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Reinsurnace Contract Assets	9,446,077	43,940,348	-	4,672,685	805,124	82,309,463	15,729,787	1,288,428	158,191,913
Liability for remaining coverage:	1,433,491	12,588,314	-	2,147,398	669,916	505,493	8,725,656	1,288,428	27,358,697
Total estimates of present value of future cash flows:	-								
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-
PAA	1,433,491	12,588,314		2,147,398	669,916	505,493	8,725,656	1,288,428	27,358,697
Liability for incurred claims:	8,012,586	31,352,034	-	2,525,286	135,208	81,803,970	7,004,131	-	130,833,216
Estimates of present value of future cash flows	6,510,105	25,475,153	-	2,051,531	109,915	70,302,640	5,691,127	-	110,140,471
Risk adjustment for non-financial risk	1,502,482	5,876,881	-	473,756	25,293	11,501,330	1,313,004	-	20,692,745
Total Insurance contract assets	9,446,077	43,940,348	-	4,672,685	805,124	82,309,463	15,729,787	1,288,428	158,191,913
Reinsurance Contract Liabilites	-	-	33,573	-	-	-	-	7,294,689	7,328,262
Liability for remaining coverage:	-	-	-	-	-	-	-	-	-
Total estimates of present value of future cash flows:	-	-	-	-	-	-	-	-	-
Estimates of present value of future cash flows excluding accrual balance	-	-	-	-	-	-	-	-	-
Extract of accrual balance	-	-	-	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-
Contractual service margin	-	-	-	-	-	-	-	-	-
PAA	-	-	-	-	-	-	-	-	-
Liability for incurred claims:	-	-	(33,573)	-	-	-	-	(7,294,689)	(7,328,262)
Estimates of present value of future cash flows	-	-	(33,573)	-	-	-	-	-7,294,689	(7,328,262)
Risk adjustment for non-financial risk	-	-	-	-	-	-	-		-
Total insurance contract liabilities	-	-	33,573	-	-	-	-	7,294,689	7,328,262

7.0 Insurance and reinsurance contract analysis

	Notes	31-Dec-25 Assets	31-Dec-25 Liabilities	31-Dec-25 Net	31-Dec-24 Assets	31-Dec-24 Liabilities	31-Dec-24 Net
General Insurance							
Premium allocation approach (PAA)	**7.4.1**	**(20,118,134)**	**210,030,965**	**189,912,831**	(18,795,568)	163,178,327	144,382,759
General measurement model		-	-	-	-	-	-
Insurance contract (assets)/liabilities		**(20,118,134)**	**210,030,965**	**189,912,831**	(18,795,568)	163,178,327	144,382,759

Accounting policy – Insurance contracts

a) Classification

The group applies IFRS 17 to insurance contracts it issues and reinsurance contracts held.

Once a contract has been classified as an insurance contract the classification remains unchanged for the remainder of its lifetime, even if the insurance risk reduces significantly during the coverage period, unless the terms of the contract are modified.

Derecognition and modification

The Company derecognises a contract when the rights and obligations relating to the contract are extinguished, i.e. expired, discharged, or cancelled. The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, consistent with the criteria set out in the standard, or if the contract is transferred to a third party. Where terms are modified, a new contract on the modified terms is recognised. If a contract is transferred to a third party, then Company adjusts the contractual service margin of the group of insurance contracts from which the contract has been derecognised based on the difference between the change in the carrying amount of the group of insurance contracts resulting from the contract being derecognised and the premium charged by

the third party. If a contract modification does not result in derecognition, then the group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

For a contract measured under the PAA, the liability for remaining coverage of the group of insurance contracts is adjusted to reflect the amount refunded to the policyholder (or the premium that would have been received for a new contract in the case of a contract modification or the amount paid to a third party in the case of a transfer) other than for settlement of incurred claims.

b) Measurement

The Company measures insurance contracts by performing year-to-date estimates of the carrying amount of the insurance liabilities.

Recognition

Groups of insurance contracts issued are initially recognised from the earliest of either the beginning of the coverage period, or the date when the first payment from the policyholder is due or actually received, if there is no due date.

Onerous contracts are recognised when the contract is accepted, if this is earlier than when the first premium is due, and the coverage starts. Insurance contracts acquired in a business combination, or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

The Company recognises a group of reinsurance contracts held at the beginning of the coverage period, except where:

• the group of reinsurance contracts relate to an onerous group of underlying insurance contracts, the recognition date is when the group recognises the onerous group of underlying insurance contracts; or

• the group of reinsurance contracts held provides proportionate coverage, the recognition date is not earlier than the date that any underlying insurance contract is initially recognised.

Contract boundaries

Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the group can compel the policyholder to pay premiums; or the group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

• the group has the practical ability to reprice the risks of the policyholder or change the level of benefits so that the price fully reflects those risks; or

• both of the following criteria are satisfied:

- the group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
- the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the group, such as insurance risk and financial risk, are considered. Other risks, such as lapse or surrender and expense risk, are not included. For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the group that exist during the reporting period in which the group is compelled to pay amounts to the reinsurer or in which the group has a substantive right to receive services from the reinsurer.

The Company considers the legal rights and the commercial substance of the contracts in this assessment.

Cash flows outside of the boundary of the insurance contract relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For most insurance contracts issued, the group has the practical ability to reassess the risks of a policyholder and set an appropriate premium to reflect those risks on short notice. Consequently, for most insurance contracts the contract boundary will be shorter than a year. The practical ability to reprice is not removed when management makes a commercial decision to price, or not price, at a certain level.

Most facultative reinsurance contract boundaries will align with the contract boundary of the underlying direct insurance contracts. Certain risk-attaching treaty reinsurance contracts, however, cover underlying direct business that begins during a one-year coverage period of the reinsurance contract (risk-attaching reinsurance contracts). Because of this feature, the contract boundary of these reinsurance contracts can be more than one year. Such contracts will be subjected to the PAA eligibility test, described below.

The contract boundary of loss occurring treaty reinsurance contracts is equal to the coverage period of the reinsurance contract. That is, losses must occur within the treaty's cover period.

Initial measurement

On initial recognition, the group measures the liability for remaining coverage as the total of:

• the fulfilment cash flows related to service to be provided under the contract in future periods; and

• the contractual service margin (CSM).

For the liability for incurred claims refer to critical accounting estimates below.

The PAA is a modification of the GMM that allows the use of a simplified approach for measuring the liability for remaining coverage for certain eligible types of contracts.

Fulfilment Cash Flows

Cash flows within the contract boundary relate directly to the fulfilment of the contract, including discretionary payments to policyholders, insurance acquisition cash flows, and other costs incurred in fulfilling contracts such as claims handling, maintenance, administration costs, recurring commissions, and taxes chargeable to policyholders. These cash flows include both direct costs and an allocation of fixed and variable overheads.

Fulfilment cash flows are unbiased, probability-weighted estimates of future cash flows, based on all reasonable and supportable information available at the reporting date, including historical data and current expectations. These cash flows are determined separately for insurance and reinsurance contracts and allocated to groups of insurance contracts for measurement.

The estimates reflect the Company's view of current conditions, consistent with observable market prices, and exclude future legislative changes until they are substantively enacted. An explicit risk adjustment for non-financial risk, representing the compensation for uncertainty, is estimated separately and forms part of the fulfilment cash flows.

