

NIC GENERAL INSURANCE CO. LTD
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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The Directors have the pleasure in submitting the annual report of **NIC General Insurance Co. Ltd** ("NICG" or the "Company"), including the audited financial statements for the year ended 30 June 2025.

1 PRINCIPAL ACTIVITIES

The Company is mainly engaged in general insurance business.

2 RESULTS FOR THE YEAR

The statement of profit or loss and other comprehensive income for the year is shown on page 40.

3 DIRECTORS

The Directors of the Company are as follows:

	<u>Date of appointment</u>	<u>Date of cessation</u>
<u>Independent and Non-Executive Chairman</u>		
Mr. Santosh Kumar Gujadhur	27-May-25	-
<u>Non-Independent and Non-Executive Chairman</u>		
Mr. Vikash Peerun	20-Feb-20	11-Oct-24
<u>Independent and Non-Executive Director</u>		
Dr. (Mrs) Arty Rambharush	26-May-17	17-Nov-24
Mr. Dhirshantsingh Ramkelawon	18-Feb-21	15-Nov-24
Mrs. Nalini Gopaul Dookhee	18-Feb-21	18-Nov-24
Mr. Rouben Krishna Dorasami	18-Feb-21	15-Nov-24
Mr. Alvin Joyekurun	23-May-25	-
Ms. Leelamane Poonosamy Padiachy	28-May-25	-
Mr. Vivekanand Lochun	17-Jun-25	15-May-26
Mr. Sorensen Nirsimloo	23-May-25	-
<u>Non-Independent and Non-Executive Director</u>		
Mrs. Tej Asha Mudhoo	05-Dec-19	15-Nov-24
Mr. Kresh Seebundhun	11-Dec-19	09-Oct-24
Dr. Sudhirsan Kowlessur	27-Jan-22	15-Nov-24
Mr. Yuvrajsingh Betchoo	29-Nov-24	29-Nov-25
Mrs. Karuna Devi Beelur-Pusram	13-Jan-26	-
Mr. Nakshay Nilkumar Bulloram	27-Aug-26	-
<u>Executive Director</u>		
Dr. Oumeshsingh Sookdawoor	15-May-25	-

4 DIRECTORS' SERVICE CONTRACTS

During the year, an executive Director was appointed and has a contract of service with a related company within the NIC Group of companies.

5 DIRECTORS' SHARE INTEREST

The Directors, both past and present, did not hold any share in the Company nor do they have any dealings in those shares.

6 CONTRACT OF SIGNIFICANCE

None of the Directors had any contract of significance with the Company during the year.

7 DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Company's Directors are responsible for the preparation and fair presentation of the financial statements of the Company. These financial statements comprise the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards, the Companies Act 2001, Financial Reporting Act 2004 and Insurance Act 2005. The Directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

8 DIRECTORS' REMUNERATION AND BENEFITS

	2025 MUR	2024 MUR
Directors' remuneration	<u>1,004,648</u>	<u>2,578,840</u>

There was one executive Director for the year ended 30 June 2025 (2024: Nil). The executive Director is remunerated in his executive capacity in accordance with the remuneration framework and terms of employment of a related company within the NIC Group of companies.

9 DONATION

The Company made no donation during the year ended 30 June 2025 (2024: Nil).

10 AUDITORS' REMUNERATION

	2025		2024	
	Audit fees MUR	Other MUR	Audit fees MUR	Other MUR
MOORE (Mauritius) LLP	<u>2,616,250</u>	<u>109,250</u>	<u>2,501,250</u>	<u>109,250</u>

Other relates to fee payable for tax services.

MOORE (Mauritius) LLP have shown their willingness to continue to act as auditors of the Company. MOORE (Mauritius) LLP have been appointed as auditors of the Company for the financial year ending 30 June 2026, in accordance with Section 200(1) of the Companies Act 2001, and will hold office until the conclusion of the next Annual Meeting.

On behalf of the Board of Directors


Mr. Santosh Kumar Gujadhur
Chairman

Date: 17 SEP 2026


Mr. Alvin Joyekurun
Director

Date: 17 SEP 2026

NIC GENERAL INSURANCE CO. LTD
BOARD OF DIRECTORS
DIRECTORS' PROFILES AS AT 30 JUNE 2025

Officers appointed during the financial year 30 June 2025

1. Mr. Santosh K. Gujadhur

Independent & Non-Executive Director (Chairman of the Board)

Date of Appointment: 27 May 2025

Mr. Gujadhur is a legal practitioner, entrepreneur and investor with over 20 years of international experience in legal advisory, fund administration, corporate governance and investment structuring. He is admitted to the New York State Bar and began his legal career at Clarel Benoit Chambers before joining Sidley Austin LLP in New York, where he advised global financial institutions and corporates on capital markets, regulatory compliance and complex structured transactions. He has worked with a broad portfolio of clients, including broker-dealers, sovereign wealth funds and Fortune 500 companies. In 2011, he co-founded GFin Corporate Services Ltd, a leading fund administration and fiduciary services provider in Mauritius, which was later acquired by Apex Group Ltd. At Apex, he held senior leadership roles, including Managing Director (Mauritius) and Global Head of Operations – Transformation, where he oversaw large-scale operational strategy and integration initiatives.

Mr. Gujadhur currently sits on the boards of several Global Business Companies, including entities affiliated with the Carlyle Group and Apollo Global Management, and serves as a Director of Global Credit Rating Company Ltd. He is also actively engaged in establishing an investment bank and a platform variable capital company under the “GCap” brand in Mauritius. An experienced entrepreneur, he is a co-founder of the Burger King franchise in Mauritius and an active angel investor across Africa in sectors such as fintech, insure-tech, real estate and hospitality. He is a member of the Entrepreneurs Organization, a former National President of Round Table Mauritius, and currently serves as President of the Mauritius Turf Club (MTC) and Chairman of the MTC Jockey Club.

Mr. Gujadhur holds a Doctor of Law degree from Cornell University, with a focus on Business Law and Regulation, and a Bachelor of Science in Biochemistry from Boston College, USA.

2. Dr. Oumeshsingh (Rishi) Sookdawoor

Executive Director / Group Officer-in-Charge and Chief Operating Officer

Date of Appointment: 15 May 2025

Dr. Sookdawoor is a seasoned board-level executive with over 25 years of leadership experience in financial services, insurance, business transformation and technology. He currently serves as Group Officer-in-Charge and Chief Operating Officer of NIC Group, one of Mauritius’ leading insurance groups. Throughout his career, he has held senior executive positions in large conglomerates, led teams of over 500 professionals, and successfully implemented strategic transformation and innovation projects. His professional influence extends internationally, with board roles on regulated entities in the EU and Africa, and he has served as a Director of the Financial Services Institute of Mauritius, supporting professional development across the region.

He was the President of the Insurers Association of Mauritius (IAM), where he spearheaded key sector-wide initiatives in 2023 and 2024. Dr. Sookdawoor is also the founder of LeadEthics, a platform promoting ethical leadership in business, and is recognised as a published thought leader, speaker, and journal reviewer. He is noted for advancing ethical leadership, fostering organisational citizenship behaviour, and driving business transformation.

He holds a Doctorate in Business Leadership, an MBA, and an MSc in Information Systems. He is a Fellow of BCS, The Chartered Institute for IT (UK), and an Associate of the Insurance Institute of South Africa.

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3. Mr. Vivekanand Lochun

Independent & Non-Executive Director

Date of Appointment: 17 June 2025

Date of Cessation: 15 May 2026

Reason for cessation: Resignation

Mr. Lochun is an experienced ICT engineer with over 35 years of expertise in the Information and Communication Technology sector across both the public and private sectors. He has also served internationally as an ICT and business consultant for a range of institutions and corporate clients. He has held leadership positions such as Chairman of the ICT Committee at the University of Technology, Mauritius.

Currently, Mr. Lochun serves as a Non-Executive Director on the boards of several renewable energy companies and acts as a Technology Consultant for an international firm. He holds double Master's degrees in ICT and Engineering from institutions in France and the United Kingdom.

4. Mr. Alvin Joyekurun

Independent & Non-Executive Director

Date of Appointment: 23 May 2025

Mr. Joyekurun is a seasoned financial and investment advisor with over 20 years of experience in global financial markets. He began his career in London with Deloitte Consulting in 2005 and AON Hewitt in 2008, where he specialised in investment strategy for institutional investors. Since returning to Mauritius in 2009, he has led major transformational initiatives across the asset management, banking and insurance sectors, working with leading organisations including the MCB Group, SWAN Group and the Amicorp Group.

Mr. Joyekurun holds a first-class degree in Actuarial Science from Cass Business School, UK, is a CFA Charterholder, and a Fellow of the Institute and Faculty of Actuaries (FIA), UK, with a specialisation in investment. He is recognised for his independent thinking and holistic approach to complex financial challenges, offering strategic insight grounded in deep technical expertise.

5. Ms. Leelamanee (Leela) Poonosamy Padiachy

Independent & Non-Executive Director

Date of Appointment: 28 May 2025

Ms Padiachy was called to the Bar of England and Wales (The Honourable Society of Lincoln's Inn, 2006) and admitted to the Bar of Mauritius (2007). She brings nearly two decades of experience in legal advisory, corporate governance and regulatory affairs across the public and private sectors. Her professional background includes key legal positions at the Financial Services Commission and the Central Electricity Board, and she currently serves as Chairperson of the Appeal Committee of the Mauritius Institute of Professional Accountants (MIPA). Her areas of expertise span corporate law, public procurement, labour and industrial relations, construction and energy law, with a strong track record in negotiation, institutional reform and public policy design.

A graduate of The Chartered Governance Institute UK, Ms Padiachy holds an LLB (Hons), an LLM in Corporate Law and an MA in Public Policy and Administration (Distinction). She recently completed an Executive Programme in Public Policy with Artificial Intelligence at the Lee Kuan Yew School of Public Policy, National University of Singapore.

6. Mr. Sorensen Nirsimloo

Independent & Non-Executive Director

Date of Appointment: 23 May 2025

Mr. Nirsimloo is a qualified Chemical and Environmental Engineer with over 17 years of experience, including 14 years in management roles within the petroleum industry. He brings extensive expertise in health and safety, environmental management, risk management and strategic planning. He is recognised for his strong negotiation and leadership skills, which have contributed significantly to operational excellence and regulatory compliance in high-risk sectors.

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7. Mr. Yuvrajsingh Betchoo

Non-Independent & Non-Executive Director

Date of Appointment: 29 November 2024

Date of Cessation: 29 November 2025

Reason for cessation: Resignation

Mr. Betchoo is a Fellow of the Association of Chartered Certified Accountants (FCCA) with over 17 years of experience in accounting, audit, taxation, AML/CFT compliance and financial services. He has held senior management roles in the private sector and currently serves as Lead Analyst at the Ministry of Financial Services and Economic Planning.

He also contributes to regulatory oversight as a Board Member of the Real Estate Agent Authority, bringing his expertise to the governance and supervision of the sector.

Officers appointed after the financial year ended 30 June 2025

8. Mrs. Karuna Devi Beelur-Pusram

Non-Independent & Non-Executive Director

Date of Appointment: 13 January 2026

Mrs. Karuna Devi Beelur-Pusram is an Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) professional with over ten years of experience in the public sector. She currently serves as Lead Analyst, AML/CFT, at the Ministry of Financial Services and Economic Planning, where she contributes to the development, implementation, and oversight of national AML/CFT policies and frameworks.

Mrs. Beelur-Pusram has a strong legal background and brings expertise in regulatory analysis, risk assessment, compliance, and financial crime risk mitigation. She is also a trained AML/CFT Assessor with the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG).

9. Mr. Nakshay Nilkumar Bulloram

Non-Independent & Non-Executive Director

Date of Appointment: 27 August 2026

Mr. Nakshay Bulloram has over 10 years of experience in the Procurement and Supply Cadre within the public sector. He holds an MSc in Procurement and Supply Chain Management, a BSc (Hons) in Marketing Management and professional qualifications from the Chartered Institute of Procurement & Supply, UK (CIPS). He has held progressively senior positions and has extensive experience in strategic procurement, tender management, supply chain operations and procurement governance. He brings valuable expertise in procurement oversight, compliance and strategic decision-making.

Officers who served and ceased to be Directors during the year 2024-2025

10. Mr. Vikash Peerun (Ceased on 11 October 2024)

Reason for cessation: Resignation

Mr Vikash Peerun was the Chief Executive Officer of the National Property Fund Ltd, the holding company of the NIC Group, which consists of the National Insurance Co. Ltd, its subsidiaries (the NIC Properties Co. Ltd, NIC Healthcare Ltd and NIC Micro Finance Co. Ltd) and the NIC General Insurance Co. Ltd. Mr Peerun holds an MSc International Securities, Investment & Banking from the University of Reading, UK and a BA Dual (Hons) Business Administration & Environment Management from Keele University, UK. He also holds professional membership with the Association of Certified Fraud Examiners, US and is an affiliate of the Association of Chartered Certified Accountants (ACCA). He has significant experience and expertise in the field of financial services, forensic & money-laundering investigation, compliance & management amongst others. He fulfilled several senior roles both locally and internationally with key institutions including SBM Bank (Mauritius) Ltd, Serious Fraud Office (UK) and Independent Commission Against Corruption (Mauritius) amongst others.