For reinsurance contracts, fulfilment cash flows consider the risk of non-performance by the issuer, including collateral effects and dispute losses, and are calculated using all cash flows within the reinsurance contract boundary, including future new business. Judgment is applied in determining the value of future new business.

Contracts measured under the premium allocation approach

The PAA will be applied to all contracts with a coverage period of one year or less. The PAA is also applied for the measurement of groups of insurance contracts where the group reasonably expects that the measurement under the PAA model would produce a measurement of the liability for remaining coverage that would not differ materially from the one that would be produced by applying the GMM.

Initial measurement

On initial recognition, the group measures the liability for remaining coverage under the PAA as the amount of premiums received if any, less any insurance acquisition cash flows at that date (if not recognised as an expense in profit and loss). The premiums received exclude value added tax and any other foreign indirect taxes. Cash flows relating to such transaction-based taxes are recognised as loans and receivables. Premiums received from intermediaries are recognised as part of the liability for remaining coverage.

Subsequent measurement

On subsequent measurement, the group measures the liability or remaining coverage under the PAA as the carrying amount at the beginning of the reporting period:

• plus the premiums received in the period;

• minus insurance acquisition cash flows (if not recognised as an expense in profit and loss);

• plus any amounts relating to the amortisation of insurance acquisition cash flows (if not recognised as an expense in profit or loss);

Contracts measured under the premium allocation approach (Cont'd)

Subsequent measurement (Cont'd)

On subsequent measurement, the group measures the liability or remaining coverage under the PAA as the carrying amount at the beginning of the reporting period:

• plus the premiums received in the period;
• minus insurance acquisition cash flows (if not recognised as an expense in profit and loss);
• plus any amounts relating to the amortisation of insurance acquisition cash flows (if not recognised as an expense in profit or loss);
• plus any adjustment to a finance component (refer below);
• minus the amount recognised as insurance revenue for services provided in that period;
• minus any investment component paid or transferred to the liability for incurred claims.

The time value of money and the effect of financial risk are not allowed for when calculating the liability for remaining coverage except for when the time between receiving premiums and providing coverage is more than a year. The Company does not have products where the time between the receipt of premiums and the provision of coverage is more than a year and therefore the Company does not discount the liability for remaining coverage.

The Company will allow for the time value of money and the effect of financial risk on cash flows related to the liability for incurred claims. Refer to section on discount rates for detail as to the discount rate applied.

A risk adjustment is determined for the liabilities for incurred claims where there is uncertainty in the size of the estimate and/or the timing of the underlying cash flows.

Insurance acquisition costs are defined as those costs related to the selling, underwriting and starting a group of insurance contracts. The Company's policy is to defer acquisition costs. Acquisition costs are amortised on a straight-line basis over the coverage period of the group of contracts.

If there are facts and circumstances that indicate that a group of contracts is onerous, a loss will be recognised in profit or loss equal to the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. The loss recognised for an onerous group of contracts will be rebalanced at each reporting date, with any change in the loss component recognised as an increase or reversal of losses in profit or loss. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company calculates the loss-recovery component by applying a formula that incorporates the loss component, claim recovery percentage, and reinsurance cover percentage where the claim recovery percent represents the earned premium per IFRS 17 group per cohort year as a percentage of the total earned premium per IFRS 17 group. The reinsurance cover percent indicates the level of reinsurance provided by the treaties, such as 75% for a quota share, or the percentage of reinsurance premium over gross written premium for a surplus reinsurance arrangement.

c) Critical accounting estimates and judgements

i) PAA Eligibility

The Company has conducted eligibility testing for each group of insurance and reinsurance contracts to determine if they are eligible for the PAA. The eligibility testing includes both qualitative and quantitative assessments.

The Company applies an assessment hierarchy to test whether a group of insurance or reinsurance contracts is eligible to being estimated using the PAA using three levels.

i.Assess whether the key criterion of a maximum of 12-month coverage period (paragraph IFRS17.53b) is met for all contracts within the group of contracts. If not,
ii.Perform a qualitative assessment to identify and assess potential critical features to assess whether there may be a risk of a substantial misestimation by the PAA. If the test fails then
iii.Perform a quantitative assessment to validate the hypothesis that the measurement models do not substantially differ. If this test fails, then
iv.Determine the materiality of the potential misstatement for Quantum.

The Standard defined the coverage period of an insurance contract as "The period during which the entity provides insurance contract services. This period includes the insurance contract services that relate to all premiums within the boundary of the insurance contract."

Criteria (i) of the assessment hierarchy above is met by all insurance contracts issued and reinsurance agreements held by the Company, given that the coverage periods within the boundaries of the contract are 12 months or less.

Reinsurance

The short contract boundary of the underlying contracts, for all reinsurance contracts held. The PAA methodology was assessed to be materially equivalent to the GMM methodology.

ii) Coverage units

The Company determines the quantity of the benefits provided under each contract as follows.

Product Basis for determining quantity of benefits provided

- Non-life contracts acquired in their claims – Expected amount of claims to be settled in each settlement period
- Quota share reinsurance – The same basis as the underlying contracts, including expected new business within the reinsurance contract boundary.
- Excess of loss and stop loss reinsurance – Expected amount of underlying claims to be covered in each period

iii) Liability for incurred claims

The best estimate provision for the liability for incurred claims encompasses claim events occurring before or at the reporting date, whether reported (OCR) or not (IBNR). It includes all future claim payments, salvage receivables, and claims administration expenses related to these events. Reinsurance cash flow projections consider the best estimate credit risk due to potential reinsurance counterparties' default.

To generate a statistical distribution of claims, Mack Method is employed. The method is applied to development factors computed from the valuation models using open-source statistical computation software called R. While no distribution assumptions are required to estimate factor variances, they are needed to compute percentiles of ultimate loss and reserve distributions.

iv) Discount rates

An entity should adjust the estimates of future cash flows to reflect the time value of money and the financial risks related to those cash flows, to the extent that the financial risks are not included in the estimates of cash flows.

The Company's claims settlement period and reinsurance claims recovery period are assessed to be less than 12 months. Allowing for the time value of money is not expected to have a significant impact on Company's insurance contract liabilities and hence discounting was not applied to the LIC balance.

v) Risk-adjustment for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk for the non-life contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion.

The risk adjustments for non-financial risk are determined using the following technique:

-non-life contracts: a confidence level technique;

To determine the risk adjustments for non-financial risk for reinsurance contracts, the Company applies these techniques both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows.