11. Mr. Rouben Krishna Dorasami (Ceased on 15 November 2024)

Reason for cessation: Resignation

Mr. Rouben Krishna Dorasami is currently a Deputy Managing Director at Linkham Services Ltd with over 6 years of experience in the Insurance sector and over 11 years of experience in the Accountancy field. He holds a bachelor's degree in Accounting and Finance and is completing his MBA. Mr Dorasami is also a businessman who operates in the import and export industry. He is also a member of Mauritius Institute of Directors (MIoD).

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12. Mrs. Nalini Gopaul Dookhee (Ceased on 18 November 2024)

Reason for cessation: Resignation

Mrs. Nalini Gopaul Dookhee holds an LLB and is a Trust Estate Practitioner established as an experienced specialist in the setting up of International Trusts for the needs of corporate organizations and both resident/non-resident individuals and their management. Specialized skills in international marketing and promotion of Trusts and related businesses at a multi-jurisdictional level. She has been involved in Fund Management, Asset Management, Setting up of Captive Insurance, Protected Cell Companies and Wealth and Estate planning. She started her career with Hegoda & Co Solicitors in London. She has worked in the Financial Services sector for 20 years in Mauritius. She has worked as Senior Corporate Officer at Ernst & Young and KPMG, AAMIL Ltd as Corporate Services Manager and Deutsche Bank as Assistant Vice President. Mrs. Nalini Gopaul Dookhee is presently a Financial Consultant. She is also a Board Member of the Tourism Authority in Mauritius. She is involved in philanthropic and social activities.

13. Dr. Sudhirsan Kowlessur (Ceased on 15 November 2024)

Reason for cessation: Resignation

Dr. Sudhirsan Kowlessur was the Director, Health Promotion and Research at the Ministry of Health and Wellness. He holds an MA in Health Promotion and Communication from Middlesex University, UK and a Doctorate in Philosophy in Epidemiology and Health Statistics from Nanjing Medical University, China.

14. Mrs. Tej Asha Mudhoo (Ceased on 15 November 2024)

Reason for cessation: Resignation

Mrs. Tej Asha Mudhoo was the Director of Operations at the Prime Minister's Office (Private Office). She holds an MBA with specialisation in Human Resource Management, a BSc (Hons) Management with specialisation in Public Administration and Management, and a Diploma in Management with specialisation in Public Administration and Management. She has more than 40 years of experience in the public service.

15. Dr. (Mrs) Arty Rambharush (Ceased on 17 November 2024)

Reason for cessation: Resignation

Dr. (Mrs) Arty Rambharush is a full-time educator at the New Educational College with 28 years of service. She is an author and a registered artist. She also holds a Doctorate and a Master in philosophy from Kurukshetra University, an MSC in Educational Leadership and Management from the University of Technology, a BA (Hons) in Philosophy from the University of London, a Diploma in Business English from London and a Diploma in Vocal Hindustani.

16. Mr. Dhirshantsingh Ramkelawon (Ceased on 15 November 2024)

Reason for cessation: Resignation

Mr. Dhirshantsingh Ramkelawon is a qualified engineer and professional in the aviation sector. He started his career as an Engineer at Textile Industries. In 2008, he joined Air Mauritius Limited as Trainee Engineer whereby he spent more than 10 years in the maintenance field. He is currently overseeing the Planning Department of Air Mauritius Limited. Mr. Ramkelawon was also appointed as Chairman of the Audit Committee of the Sugar Investment Trust. He currently holds a Degree in Mechatronics Engineering, Masters in Finance, and Masters in Business Administration and has also completed his LLB from the University of Mauritius in 2017.

17. Mr. Kresh Seebundhun (Ceased on 09 October 2024)

Reason for cessation: Resignation

Mr. Kresh Seebundhun was the Director (Financial Services) at the Ministry of Financial Services and Good Governance. He was previously a Lead Analyst at the Ministry of Finance, Economic Planning and Development (MOFEPD). He is a Fellow of the Association of Chartered Certified Accountants (UK) since 1996. He has a long-standing career in the field of financial management in the public sector since July 1987. He has been a Director on the board of various state-owned companies and parastatal bodies. He has also served as Company Secretary for Mauritius Post Ltd and its subsidiary companies.

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MANAGEMENT PROFILES
AS AT 30 JUNE 2025

1. Dr. Oumeshsingh (Rishi) Sookdawoor, Group Officer-in-Charge & Chief Operating Officer

Dr. Sookdawoor is a seasoned board-level executive with over 25 years of leadership experience in financial services, insurance, business transformation and technology. He currently serves as Group Officer-in-Charge and Chief Operating Officer of NIC Group, one of Mauritius' leading insurance groups. Throughout his career, he has held senior executive positions in large conglomerates, led teams of over 500 professionals, and successfully implemented strategic transformation and innovation projects. His professional influence extends internationally, with board roles on regulated entities in the EU and Africa, and he has served as a Director of the Financial Services Institute of Mauritius, supporting professional development across the region.

He was the President of the Insurers Association of Mauritius (IAM), where he spearheaded key sector-wide initiatives in 2023 and 2024. Dr. Sookdawoor is also the founder of LeadEthics, a platform promoting ethical leadership in business, and is recognised as a published thought leader, speaker, and journal reviewer. He is noted for advancing ethical leadership, fostering organisational citizenship behaviour, and driving business transformation.

He holds a Doctorate in Business Leadership, an MBA, and an MSc in Information Systems. He is a Fellow of BCS, The Chartered Institute for IT (UK), and an Associate of the Insurance Institute of South Africa.

2. Mr. Shakeel Summun, Group Chief Financial Officer & Chief Officer - Lending

Mr. Summun is the Group Chief Financial Officer of the National Insurance Co. Ltd, NIC General Insurance Co. Ltd, and NIC Properties Co. Ltd. He is a Fellow of the Association of Chartered Certified Accountants (FCCA), a Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW), and a CFA Charterholder, with over 25 years of professional experience in the financial services sector. At NIC, he leads Finance, Investment, Actuarial, Pensions, and the lending cluster, driving financial transformation and supporting strategic growth. His earlier career spans Deloitte, Ernst & Young, the offshore sector, and several C-level roles in the insurance industry. He also served as an Independent Non-Executive Director at SBM Bank (Mauritius) Ltd, contributing to board oversight, audit, and governance. Mr. Summun is a Fellow of the Mauritius Institute of Directors (MIoD), a member of the CFA Society of Mauritius, and a former Panel Network Member of ACCA Mauritius. He has been honoured internationally, most recently among the Top 10 Global Leaders To Look For in 2024 and as one of the Global 200 Power Leaders in Finance 2024, building on his earlier recognition as the Young Achiever Award 2014 recipient from the Africa Leadership Awards.