The Company makes use of log-normal distribution to quantify its Risk Adjustment. The risk adjustment (RA) has been derived using a model based on paid claims data.

vi) Insurance revenue

The Company recognises insurance revenue by spreading it over the coverage period of a group of contracts, employing a 365ths pattern of earning for all products measured under the Premium Allocation Approach (PAA). Insurance revenue undergoes a downward adjustment by an uncertainty percentage to allow for expected debtor write-offs. The withheld amount is recognized in the subsequent reporting period if the premium is received during that period. Any variance between the actual and expected premium write-offs is recognised as insurance revenue either upon receiving the premium or writing off the premium debtor.

vii) Insurance service expense

Insurance service expense arising from group insurance contracts issued comprises of:

- changes in the LIC related to claims and expenses incurred in the period;
- changes in the LIC related to claims and expenses incurred in prior periods (related to past service);
- other directly attributable expenses incurred in the period;
- amortisation of insurance acquisition cash flows, which is recognised at the same amount in both insurance service expense and insurance contract revenue; and
- changes in the LRC related to future service due to changes in the loss components of onerous groups of contracts.

c) Critical accounting estimates and judgements (con'td)

vii) Insurance service expense (con'td)

Insurance service expenses arise for the Company when the Company incurs costs related to fulfilling its obligations under the insurance contracts. These expenses are incurred in providing the insurance coverage and include various costs associated with claims processing, policy administration, underwriting, and other activities necessary for the management and servicing of the insurance contracts. For all products measured under the PAA, except for Contractors All Risks and Erection All Risks products, there is no material difference between either over the full coverage period. A 365ths pattern of earning is applied, which is consistent with current practice, where the premium is expressed as a daily rate and recognised each month in accordance with the number of days of cover provided in that month.
For contracts all risks or erections all risk products, where the cover is for a specific construction, the 365ths method is applied (inform recognition of premium revenue over the contract term).

viii) Income or expenses from reinsurance contacts held

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are presented on a net basis. Amounts contingent on claim experience are presented within reinsurance income, whilst amounts not contingent on claim experience are presented as a reduction of premiums which is a reinsurance expense.

ix) Reinsurance contracts held

In determining the timing of initial recognition of a reinsurance contract, the Company assesses whether the reinsurance contract's terms provide protection on losses on a proportionate basis. The Company recognises a group of reinsurance contracts held that provides proportionate coverage:
(i) at the same time as the onerous group of underlying contracts is recognised, or
(ii) for all the other reinsurance contracts held that provide proportionate coverage, at the start of the coverage period of that group of reinsurance contracts; or at the initial recognition of any of the underlying insurance contracts, whichever is later.

The Company recognises a group of non-proportional reinsurance contracts at the earliest of the beginning of the coverage period of the group or the date an underlying onerous group of contracts is recognised. Cash flows are within the boundary of a reinsurance contract held, if they arise from the substantive rights and obligations of the cedant that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

Each of the Company's quota share and surplus reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis. For proportional reinsurance contracts held, the reinsurance contracts have a contract period of one year over which new policies attach to the treaty. The underlying group of insurance contracts contract boundary is used to determine the reinsurance contract held coverage period. At the end of the reporting period for which the assessment is being carried out, any notice periods to terminate the ceded insurance contracts are assumed to have been given immediately after that date. For all other insurance contracts ceded to the reinsurance group being tested, the Company is assumed to not renew these contracts at their renewal date, if any. Thus, although the reinsurance contracts themselves are still in-force, there is no underlying insurance contract contributing to reinsurance cashflows after the relevant notice or remaining coverage period has ended.

Each of the Company's excess of loss reinsurance contracts has an annual term and loss-occurring covers claims from underlying contracts incurred within the year (i.e. . Cash flows within the contract boundary are those arising from underlying claims incurred during the year).

7.1 Insurance Revenue

The following tables present an analysis of the insurance revenue recognised in the period

31 December 2025	**ACCIDENT**	**ENGINEERING**	**GUARANTEE**	**LIABILITY**	**MISCELLANEOUS**	**MOTOR**	**PROPERTY**	**TRANSPORTATION**	**TOTAL**
Contracts Measured Under the PAA									
Expected premium receipts allocation under the PAA	18,338,149	15,289,841	53,661,930	21,864,349	4,144,863	235,996,280	50,979,536	9,671,692	409,946,640
Experience adjustments not related to future service	-	-	-	-	-	-	-	-	-
Total Revenue from Contracts Measured Under PAA	**18,338,149**	**15,289,841**	**53,661,930**	**21,864,349**	**4,144,863**	**235,996,280**	**50,979,536**	**9,671,692**	**409,946,640**
Total Revenue from Insurance contracts	**18,338,149**	**15,289,841**	**53,661,930**	**21,864,349**	**4,144,863**	**235,996,280**	**50,979,536**	**9,671,692**	**409,946,640**

The following tables present an analysis of the insurance revenue recognised in the period

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Contracts Measured Under the PAA									
Expected premium receipts allocation under the PAA	14,705,295	65,684,027	(12,439,141)	18,090,594	2,731,297	213,714,744	32,593,064	7,691,104	342,770,984
Experience adjustments not related to future service	-	-	-	-	-	-	-	-	-
Total Revenue from Contracts Measured Under PAA	14,705,295	65,684,027	(12,439,141)	18,090,594	2,731,297	213,714,744	32,593,064	7,691,104	342,770,984
Total Revenue from Insurance contracts	14,705,295	65,684,027	(12,439,141)	18,090,594	2,731,297	213,714,744	32,593,064	7,691,104	342,770,984

7.2 Insurance service expenses

The following tables present an analysis of the insurance service expenses for all measurement models applicable

31 December 2025	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Incurred insurance service expenses:	**(7,266,701)**	**(12,438,404)**	**(6,613,696)**	**(7,410,607)**	**(1,713,538)**	**(212,444,936)**	**(23,507,104)**	**(6,535,067)**	**(277,930,053)**
Claims	(4,616,225)	(8,339,212)	-	(3,671,256)	(998,041)	(165,235,684)	(14,844,008)	(5,151,115)	(202,855,542)
Expenses	(2,312,845)	(3,041,046)	(6,613,696)	(3,142,117)	(522,671)	(28,675,213)	(6,709,661)	(1,147,580)	(52,164,829)
Other movements related to current service	(337,632)	(1,058,146)	-	(597,233)	(192,826)	(18,534,039)	(1,953,435)	(236,372)	(22,909,683)
Amortisation of insurance acquisition cash flows	**(1,940,931)**	**(3,438,123)**	**(35,206,315)**	**(2,637,257)**	**(492,301)**	**(24,940,460)**	**(6,940,422)**	**(1,165,306)**	**(76,761,115)**
Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Reversal of Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Changes that relate to past service:	**(505,052)**	**3,916,535**	**102,457**	**2,027,849**	**26,961**	**19,145,061**	**5,127,221**	**900,931**	**30,741,962**
Changes in estimates in LIC fulfilment cash flows	(678,388)	2,493,199	91,319	1,288,339	(17,022)	4,726,915	3,349,286	722,493	11,976,140
Experience adjustments in claims and other insurance service expenses in LIC	173,336	1,423,336	11,138	739,510	43,983	14,418,147	1,777,935	178,438	18,765,822
Changes that relate to future service:	**-**	**-**	**-**	**-**	**-**	**(12,610,391)**	**-**	**-**	**(12,610,391)**
Losses for the net outflow recognized on initial recognition	-	-	-	-	-	-	-	-	-
Losses and reversal of losses on onerous contracts – subsequent measurement	-	-	-	-	-	(12,610,391)	-	-	(12,610,391)
Total Insurance service expenses	**(9,712,684)**	**(11,959,993)**	**(41,717,554)**	**(8,020,014)**	**(2,178,878)**	**(230,850,725)**	**(25,320,306)**	**(6,799,443)**	**(336,559,598)**

The following tables present an analysis of the insurance service expenses for all measurement models applicable