3. Mrs. Chitra Devi (Reena) Moonosamy, Group Chief Services Officer & Chief Officer - Insurance

Mrs. Moonosamy holds a BSc (Hons) in Economics, a Bachelor (Hons) in Law and an LLM in International Financial and Commercial Law. She is a Chartered Governance Professional and a Fellow Member of The Chartered Governance Institute (FCG), a Chartered Member of the Chartered Institute of Personnel and Development (CIPD), a Certified Anti-money Laundering specialist (CAMS) and a Fellow Member of the Mauritius Institute of Directors. Mrs. Moonosamy is the Group Chief Services Officer of the NIC Group and provides strategic and leadership capability to the National Insurance Co. Ltd, NIC General Insurance Co. Ltd and NIC Properties Co. Ltd. She is presently in charge of the Life & General Insurance Operations, Legal & Compliance and Human Resources. She also fulfils the roles of Money Laundering Reporting Officer, Compliance Officer and Complaints Coordinator of the NIC Group. She is also Trustee on the Board of Trustees of the NIC Multi-Employer Pension Scheme. She has held various strategic positions in her cross-industry experience of over 25 years notably in Insurance, Financial Services, Business Process Outsourcing, Healthcare Services and Consumer markets.

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4. Mr. Kavidutt (Kavi) Dinand, Head – Finance Operations

Mr. Dinand, a Fellow of the Association of Chartered Certified Accountants (ACCA, UK), brings over 25 years of extensive experience in the Financial Services sector. Currently, he leads the finance operations for National Insurance Co. Ltd, NIC General Insurance Co. Ltd, and NIC Properties Co. Ltd. Throughout his career, Mr. Dinand has held a variety of key positions across diverse industries, including insurance, asset management, brokerage services, and global business, showcasing his versatility and expertise. Notably, he served as Senior Vice President and Chief Financial Officer at Bramer Asset Management Ltd until May 2017, where he played a pivotal role in numerous international projects. In addition to his role in finance operations, Mr. Dinand contributed to the implementation of the IFRS 17 standard project for the NIC Group to comply with the financial reporting standards.

5. Mr. Krsna Coopposamy, Head – Corporate Sales, Marketing & Client Relationships

Mr. Coopposamy holds an MBA (UK) and a Masters in Communication. He has over 25 years of experience in the communication field. He has worked in various media groups (France and Mauritius) where he manoeuvred several key strategic and innovative projects. He held various senior positions in private companies during his career, including Chief Executive Officer of Seven Media Ltd. He has held the position of Director of News at First Talk Ltd before joining the NIC Group. Holder of a MQA lecturer license, he has led several accredited programs for public servants of different ministries. He joined the NIC Group in 2021 as Senior Project Manager – Marketing, PR & Communication and Corporate Sales.

6. Mr. Vinaye Kumar Seebaluck, Head – Sales and Business Development

Mr. Seebaluck brings over 22 years of experience in the insurance industry. A member of the Chartered Insurance Institute (CII) in the UK, he holds a Certificate in Insurance and has developed deep expertise across key areas including business development and sales, insurance underwriting, claims management, reinsurance and statistics. Before joining NIC, Mr. Seebaluck held senior roles at several prominent insurance and reinsurance firms in Mauritius and abroad, including Eagle, Swan, AXA Africa Specialty Risks, Jubilee Allianz Mauritius and Rokstone Underwriting Ltd. His career has provided him with broad exposure to both the local and wider African insurance/reinsurance markets. He currently leads the Sales and Business Development Department at NIC, where he continues to drive strategic growth and client engagement.

7. Mr. Pawan Kumarsingh (Kamal) Canhye, Head – General Insurance Operations

Mr. Canhye is a Fellow of the Association of Chartered Certified Accountants (UK), Member of the Institute of Internal Auditors and Certified Financial Crime Compliance Professional. He cumulates over 20 years of professional work experience, including over 13 years within the Internal Control and Audit fields. Prior to his appointment as Internal Auditor at the National Insurance Co. Ltd, he successively held the posts of Internal Control Officer, Assistant Manager-Internal Control and Manager-Internal Audit respectively. He was appointed Risk Officer in January 2020 and also acted as the Chairperson of the Risk Management Committee. He currently acts as Head of the General Insurance Operations and Chairperson of the Management Procurement Committee.

8. Mr. Thanadass (Ashish) Bucktowar, Internal Auditor & Risk Officer

Mr. Bucktowar is a Fellow of the Association of Chartered Certified Accountants (UK) and holds a Master in Business Administration (MBA). He started his career in auditing and worked in Big Four Audit firms namely Ernst & Young and KPMG. During his tenure in auditing, he was in charge of audits of large companies and conglomerates across different sectors and industries including Financial Services, Tourism, Production and Manufacturing. He also had exposures to consultancy, Taxation and Business Process Re-engineering, and had the opportunity to manage the audits of some state-owned companies across Africa. In 2006, Mr. Bucktowar joined BAI Co (Mtius) Ltd, and successively held different positions and was responsible for overseeing multiple functions in the finance department. Following the transfer of undertakings in July 2015, he was transferred to the National Insurance Co. Ltd in a senior role in the finance and investments operations. Since February 2021, he has been serving as the Internal Auditor & Risk Officer of both National Insurance Co. Ltd and NIC General Insurance Co. Ltd. He also acts as the Integrity Officer of the Anti-Corruption Committee (ACC) and is the Chairperson of the Ethics Office and the Risk Management Committee. Mr. Bucktowar is a member of the Institute of the Internal Auditors Mauritius.

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9. Mr. Shailendrasingh (Pravin) Conhye, Lead – Finance Operations

Mr. Conhye holds a Degree in Business Management and a Master in Business Administration. He previously joined the BAI Co (Mtius) Ltd in December 2014 as Senior Manager – Loan Operations and currently holds the position of Finance Operations Lead. He has 20 years of experience from a varied background in Customer Service Relations, Process Compliance, Finance and Quality. Prior to joining BAI, he worked as Operations Manager with Compass Group LTD in the UK, Appletree Mauritius as Finance Manager and as Accountant with FUEL. In addition, Mr. Conhye was Project Manager for the Mauritius National Identity Card (MNIC) Project and acted as Head of Operations with the Singaporean consortium working closely with the Government of Mauritius.

10. Ms. Pooja Banypersad, Lead – Investment & Pension Accounting

Ms. Banypersad is a Fellow of the Association of Chartered Certified Accountants (FCCA) and holds the CFA Institute Investment Foundations certificate. With over 15 years of experience in the insurance sector, she has served in various roles within the Finance department of BAI Co (Mtius) Ltd and later assumed the position of Accountant at NIC General Insurance Co. Ltd until December 2020. Currently she oversees the Investment function at National Insurance Co. Ltd and manages the pension accounting function for the NIC Multi - Employer Pension Scheme. She is also a member of the loan management committee for National Insurance Co. Ltd.

11. Mr. Nasser Ghoorun, Lead – ICT

Mr. Ghoorun is an innovative and results-driven ICT executive with over 24 years of experience leading technology strategy and digital transformation initiatives in the financial services and ICT sectors. An advocate for continuous learning and emerging technology adoption, Nasser is passionate about delivering solutions that drive growth and enhance customer experiences. He holds a Master in Business Administration (MBA) with Specialisation in Information Systems and BSc. (Hons.) in Computing and Information Systems. Moreover, he holds several professional technical certifications like IBM Cognos, Microsoft and Oracle. He played a key role in several ICT enterprise projects for the National Insurance Co. Ltd, ex- BAI Co (Mtius) Ltd and received a personal commendation from top management for exceptional contributions to key strategic ICT projects. He has fulfilled technical, business and management roles in a number of private and overseas companies. At National Insurance Co. Ltd, Mr. Ghoorun spearheads technology innovation and enterprise IT operations, ensuring the organization stays ahead in a rapidly evolving digital landscape.

12. Ms. Aminah Golamy, Lead – Enterprise Projects

Ms. Golamy holds a Master of Science (MSc) in Project Management and a Bachelor of Engineering in Computer Science and Engineering. In her quest for growth and adding value to self and others, she is a Certified John C. Maxwell Coach, Trainer & Speaker in Leadership & Communication. She is an IT professional with business analytical, project management, quality management and business process improvement skills. She carries over 28 years of professional experience, with the last 15 years primarily spent in the insurance and financial services sector, with cross-functional exposure, leading different departments namely Quality Assurance, Business Process Optimisation, Health Insurance Operations and Premium Management & Arrears. She has also managed a number of business process improvement and Re-engineering projects for business transformation and growth. She currently leads the Enterprise Projects function of the organisation.

13. Mr. Thyagarajan (Josen) Runghen, Lead – Actuarial & Pensions

Mr Thyagarajan Runghen is a seasoned actuarial executive holding a Bachelor of Science degree in Actuarial Science and Statistics and is a CAA member of the Institute and Faculty of Actuaries (IFoA). With over 15 years of experience in the insurance industry, he has developed a broad range of skills and expertise, having held various leadership positions in Business Intelligence, Investment, Actuarial, and Pension departments. Mr Runghen has played a pivotal role in several key projects that have driven innovation and growth at National Insurance Co. Ltd, including the development of new products and lines of business. Currently, he leads the Actuarial Department at National Insurance Co. Ltd as well as the Pension department where he is responsible for overseeing the administration and development of the BAI Group Pension Fund and of the NIC Multi-Employer Pension Scheme.

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MANAGEMENT PROFILES
AS AT 30 JUNE 2025

14. Mr. Noor Auhamudally, Lead – Financial Reporting & Accounting

Mr. Auhamudally is a Fellow of the Association of Chartered Certified Accountants (UK) and holds an MBA. He is also a member of MIPA and has 25 years of experience in the audit and accountancy profession. He was exercising as an auditor prior to joining the Ex-BAI Group in 2003, where he occupied the post of Finance Manager at British American Investment. He currently leads the financial reporting and accounting functions of the NIC General Insurance Co. Ltd. He is also a member of the loan management committee for National Insurance Co. Ltd.

15. Ms. Aneela Mulliah, Lead – Health, Property & Liability Insurance

Ms. Mulliah holds a Diploma in Insurance (Dip CII) from the Chartered Insurance Institute of UK, of which she is also a member of the “Society of Claims Professionals”. She also holds a Bachelor’s degree in Computer Applications from the University of Bangalore. She reckons over 20 years of professional experience in the Healthcare Insurance Sector and has held managerial positions for more than 15 years. She is presently responsible for the Healthcare, Motor as well as the Property & Liability Insurance operations of the Company.

16. Mr. Sajdeo Gokool, Lead – Legal and Compliance & DMLRO

Mr. Gokool holds an LLB (Hons) and a Postgraduate Diploma in Financial Services. He also completed the Financial Crime Competency Programme from the Financial Services Institute. He has over 14 years of professional experience in the insurance and global business sector. He was formerly a Corporate Administrator and Legal & Compliance Officer at the Polaris Global Services Limited and a Compliance Officer at the BAI Co. (Mtius) Ltd. He joined the National Insurance Co. Ltd as Compliance Officer in July 2015 and was promoted to Manager – Compliance in September 2021 and subsequently as Lead – Legal and Compliance with effect from January 2024. He is presently responsible for the legal and compliance related matters, acts as Deputy Money Laundering Reporting Officer (DMLRO) for the National Insurance Co. Ltd, NIC General Insurance Co. Ltd and NIC Micro Finance Co. Ltd.

17. Ms. Prativalini (Priscilla) Nallan, Lead – Marketing, CSR & PR

Ms. Nallan is an accomplished professional in Marketing, Corporate Communication, Public Relations, CSR, and Project Management, primarily in the Insurance and Financial Services Sector. She currently serves as the Lead for Marketing, PR, Communication, CSR, and Event Management at NIC, where she is entrusted with aligning brand visibility and stakeholder engagement strategies with the company’s corporate governance framework and long-term vision. Armed with a Master’s degree in Communication and Public Relations, an MBA in Project Management, and a Bachelor’s in Management with Law, Ms. Nallan brings a strong academic foundation and cross-functional expertise to the table. Her leadership spans the formulation and execution of integrated strategies in brand management, digital engagement, corporate social responsibility, and national outreach campaigns.

At NIC, she spearheads high-impact initiatives that not only enhance the company’s public image but also create measurable social value through CSR programmes in partnership with NGOs, educational bodies, and government stakeholders. She has a strong track record of consistently reporting on outcomes to senior leadership and the Board.

Her career reflects a commitment to ethical leadership, transparency, and continuous improvement — values that resonate with the principles of good governance and corporate responsibility.

**NIC GENERAL INSURANCE CO. LTD
CORPORATE GOVERNANCE REPORT
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The **NIC General Insurance Co. Ltd** (the “Company”) is a public interest entity, as per the Financial Reporting Act 2004, and is licensed by the Financial Services Commission as an Insurer to carry out general insurance business. The Company has always been committed to observing high standards of Corporate Governance, promoting corporate transparency and enhancing Shareholder value. The Company’s objective from a corporate governance perspective is to comply with all the principles and guidelines set out in the National Code of Corporate Governance for Mauritius (2016) (“the Code”) and endeavour to adopt the best practices of Governance mentioned in the National Committee on Corporate Governance (“NCCG”) Corporate Governance Scorecard for Mauritius (2021).