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Incurred insurance service expenses:	(7,898,821)	(28,906,733)	(4,993,257)	(7,118,482)	(802,868)	(242,724,542)	(32,802,012)	(3,053,446)	(328,300,160)
Claims	(4,917,439)	(22,212,662)	(91,319)	(3,327,065)	(191,508)	(190,221,288)	(23,537,683)	(1,402,246)	(245,901,210)
Expenses	(2,672,101)	(5,134,841)	(4,890,801)	(3,079,398)	(567,377)	(34,921,833)	(7,365,970)	(1,472,763)	(60,105,083)
Other movements related to current service	(309,280)	(1,559,230)	(11,138)	(712,019)	(43,983)	(17,581,421)	(1,898,359)	(178,437)	(22,293,867)
Amortisation of insurance acquisition cash flows	(627,055)	(2,532,510)	(17,968,565)	(1,086,865)	(165,950)	(10,723,142)	(1,760,262)	(505,447)	(35,369,796)
Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Reversal of Impairment Loss on Assets for Insurance Acquisition Cash Flow	-	-	-	-	-	-	-	-	-
Changes that relate to past service:	(6,494,229)	(5,432,253)	-	2,350,977	161,685	(6,049)	4,663,447	287,057	(4,469,366)
Changes in estimates in LIC fulfilment cash flows	(6,872,269)	(5,284,877)	-	1,782,834	115,398	(2,660,789)	3,951,706	122,422	(8,845,576)
Experience adjustments in claims and other insurance service expenses in LIC	378,040	(147,375)	-	568,143	46,287	2,654,740	711,741	164,635	4,376,210
Changes that relate to future service:	68,031	-	-	284,458	-	323,924	-	-	676,413
Losses for the net outflow recognized on initial recognition	-	-	-	-	-	-	-	-	-
Losses and reversal of losses on onerous contracts – subsequent measurement	68,031	-	-	284,458	-	323,924	-	-	676,413
Total Insurance service expenses	(14,952,074)	(36,871,496)	(22,961,822)	(5,569,912)	(807,132)	(253,129,809)	(29,898,828)	(3,271,835)	(367,462,908)

31 December 2025	**ACCIDENT**	**ENGINEERING**	**GUARANTEE**	**LIABILITY**	**MISCELLANEOUS**	**MOTOR**	**PROPERTY**	**TRANSPORTATION**	**TOTAL**
Allocation of the premiums paid	(7,309,206)	(14,328,446)	-	(4,341,699)	(1,613,161)	(21,347,059)	(23,767,360)	(4,245,907)	(76,952,838)
Amounts recovered from reinsurance									
Amounts recovered from reinsurance:	**1,285,966**	**(18,585,199)**	**33,573**	**1,495,292**	**358,358**	**31,411,461**	**9,837,306**	**3,966,354**	**29,803,109**
Incurred insurance service expenses:	**3,992,814**	**6,308,153**	**-**	**653,651**	**158,172**	**10,461,401**	**6,188,226**	**4,455,309**	**32,217,726**
Claims	3,625,014	5,637,049	-	545,421	134,184	9,550,335	5,789,118	4,455,309	29,736,430
Expenses	-	-	-	-	-	-	-	-	-
Other movements related to current service	367,800	671,104	-	108,230	23,988	911,066	399,108	-	2,481,296
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-	-
Changes that relate to past service (changes in fulfilment cash flows re LIC):	**(2,706,848)**	**(24,893,352)**	**33,573**	**841,641**	**200,186**	**20,950,059**	**3,649,079**	**(488,955)**	**(2,414,617)**
Changes in estimates in LIC fulfilment cash flows	(1,926,055)	(19,639,523)	33,573	866,791	194,079	19,548,993	3,695,932	(488,955)	2,284,835
Experience adjustments in claims and other insurance service expenses in LIC	(780,793)	(5,253,829)	-	(25,150)	6,107	1,401,066	(46,852)	-	(4,699,452)
Changes that relate to future service:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Loss recovery related to losses on underlying insurance contracts at initial	-	-	-	-	-	-	-	-	-
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	-	-	-	-	-	-	-	-	-
Changes in Risk of Non-Performance	10,136	92,713	-	(4,053)	(585)	(77,080)	(6,344)	-	14,787
Total Net Expenses from Reinsurance Contracts	**(6,013,104)**	**(32,820,932)**	**33,573**	**(2,850,460)**	**(1,255,388)**	**9,987,321**	**(13,936,398)**	**(279,553)**	**(47,134,942)**

31 December 2024	ACCIDENT	ENGINEERING	GUARANTEE	LIABILITY	MISCELLANEOUS	MOTOR	PROPERTY	TRANSPORTATION	TOTAL
Allocation of the premiums paid	(7,144,401)	(18,455,759)	-	(8,159,675)	(1,371,791)	(57,181,387)	(18,227,127)	(3,874,961)	(114,415,101)
Amounts recovered from reinsurance									
Amounts recovered from reinsurance:	12,204,203	49,704,536	(33,573)	946,319	1,669	69,361,686	4,923,252	(703,008)	136,405,085
Incurred insurance service expenses:	5,245,233	41,696,864	(33,573)	1,624,705	135,420	114,250,322	29,112,527	1,102,070	193,133,569
Claims	4,698,497	37,245,961	(33,573)	1,332,794	110,128	105,664,079	26,278,013	1,102,070	176,397,969
Expenses	-	-	-	-	-	-	-	-	-
Other movements related to current service	546,736	4,450,903	-	291,911	25,293	8,586,243	2,834,514	-	16,735,600
Amortisation of insurance acquisition cash flows	-	-	-	-	-	-	-	-	-
Changes that relate to past service (changes in fulfilment cash flows re LIC):	6,987,783	8,007,673	-	(524,965)	(133,751)	(43,502,342)	(24,189,275)	(1,805,078)	(55,159,955)
Changes in estimates in LIC fulfilment cash flows	6,358,006	6,991,585	-	(380,580)	(94,484)	(42,592,216)	(21,986,680)	(1,665,410)	(53,369,779)
Experience adjustments in claims and other insurance service expenses in LIC	629,777	1,016,087	-	(144,385)	(39,267)	(910,126)	(2,202,595)	(139,668)	(1,790,176)
Changes that relate to future service:	(28,813)	-	-	(153,422)	-	(1,386,294)	-	-	(1,568,529)
Loss recovery related to losses on underlying insurance contracts at initial	-	-	-	-	-	-	-	-	-
Loss recovery and reversals of recoveries related to underlying insurance contracts losses - subsequent measurement	(28,813)	-	-	(153,422)	-	(1,386,294)	-	-	(1,568,529)
Changes in Risk of Non-Performance	15,776	(29,262)	-	6,092	733	151,305	118,626	(54,884)	208,385
Total Net Expenses from Reinsurance Contracts	5,075,578	31,219,516	(33,573)	(7,207,265)	(1,369,389)	12,331,604	(13,185,249)	(4,632,853)	22,198,368

7.4.1 Movement in Carrying Amounts - By LRC and LIC - Direct - PAA

Insurance contracts –premium allocation approach

31 December 2025	Liabilities for Remaining Coverage		Liabilities for Incured claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash	Risk Adjustment for Non-financial risk	
Opening Insurance contract assets	(9,748,720)	-	(9,225,285)	178,437	(18,795,568)
Opening Insurance contract liabilities	85,841,747	2,311,597	45,772,220	29,252,763	163,178,327
Net Opening balance	**76,093,027**	**2,311,597**	**36,546,935**	**29,431,200**	**144,382,759**
Insurance Revenue	409,946,640	-	-	-	409,946,640
Insurance Service Expenses					
Incurred insurance service expenses:					
Incurred Claims & Directly Attributable Expenses	-	-	(255,020,371)	(22,909,683)	(277,930,054)
Adjustments To Liabilities For Incurred Claims	-	-	11,976,139	18,765,821	30,741,960
Losses On Onerous Contracts & Reversal Of Those Losses	-	(12,610,391)	-	-	(12,610,391)
Other movements related to current service	-	-	-	-	-
Amortisation of insurance acquisition cash flows	(76,761,116)	-	-	-	(76,761,116)
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	-	-	-
Changes that relate to future service					-
Losses for the net outflow recognized on initial recognition	-	-	-	-	-
Losses and reversal of losses on onerous contracts - subsequent measurement	-	-	-	-	-
Total Insurance Service Expenses	**(76,761,116)**	**(12,610,391)**	**(243,044,232)**	**(4,143,862)**	**(336,559,602)**
Investment Components	**-**	**-**	**-**	**-**	**-**
Total Insurance Service result	**333,185,523**	**(12,610,391)**	**(243,044,232)**	**(4,143,862)**	**73,387,038**
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	-	-	-
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-
Total Insurance Finance Income or Expense	**-**	**-**	**-**	**-**	**-**
			-		
Other Comprehensive Income	**-**	**-**	**-**	**-**	**-**
			-		
Total Changes in the Statement of Financial Performance	**333,185,523**	**(12,610,391)**	**(243,044,232)**	**(4,143,862)**	**73,387,038**
Cash flows (Actual cashflows in the period)			-		
Premiums and premium tax received	433,457,426	-	-	-	433,457,426
Claims and other insurance service expenses paid, including investment components	-	-	(242,322,451)	-	(242,322,451)
Insurance acquisition cash flows	(72,217,866)	-	-	-	(72,217,866)
Total Cash flows	**361,239,560**	**-**	**(242,322,451)**	**-**	**118,917,109**
Net Closing balance	**104,147,064**	**14,921,988**		**33,575,062**	**189,912,831**
Closing Insurance contact assets	(11,049,768)	-	(9,304,738)	236,372	(20,118,134)
Closing Insurance contract liabilities	115,196,833	14,921,988	46,573,454	33,338,690	210,030,965
Net Closing balance	**104,147,064**	**14,921,988**	**37,268,716**	**33,575,062**	**189,912,831**

Insurance contracts –premium allocation approach

31 December 2024	Liabilities for Remaining Coverage		Liabilities for Incured claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash	Risk Adjustment for Non-financial risk	
Opening Insurance contract assets	(43,584,909)	-	(9,640,442)	164,635	(53,060,716)
Opening Insurance contract liabilities	116,452,560	2,988,009	45,396,544	11,348,907	176,186,021
Net Opening balance	72,867,651	2,988,009	35,756,102	11,513,542	123,125,305
Insurance Revenue	342,770,984	-	-	-	342,770,984
Insurance Service Expenses					
Incurred insurance service expenses:					
Incurred Claims & Directly Attributable Expenses	-	-	(306,006,293)	(22,293,867)	(328,300,160)
Adjustments To Liabilities For Incurred Claims	-	-	(8,845,576)	4,376,210	(4,469,366)
Losses On Onerous Contracts & Reversal Of Those Losses	-	676,413	-	-	676,413
Other movements related to current service	-	-	-	-	-
Amortisation of insurance acquisition cash flows	(35,369,796)	-	-	-	(35,369,796)
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	-	-	-
Changes that relate to future service					-
Losses for the net outflow recognized on initial recognition	-	-	-	-	-
Losses and reversal of losses on onerous contracts - subsequent measurement	-	-	-	-	-
Total Insurance Service Expenses	(35,369,796)	676,413	(314,851,869)	(17,917,657)	(367,462,909)
Investment Components	-	-	-	-	-
Total Insurance Service result	307,401,188	676,413	(314,851,869)	(17,917,657)	(24,691,925)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	-	-	-
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-
Total Insurance Finance Income or Expense	-	-	-	-	-
			-		
Other Comprehensive Income	-	-	-	-	-
			-		
Total Changes in the Statement of Financial Performance	307,401,188	676,413	(314,851,869)	(17,917,657)	(24,691,925)
Cash flows (Actual cashflows in the period)			-		
Premiums and premium tax received	364,478,172	-	-	-	364,478,172
Claims and other insurance service expenses paid, including investment components	-	-	(314,061,033)	-	(314,061,033)
Insurance acquisition cash flows	(53,851,605)	-	-	-	(53,851,605)
Total Cash flows	310,626,567	-	(314,061,033)	-	(3,434,466)
Net Closing balance	76,093,030	2,311,596	76,093,030	29,431,199	144,382,763
Closing Insurance contact assets	(9,748,720)	-	(9,225,285)	178,437	(18,795,568)
Closing Insurance contract liabilities	85,841,747	2,311,597	45,772,220	29,252,763	163,178,327
Net Closing balance	76,093,027	2,311,597	36,546,935	29,431,200	144,382,759

7.5.1 Movement in Carrying Amounts - By LRC and LIC - Reinsurance - PAA

31 December 2025	Remaining Coverage Component		Incurred Claims Component		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening reinsurance contact assets	27,358,697	-	110,140,471	20,692,745	158,191,913
Opening reinsurance contact liabilities	-	-	(7,328,262)	-	(7,328,262)
Net opening balance	**27,358,697**	**-**	**102,812,209**	**20,692,745**	**150,863,651**
Allocation of the premiums paid:					
Post transition	(104,108,896)	-	-	-	(104,108,896)
Total Allocation of premiums paid	**(104,108,896)**				**(104,108,896)**
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	-	29,736,430	2,481,296	32,217,726
Changes related to past service (changes related to incurred claims component)	-	-	2,284,835	(4,699,454)	(2,414,619)
Losses On Onerous Contracts & Reversal Of Those Losses	-	-	-	-	-
Acquisition Cashflows Amortisation	27,156,060	-	-	-	27,156,060
Changes that relate to future service:	**-**	**-**	**-**	**-**	**-**
Recoveries of losses on onerous underlying contracts on initial recognition	-	-	-	-	-
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	-	-	-	-
Total Amounts Recovered from Reinsurance	**27,156,060**	**-**	**32,021,265**	**(2,218,158)**	**56,959,167**
Investment Components	**-**	**-**	**-**	**-**	**-**
Effect of changes in Non-performance risk of Reinsurers	-	-	14,787	-	**14,787**
Total Net Expenses from Reinsurance	**(76,952,836)**	**-**	**32,036,052**	**(2,218,158)**	**(47,134,942)**
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	-	-	-
contracts	-	-	-	-	-
Total Insurance Finance Income or Expense	**-**	**-**	**-**	**-**	**-**
		-			
Total Changes in the Statement of Financial Performance	**(76,952,836)**	**-**	**32,036,052**	**(2,218,158)**	**(47,134,942)**
		-			
Cash flows (Actual cashflows in the period)					
Premiums and premium tax paid	93,374,488	-	-	-	93,374,488
Claims Excl. Non-Distinct Investment Component Paid	-	-	(41,524,513)	-	(41,524,513)
Directly Attributable Expenses Paid	-	-	-	-	-
Insurance Acquisition Cash Flows	(21,227,248)	-	-	-	(21,227,248)
Total cash flows	**(72,147,240)**	**-**	**41,524,513**	**-**	(30,622,727)
		-			
Net Closing balance	**22,553,101**	**-**	**93,323,748**	**18,474,587**	**134,351,436**
		-			
Closing reinsurance contact assets	21,420,005	-	99,464,871	18,474,587	**139,359,463**
Closing reinsurance contact liabilities	1,133,096	-	(6,141,124)	-	**(5,008,028)**
Net Closing balance	**22,553,101**	**-**	**93,323,748**	**18,474,587**	**134,351,435**