The NIC Group consists of the National Insurance Co. Ltd, NIC General Insurance Co. Ltd, NIC Properties Co. Ltd, NIC Healthcare Ltd and NIC Micro Finance Co. Ltd. The principles of good governance are followed and applied throughout the Group. However, the respective Boards of each company retain and set their own corporate governance responsibilities which are aligned with the parent company’s principles of good governance, policies and procedures.

The Board has assessed its corporate governance in terms of the eight Principles of the Code. This report thus outlines the Company’s corporate governance processes, its compliance level to all the principles contained in the Code, and provides explanations for any non-compliance. Overall, the Board is satisfied that it has applied in all material respects, the Principles of the Code throughout the financial year.

1. PRINCIPLE ONE - GOVERNANCE STRUCTURE

“All organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly identified.”

1.1 Governance Framework

The Board of Directors serves as the focal point of corporate governance in the Company. The Board is collectively accountable and responsible for the long-term success of the Company, its reputation and governance. The Board also assumes the responsibility for leading and controlling the Company and meeting all its legal and regulatory requirements across the organisation.

The Company operates within a clearly defined governance framework which provides for delegation of authority and clear lines of responsibility, while enabling the Board to retain effective control. As such, the Board is ultimately responsible for the management of risk, compliance with laws, performance and affairs of the Company in a transparent, effective and accountable manner.

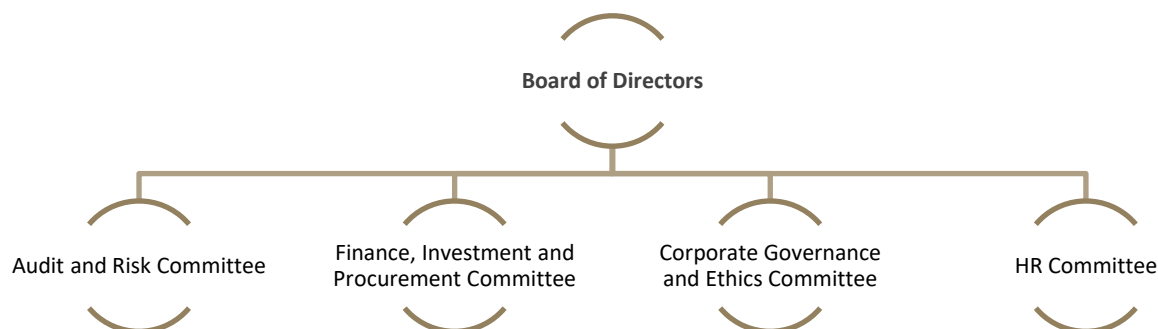
The Board takes its fiduciary responsibilities very carefully. Each Director is appointed with the understanding of the amount of time and care that he will need to devote to the Board and to the organisation for it to prosper.

The Board has approved all the guiding documents and policies, including Board/Committees Charters and statement of key governance responsibilities and accountabilities. The governance documents are available on the Company’s website. The governance documents are reviewed at least once annually to keep abreast of the developments in legislations and governance best practices. Any change is approved by the Board.

1.2 Board Governance Structures

The Board has structured itself in a way that it can provide its focus and attention to the key areas of the business through established Board Committees with clear terms of reference. The delegation of authority to any Board Committee does not discharge the responsibility of the Board as regards actions and decisions of such Committees.

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The Board is supported by four (4) Board Sub-Committees namely the:

- (a) Audit and Risk Committee
- (b) Corporate Governance and Ethics Committee
- (c) HR Committee
- (d) Finance, Investment and Procurement Committee

The Company was also supported by the Group Strategy & Restructuring Committee and CSR Committee. Subsequent to the reporting period, the newly constituted Board has streamlined the Committees to focus on Audit and Risk Committee, Finance, Investment and Procurement Committee, HR Committee and Corporate Governance and Ethics Committee. The Group Strategy & Restructuring Committee and CSR Committee were discontinued with effect from 08 July 2025 given that the restructuring mandate had substantially been completed and CSR/stakeholder matters continue to be overseen by the Board.

1.3 Key Governance Documents

The main governance documents of the Company are the Board and Committee Charters, the Code of Ethics, Anti-Corruption Policy, Whistle-Blowing Policy, clear job descriptions for each Senior Officer and Organisation Chart/Organigram.

1.4 Key Governance Positions

Details of the key governance positions are provided in the statement of key governance responsibilities and accountabilities, which are published on the Company's website.

1.4.1 Chairperson of the Board

The Chairperson of the Board provides leadership to the Board. The Chairperson ensures effective implementation of the Board decisions. His role includes:

- Ensuring the effective operation of the Board and its sub-committees in conformity with the highest standards of corporate governance
- Ensuring all committees are properly established
- Planning the schedule of meetings and agenda
- Coordinating with the Company Secretary and ensuring that the Board receives information on a timely basis
- Establishing a harmonious and open relationship with the CEO and other senior staff.

He also acts as spokesperson for the Board and is the principal contact for the Executive team. The Chairperson and the Executive team of the Company meet regularly. The Chairperson of the Board presides over the meetings of the Shareholders.

Mr. Vikash Peerun was the Chairperson of the Board up to 11 October 2024.

Mr. Santosh Kumar Gujadhur has been appointed as Chairperson of the Board since 27 May 2025.

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1.4.2 Chief Executive Officer

The CEO is appointed by the Board of Directors. The key responsibilities of the CEO are as follows:

- Formulating and successfully implementing Company and Group policy
- Putting in place adequate operational planning and financial control systems
- Closely monitoring the operating and financial results against plans and budgets
- Taking remedial action where necessary and informing the Board of significant changes
- Maintaining operational performance of the Company
- Building and maintaining a full executive team
- Developing strategic operating plans

The responsibilities of the CEO are held by the Group Officer-In-Charge & Chief Operating Officer, **Dr. Oumeshsingh (Rishi) Sookdawoor**.

1.4.3 Chairpersons of Board Committees

The Chairpersons of the Board committees work in close cooperation with and provide support and advice to the Chairperson of the Board. The Board has constituted four committees, namely, (i) Audit and Risk Committee; (ii) Corporate Governance and Ethics Committee; (iii) HR Committee; and (iv) Finance, Investment and Procurement Committee.

The **Audit and Risk Committee** was chaired by Mr. Kresh Seebundhun up to 09 October 2024. Mr. Alvin Joyekurun was appointed Chairperson of the Audit and Risk Committee with effect from 08 July 2025.

The **Corporate Governance and Ethics Committee** was chaired by Mrs. Tej Asha Mudhoo up to 15 November 2024. Ms Leelamanee Poonoosamy Padiachy was appointed Chairperson of the Corporate Governance and Ethics Committee with effect from 08 July 2025.