31 December 2024	Remaining Coverage Component		Incurred Claims Component		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening reinsurance contact assets	1,417,913	1,568,192	99,126,858	5,597,635	107,710,599
Opening reinsurance contact liabilities	(1,585,233)	337	(21,406,719)	149,685	(22,841,930)
Net opening balance	(167,319)	1,568,529	77,720,139	5,747,320	84,868,669
Allocation of the premiums paid:					
Post transition	(148,460,391)	-	-	-	(148,460,391)
Total Allocation of premiums paid	(148,460,391)				(148,460,391)
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	-	176,397,969	16,735,600	193,133,569
Changes related to past service (changes related to incurred claims component)	-	-	(53,369,779)	(1,790,176)	(55,159,955)
Losses On Onerous Contracts & Reversal Of Those Losses	-	(1,568,529)	-	-	(1,568,529)
Acquisition Cashflows Amortisation	34,045,289	-	-	-	34,045,289
Changes that relate to future service:	-	-	-	-	-
Recoveries of losses on onerous underlying contracts on initial recognition	-	-	-	-	-
Recoveries and reversals of recoveries of losses on onerous underlying contracts - subsequent measurement	-	-	-	-	-
Total Amounts Recovered from Reinsurance	34,045,289	(1,568,529)	123,028,190	14,945,424	170,450,374
Investment Components					-
Effect of changes in Non-performance risk of Reinsurers	-	-	208,385	-	208,385
Total Net Expenses from Reinsurance	(114,415,101)	(1,568,529)	123,236,575	14,945,424	22,198,368
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	-	-	-
contracts	-	-	-	-	-
Total Insurance Finance Income or Expense	-	-	-	-	-
		-			
Total Changes in the Statement of Financial Performance	(114,415,101)	(1,568,529)	123,236,575	14,945,424	22,198,368
		-			
Cash flows (Actual cashflows in the period)					
Premiums and premium tax paid	184,943,048	-	-	-	184,943,048
Claims Excl. Non-Distinct Investment Component Paid	-	-	(98,144,505)	-	(98,144,505)
Directly Attributable Expenses Paid	-	-	-	-	-
Insurance Acquisition Cash Flows	(43,001,931)	-	-	-	(43,001,931)
Total cash flows	(141,941,117)	-	98,144,505	-	(43,796,612)
		-			
Net Closing balance	27,358,696	0	102,812,209	20,692,744	150,863,650
		-			
Closing reinsurance contact assets	27,358,697	-	110,140,471	20,692,745	158,191,913
Closing reinsurance contact liabilities	-	-	(7,328,262)	-	(7,328,262)
Net Closing balance	27,358,697	-	102,812,209	20,692,745	150,863,651

8 PLANT AND EQUIPMENT	Computer equipment	Furniture and fittings	Total
COST	Rs.	Rs.	**Rs.**
At January 1, 2025	6,077,144	2,780,898	8,858,042
Additions	1,800,303	49,159	1,849,462
At December 31, 2025	**7,877,447**	**2,830,057**	**10,707,504**
DEPRECIATION			
At January 1, 2025	4,163,594	2,458,727	6,622,321
Charge for the year	1,391,423	148,712	1,540,135
At December 31, 2025	**5,555,017**	**2,607,439**	**8,162,456**
NET BOOK VALUE			
At December 31, 2025	**2,322,430**	**222,618**	**2,545,048**

	Computer equipment	Furniture and fittings	Total
COST	Rs.	Rs.	Rs.
At January 1, 2024	4,776,242	2,665,995	7,442,237
Additions	1,300,902	114,903	1,415,805
At December 31, 2024	6,077,144	2,780,898	8,858,042
DEPRECIATION			
At January 1, 2024	2,965,411	2,333,221	5,298,632
Charge for the year	1,198,183	125,506	1,323,689
At December 31, 2024	4,163,594	2,458,727	6,622,321
NET BOOK VALUE			
At December 31, 2024	1,913,550	322,171	2,235,721

(i) During the year ended 31 December 2025, management carried out an impairment assessment of plant and equipment and concluded that there is no indication if impairment (2024: Nil).

(ii) At each reporting period, management performs a useful life assessment and for the year ended 31 December 2025 management has noted no change in useful life for plant and equipment (2024: Nil).

9A RIGHT-OF-USE ASSETS

	2025	2024
	Building	Building
	Rs.	Rs.
At January 1,	**6,766,054**	-
Addition	**-**	10,149,081
Amortisation	**(3,383,029)**	(3,383,027)
At December 31,	**3,383,025**	6,766,054

During the year ended 31 December 2025, management has performed an impairment assessment and no indication of impairment of right of use assets was identified.

9B LEASE LIABILITIES

	2025	2024
	Building	Building
	Rs.	Rs.
At January 1,	**7,178,714**	-
Addition	**-**	10,149,081
Interest expense	**395,742**	616,343
Lease payments	**(3,766,040)**	(3,586,710)
At December 31,	**3,808,416**	7,178,714
Current	**3,808,410**	3,370,303
Non current	**-**	3,808,411
	3,808,410	7,178,714

(a) Nature of leasing activities (in the capacity as lessee)

The Company leases a building used as an office space. The lease comprise only fixed payments over the lease terms.

(b) Fixed lease payments

The fixed lease payments and incremental borrowing rate are as per below:

December 31, 2025	***Lease Contracts Number***	***Fixed Payments %***
Building lease	1	7%

December 31, 2024	*Lease Contracts Number*	*Fixed Payments %*
Building lease	1	7%

(c) Extension and termination options

Extension and termination options are included in the building lease. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable only by the Company and not by the respective lessor. There are no extension and termination options included in the vehicle lease contracted by the Company.

9B LEASE LIABILITIES (CONT'D)

(d) Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (not terminated).

Extension options in building have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

The lease term has been determined based on the duration of the lease contract which is 5 years for the building including a break clause exercisable after 3 years.

There were no restrictions or covenants imposed by the lease.

(e) Lease disclosures	**2025**	2024
	Rs.	Rs.
Interest expense (note 15(b))	**395,742**	616,337
Amortisation (note 9A)	**3,383,029**	3,383,027

The total cash outflow for leases in 2025 was Rs.4,161,787 (2024:Rs. 4,203,047).