The **HR Committee** was chaired by **Dr. (Mrs) Arty Rambharush** up to 17 November 2024. Mr. Sorensen Nirsimloo was appointed Chairperson of the HR Committee with effect from 08 July 2025.

The **Finance, Investment and Procurement Committee** was chaired by Mr. Dhirshantsingh Ramkelawon up to 15 November 2024. Mr. Alvin Joyekurun was appointed Chairperson of the Finance, Investment and Procurement Committee with effect from 08 July 2025.

The Committee appointments effective from 8 July 2025 as stated above, constitute subsequent changes and did not apply during the financial year ended 30 June 2025.

1.4.4 The Company Secretary

The Company Secretary is appointed by the Board. The role of the Company Secretary is to ensure that Board Members have the proper advice and resources to perform their duties to the shareholder under the relevant legal frameworks. The Company Secretary is also responsible for the organisation and co-ordination of the Board and Shareholder's meetings, and ensuring that the records, or minutes of those meetings, reflect the proper exercise of those duties.

Prime Partners Ltd is the Company Secretary of NIC General Insurance Co. Ltd. Prime Partners Ltd is a wholly owned subsidiary of The State Investment Corporation Limited, itself wholly held by the Government of Mauritius and is actively involved in the provision of statutory corporate secretarial services and registrar and transfer office services to Domestic Companies/Trusts/Mutual Funds registered in Mauritius through their qualified resources.

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1.5 Other Key Governance Responsibilities and Accountabilities - Senior Management

The job descriptions of Senior Management are also detailed in the statement of key governance responsibilities and accountabilities.

Group Officer-In-Charge and Chief Operating Officer

The Board has appointed a Group Officer-In-Charge who is also the Group Chief Operating Officer.

The Group Officer-In-Charge and Chief Operating Officer provides strategic leadership, directs and leads the implementation of key business strategies of NIC Group of Companies including new ventures. He is responsible for the overall management and operations of the businesses of NIC Group.

The Group Officer-In-Charge and Chief Operating Officer is **Dr. Oumeshsingh (Rishi) Sookdawoor**.

Group Chief Financial Officer and Chief Officer - Lending

The Group Chief Financial Officer and Chief Officer - Lending provides strategic leadership and oversees the implementation of the business strategies and shared services of NIC Group. He is responsible for the overall finance, investments, actuarial, lending and pensions operations of NIC Group.

The Group Chief Financial Officer and Chief Officer - Lending is **Mr. Shakeel Summun**.

Group Chief Services Officer and Chief Officer - Insurance

The Group Chief Services Officer and Chief Officer - Insurance provides strategic leadership and oversees the implementation of the business strategies and shared services of NIC Group. She is responsible for the Life and General Insurance Operations as well as the shared services functions of Customer Service, Human Resources, and Legal & Compliance. She also acts as the Compliance Officer and MLRO of NIC Group.

The Group Chief Services Officer and Chief Officer - Insurance is **Mrs. Chitra Devi (Reena) Moonoosamy**.

Head – Finance Operations

The Head – Finance Operations provides strategic leadership and oversees the implementation of the functional strategies and shared services of the NIC Group comprising mainly the finance operations and financial reporting of Life and General insurance businesses.

The Head – Finance Operations is **Mr. Kavidutt Dinand**.

Head - General Insurance Operations

The Head – General Insurance Operations provides strategic leadership and oversees the General Insurance businesses. The Head - General Insurance Operations provides functional leadership, implements strategies to attain business objectives and is responsible for the day to day operations of the general insurance activities including underwriting and claims management.

The Head – General Insurance Operations is **Mr. Pawan Kumarsingh (Kamal) Canhye**.

Head – Sales and Business Development

The Head – Sales and Business Development provides strategic leadership and oversees the implementation of the functional strategies and shared services of the NIC Group comprising mainly Business Development and Sales.

The Head – Sales and Business Development is **Mr. Vinaye Kumar Seebaluck**.

Internal Auditor and Risk Officer

The Internal Auditor and Risk Officer independently assesses the Company's risks and the effectiveness of its risk management framework and the efficiency of the control systems.

The Internal Auditor and Risk Officer is **Mr. Thanadass (Ashish) Bucktowar**. He is responsible for the risk management function of the Life and General Insurance businesses. Mr Bucktowar also oversees the Ethics Office to ensure all ethics related issues, as reported, are attended to and addressed accordingly.

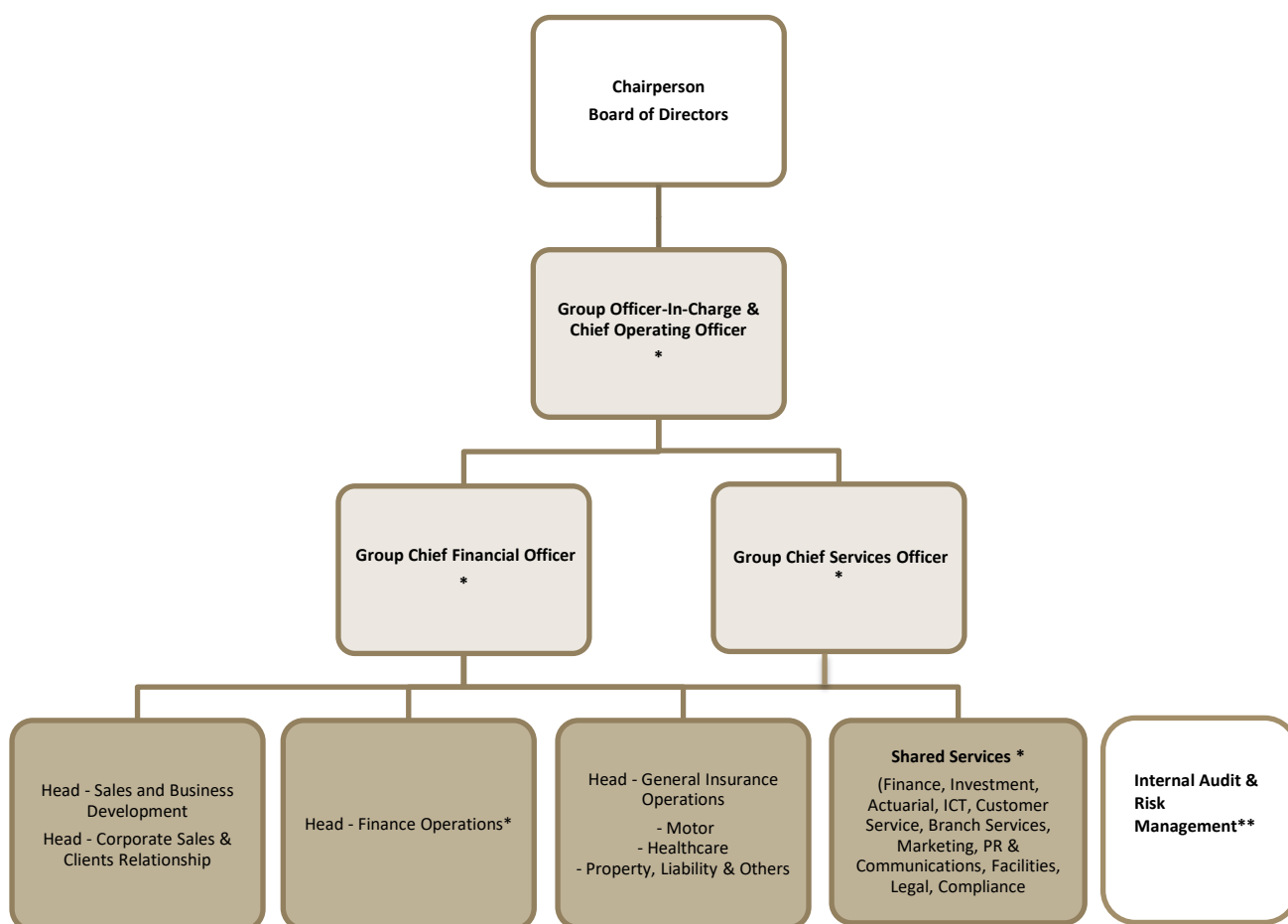
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Head – Corporate Sales & Clients Relationship, Marketing & CSR Operations