10 INTANGIBLE ASSETS

	Computer software	**Website & Server**	**Total**
	Rs.	**Rs.**	**Rs.**
COST			
At January 1, 2025	146,209,433	2,751,501	148,960,934
Additions	4,525,539	115,000	4,640,539
At December 31, 2025	**150,734,972**	**2,866,501**	**153,601,473**
AMORTISATION			
At January 1, 2025	100,571,006	2,751,501	103,322,507
Charge for the year	9,623,302	12,778	9,636,080
At December 31, 2025	**110,194,308**	**2,764,279**	**112,958,587**
NET BOOK VALUES			
At December 31, 2025	**40,540,664**	**102,222**	**40,642,887**

	Computer software	Website & Server	Total
	Rs.	Rs.	Rs.
COST			
At January 1, 2024	130,175,293	2,751,501	132,926,794
Additions	16,034,140	-	16,034,140
At December 31, 2024	146,209,433	2,751,501	148,960,934
AMORTISATION			
At January 1, 2024	91,956,320	2,751,501	94,707,821
Charge for the year	8,614,686	-	8,614,686
At December 31, 2024	100,571,006	2,751,501	103,322,507
NET BOOK VALUES			
At December 31, 2024	45,638,427	-	45,638,427

(i) During the year ended 31 December 2025, management carried out an impairment assessment of intangible assets and concluded that there is no indication of impairment (2024: Nil).

(ii) At each reporting period, management performs a useful life assessment and for the year ended 31 December 2025 management has noted no change in useful life for intangible assets (2024: Nil).

11 OTHER RECEIVABLES

	2025	2024
Other receivables*	**2,213,626**	1,390,093

* Other Receivables represents deposits to service providers and receivables from investment income.

12 SHARE CAPITAL

	2025	2024
	Rs.	Rs.
Authorised		
565,000,000 (2024: 565,000,000)		
ordinary shares of Rs.1 each	**565,000,000**	565,000,000

	Number of shares		Ordinary shares	
	2025	2024	**2025**	2024
	Rs.	Rs.	**Rs.**	Rs.
At January 1,	**565,000,000**	525,000,000	**565,000,000**	525,000,000
Issue of shares	**-**	40,000,000	**-**	40,000,000
At December 31,	**565,000,000**	565,000,000	**565,000,000**	565,000,000

All issued shares are fully paid.

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

13 OTHER PAYABLES

	2025	2024
	Rs.	Rs.
Accruals	**9,289,968**	9,389,033
Other Payables**	**14,264,929**	8,308,243
	23,554,897	17,697,276

** Other Payables represents Deposits and Commision Payable

14A PROFIT/ (LOSS) BEFORE TAXATION

	2025			2024		
	Rs.	**Rs.**	**Rs.**	Rs.	Rs.	Rs.
	Other directly attributable expenses**	**Marketing and administrative expenses**	**Total**	Other directly attributable expenses	Marketing and administrative expenses	Total
Profit /(loss) before taxation is arrived at after charging:						
Depreciation on plant and equipment (note 8)	**1,180,430**	**359,705**	**1,540,135**	963,468	369,369	1,332,837
Amortisation on right-of-use assets (note 9)	**-**	**3,383,029**	**3,383,029**	-	3,383,028	3,383,028
Amortisation of intangible assets (note 10)	**8,162,032**	**1,474,048**	**9,636,080**	6,874,647	1,740,039	8,614,686
Employee benefit expense	**38,355,622**	**6,855,773**	**45,211,395**	25,914,821	6,129,800	32,044,621

14B EXPENSES BY NATURE

	2025			2024		
	Rs.	**Rs.**	**Rs.**	Rs.	Rs.	Rs.
	Other directly attributable expenses**	**Marketing and administrative expenses**	**Total**	Other directly attributable expenses	Marketing and administrative expenses	Total
Employee benefit expense	**38,355,622**	**6,855,773**	**45,211,395**	25,914,821	6,129,800	32,044,621
Depreciation (note 8)	**1,180,430**	**359,705**	**1,540,135**	963,468	369,369	1,332,837
Amortisation (notes 9 & 10)	**8,162,032**	**4,857,077**	**13,019,109**	6,874,647	5,123,067	11,997,714
Computer expenses and licences	**8,132,061**	**-**	**8,132,061**	8,329,333	146,388	8,475,721
Premises costs	**1,633,289**	**291,938**	**1,925,227**	1,472,903	375,676	1,848,579
Legal and professional fees	**3,133,662**	**5,675,012**	**8,808,674**	6,228,721	3,175,650	9,404,371
Advertising and marketing costs	**-**	**3,672,093**	**3,672,093**	-	2,740,175	2,740,175
Communication costs	**280,247**	**124,200**	**404,447**	166,455	323,303	489,758
Subscriptions	**3,528,596**	**-**	**3,528,596**	2,129,921	-	2,129,921
Other staff costs	**-**	**569,954**	**569,954**	-	335,667	335,667
Bank and similar charges	**479,218**	**523,951**	**1,003,169**	651,957	537,937	1,189,894
Printing, postages and stationeries	**591,292**	**-**	**591,292**	827,521	-	827,521
Impairment of trade receivables	**-**	**2,263,368**	**2,263,368**	-	3,139,310	3,139,310
Audit fees	**-**	**1,027,050**	**1,027,050**	-	830,500	830,500
General office expenditure	**-**	**426,408**	**426,408**	216,355	539,089	755,444
Compliance costs	**230,600**	**2,226,959**	**2,457,559**	210,005	-	210,005
Motor vehicle expenses	**440,105**	**-**	**440,105**	245,863	-	245,863
Other insurance expenses	**5,813,938**	**-**	**5,813,938**	5,873,116	-	5,873,116
Total marketing and administrative expenses	**71,961,092**	**28,873,488**	**100,834,580**	60,105,086	23,765,931	83,871,017

NOTE:

Other directly attributable expenses comprise expenses incurred by the company in the reporting period that relate directly to the fulfilment of contracts issued within IFRS 17's scope and reinsurance contracts held. These expenses are recognised in the statement of profit or loss based on IFRS 17 measurement requirements.

15 NET FINANCE INCOME/ (COSTS)

		2025	2024
		Rs.	Rs.
15(a)	Finance income		
	- Interest on term deposits	**2,262,093**	650,769
	- Interest on treasury bills	**2,221,918**	1,125,951
	- Exchange gains	**-**	45,813
		4,484,011	1,822,533
15(b)	Finance costs		
	- Interest on lease liabilities	**(395,742)**	(616,343)
	- Exchange loss	**(116,492)**	(1,189,839)
		(512,234)	(1,806,182)
		3,971,777	16,351

16 INCOME AND DEFERRED TAXATION

		2025	2024
		Rs.	Rs.
(a)	Statement of profit or loss and other comprehensive income		
	Current tax on adjusted profit for the year at 15% (2024: 15%)	**-**	-

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	2025	2024
	Rs.	Rs.
Profit/(loss) before tax	**1,350,384**	(26,243,136)
Tax calculated at 15% (2024: 15%)	**202,558**	(3,936,470)
Expenses not deductible for tax purposes	**2,686,574**	3,813,581
Income not subject to tax	**(2,492,792)**	(3,416,241)
Tax losses for which no deferred tax was recognised	**(396,340)**	3,539,130
Tax charge	-	-

(b) At the end of the reporting period, the Company had unused tax losses of Rs. 237,617,091 (2024: Rs.224,764,522) available for offset against future profits. No deferred tax asset has been recognised on the loss on the basis that, due to the taxation regime applicable to insurance companies under Section 50 of ITA 95, as read with Regulation17 of ITR 96, due to unpredictability of future profit streams and therefore, no temporary difference arises on the losses. The tax losses expire on a rolling basis over 5 years, as follows:

	2025	2024
	Rs.	Rs.
Year 1	**(6,463,901)**	-
Year 2	**(44,072,623)**	(6,463,901)
Year 3	**(28,280,698)**	(44,072,623)
Year 4	**(4,405,974)**	(28,280,698)
Year 5	**-**	(4,405,974)
	(83,223,196)	(83,223,196)
Carried forward indefinitely	**(154,393,895)**	(141,541,326)
	(237,617,091)	(224,764,522)

(c) Expenses not deductible for tax purposes mainly comprise of increase in provision for receivables, allowances, depreciation and amortisation.

17 NOTES TO THE STATEMENT OF CASH FLOWS

		Notes	2025	2024
(a)	**Cash generated from /(absorbed by) operations**			
	Profit/(loss) before taxation		**1,350,384**	(26,243,136)
	Adjustments for:			
	Depreciation on property and equipment	8	**1,540,135**	1,323,689
	Amortisation of right-of-use assets	9A	**3,383,029**	3,383,027
	Amortisation of intangible assets	10	**9,636,080**	8,614,686
	Interest expense	15(b)	**395,742**	616,343
	Net foreign exchange loss	15	**116,492**	1,144,026
			16,421,862	(11,161,365)
	Changes in working capital:			
	- Other receivables		**(823,533)**	-
	- Movements in insurance contract assets		**(1,322,567)**	34,265,148
	- Movements in reinsurance contract assets		**18,832,450**	(50,481,314)
	- Movements in insurance contract liabilities		**46,852,638**	(13,007,694)
	- Movements in reinsurance contract liabilities		**(2,320,235)**	(15,513,668)
	- Other payables		**5,857,625**	28,184,667
	Cash generated from /(absorbed by) operations		**83,498,241**	(27,714,226)

17 NOTES TO THE STATEMENT OF CASH FLOWS (CONT'D)

(b) Cash and cash equivalents

Cash and cash equivalents include the following for the purpose of the statement of cash flows:

	2025	2024
	Rs.	Rs.
Cash in hand and at bank	**56,509,323**	47,825,625

(c) Reconciliation of liabilities arising from financing activities

	At January 1,	**Addition**	**Lease payments**	**Interest**	**At December 31,**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
2025					
Lease liabilities	**7,178,714**	**-**	**(3,766,040)**	**395,742**	**3,808,416**
2024					
Lease liabilities	-	10,149,081	(3,586,710)	616,343	7,178,714

(d) The carrying amounts of the Company's cash and cash equivalents are denominated in the following currencies:

		2025	2024
		Rs.	Rs.
	MUR	**45,726,229**	24,456,284
	USD	**10,783,094**	23,369,341
		56,509,323	47,825,625

(e) Investments

	2025	2024
	Rs.	Rs.
Investment in term deposits	**80,000,000**	30,000,000
Investment in treasury bills	**33,845,000**	19,403,000
	113,845,000	49,403,000

18. RELATED PARTY TRANSACTIONS

		Holding Company		**Directors and key management personnel**	
		2025	2024	**2025**	2024
		Rs.	Rs.	**Rs.**	Rs.
(a)	Expenses paid by parent company on behalf of company	**8,373,872**	10,699,141	-	**-**
	Payments made by parent company on behalf of company	**35,903,610**	28,253,258	-	**-**
	Sale of short term insurance contracts	**357,511**	238,340	**287,055**	123,771

(b) Expenses paid by the Holding Company on behalf of Quantum Insurance Ltd relate mainly to rental cost. The above transactions have been made at arm's length, on normal commercial terms and in the normal course of business. The sales to related parties are made at normal market prices. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received from any related party. For the year ended 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

		2025	2024
		Rs.	Rs.
(c)	Key management personnel compensation		
	Salaries and short term employee benefits	**6,699,289**	6,331,506
	Post-employment benefits	**474,318**	483,864
		7,173,607	6,815,370

(d) There were no outstanding balances with related parties at 31 December 2025 and 31 December 2024.

19. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is Rs. Nil (2024: Rs. Nil).

20. CONTINGENT LIABILITIES

At 31 December 2025, the Company did not have any material contingent liabilities.

21. HOLDING COMPANY

The Directors regard Hertshten Group Limited which owns 93.81% of the Company's ordinary share capital, as the holding Company. The holding Company is incorporated in Mauritius and its registered office is at Ground floor, Lot 15A4, Hyvec Business Park, Wall Street, Ebene, 72201, Mauritius.

22. GOING CONCERN ASSESSMENT

(a) Since commencing operations in 2015, the Company had incurred losses, including Rs. 26.3M in 2024 and Rs. 46.8M in 2023. The Company has reported a profit of Rs. 1.35M in the current year, indicating an improvement in financial performance. In prior years, operations were supported through continuous cash injections from

Recovery Plan

Key actions of the Company's recovery plan include:

(i) Sustainable growth and gain in market share through the new business referral partnership programme with major players in the banking and finance industries.

(ii) Cost containment through the following:
(a) Risk selection and rules-based underwriting through fraud detection and correlation analytics
(b) Claims cost management in terms of maximising the alternative cost-effective channel of service providers as well as cost optimization in servicing the claims function
(c) De-risking measures - Underwriting strategy in terms of de-risking the portfolio which is geared towards the complete exiting of those portfolios with loss ratio which historically have demonstrated a deteriorating trend in spite of pricing review in the prior years.
In line with the Recovery Plan above, the Company has underwritten the Brokers line of business from September 2023.
The Company is also relying on continuous support from its shareholders in the foreseeable future.
Following their going concern assessment and key areas of uncertainty, the Directors having considered the adequacy of the Company's funding, borrowing facilities and operating cash flows, for at least the next 12 months, are satisfied that the financial statements are prepared on a going concern basis.

The three years business plan prepared by the Company involve known and unknown risks and uncertainties, which may cause actual performance and financial performance in future periods to differ materially from forecasted figures.

23. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, geopolitical tensions in the Middle East have escalated following military actions involving the United States, Israel and Iran. These developments have increased global geopolitical uncertainty and may result in broader economic implications including potential volatility in energy markets, supply chain disruptions, inflationary pressures and changes in global financial conditions.

At the date of approval of these financial statements, the Company has assessed the potential impact of these developments on its operations, financial position and performance. Based on the information currently available, the directors are not aware of any direct material impact on the Company’s assets, liabilities, operations or financial results for the reporting period. In accordance with IAS 10 – Events after the Reporting Period, management has assessed this as a non-adjusting event as it occurred after the reporting date. Accordingly, no adjustment has been made to the amounts recognised in the financial statements.

However, given the evolving nature of the situation, the ultimate financial and non-financial impact cannot presently be determined with certainty. Potential impacts could arise indirectly through changes in global economic conditions, market volatility, commodity prices, supply chains or broader geopolitical developments.

The directors continue to closely monitor the situation and will assess the implications, if any, for the Company’s operations, liquidity, financial performance and financial reporting in future reporting periods. Accordingly, these financial statements do not include any adjustments that might result from the outcome of these uncertainties.

Except as disclosed above, there have been no material events since the end of the reporting period which would require disclosure or adjustment to the financial statements for the year ended 31 December 2025.