The Head – Corporate Sales & Clients Relationship, Marketing & CSR Operations provides strategic leadership and oversees the implementation of the functional strategies and shared services of the NIC Group comprising mainly Corporate Sales, Marketing & PR, Customer Service, Branch Operations & Accredited Agencies.

The Head – Corporate Sales & Clients Relationship, Marketing & CSR Operations is **Mr Krsna Coopoosamy**.

1.6 Organisation Chart



** Also fulfils a shared role/operations as a shared service across the Group*

***Audit & Risk Management function reports directly to the Audit and Risk Committee of the Board and reports administratively to the Group Officer-In-Charge & Chief Operating Officer.*

The Company is structured in a way that blends direct accountability of core functional responsibilities as well as optimises its specialist and support resources in a “Shared Services Model” serving the entire business requirements of the NIC Group (National Insurance Co. Ltd, NIC General Insurance Co. Ltd, NIC Properties Co. Ltd and NIC Micro Finance Co. Ltd).

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2. PRINCIPLE TWO - STRUCTURE OF THE BOARD & ITS BOARD COMMITTEES

“The Board should contain independently minded directors. It should include an appropriate combination of executive directors, independent directors, and non-independent non-executive directors to prevent one individual or a small group of individuals from dominating the Board’s decision making. The Board should be of a size and level of diversity commensurate with the sophistication and scale of the organisation. Appropriate Board committees may be set up to assist the Board in the effective performance of its duties.”

2.1 Board Structure & Composition

Pursuant to the provisions of Section (30)(2) of the Insurance Act 2005, the Company has for the purpose of the composition of its Board of Directors, at least seven (7) natural persons of which at least 30 percent (30%) are independent Directors. The Board is unitary and the Directors consider that the Board is of reasonable size and that its members possess the right mix of skills and experience to provide leadership, reflect integrity and exercise judgment for managing the affairs of the Company.

As at 30 June 2025, the Board consisted of **seven (7) Directors, two (2)** were appointed **subsequent to the financial year-end**, are detailed below:-

No.	Name of Director	Date of appointment	Date of cessation	Classification
<u>Directors appointed during the financial year 30 June 2025</u>				
1.	Mr. Santosh Kumar Gujadhur	27 May 2025	-	Independent & Non-Executive
2.	Dr. Oumeshsingh Sookdawoor	15 May 2025	-	Executive
3.	Mr. Alvin Joyekurun	23 May 2025	-	Independent & Non-Executive
4.	Ms Leelamanee Poonosamy Padiachy	28 May 2025	-	Independent & Non-Executive
5.	Mr. Vivekanand Lochun	17 June 2025	15 May 2026	Independent & Non-Executive
6.	Mr. Sorensen Nirsimloo	23 May 2025	-	Independent & Non-Executive
7.	Mr. Yuvrajsingh Betchoo	29 November 2024	29 November 2025	Non-Independent & Non-Executive
<u>Directors appointed subsequent to financial year-end 30 June 2025</u>				
8.	Mrs. Karuna Devi Beelur-Pusram	13 January 2026	-	Non-Independent & Non-Executive
9.	Mr. Nakshay Nilkumar Bulloram	27 August 2026	-	Non-Independent & Non-Executive
<u>Officers who served and ceased to be Directors during the year 2025</u>				
1.	Mr. Vikash Peerun	20 February 2020	11 October 2024	Non- Independent & Non-Executive
2.	Dr. Sudhirsan Kowlessur	27 January 2022	15 November 2024	Non-Independent & Non-Executive
3.	Mr. Rouben Krishna Dorasami	18 February 2021	15 November 2024	Independent & Non-Executive
4.	Mrs. Nalini Gopaul Dookhee	18 February 2021	18 November 2024	Independent & Non-Executive
5.	Mrs. Tej Asha Mudhoo	05 December 2019	15 November 2024	Non-Independent & Non-Executive
6.	Dr. (Mrs) Arty Rambharush	25 May 2017	17 November 2024	Independent & Non-Executive
7.	Mr. Dhirshantsingh Ramkelawon	18 February 2021	15 November 2024	Independent & Non-Executive
8.	Mr. Kresh Seebundhun	11 December 2019	09 October 2024	Non-Independent & Non-Executive

All the Directors were ordinarily resident in Mauritius. The profiles of the current Directors are on pages 3 to 6 and on the Company’s website.

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2.2 Board Diversity

The Company is committed to promoting gender balance and equal opportunity at all levels of its operations and governance structures. As at the reporting date, the Board comprised one female Director out of a total of seven members, representing approximately 14% of the Board. Subsequent to the financial year, another female Director was appointed and this reflects the Company's continued support for the Government's vision to promote greater inclusion of women in senior leadership positions in Mauritius.

2.3 Directorship

2.3.1 Executive Director

As at 30 June 2025, the Board included the Group Officer-In-Charge & Chief Operating Officer as an Executive Director, following his appointment on 15 May 2025. Day-to-day management of the Company's operations continues to be overseen by the Executive Director, who reports directly to the Board. In addition, other members of senior management, including the Group Chief Financial Officer and the Group Chief Services Officer, regularly attend Board and Committee meetings. The Board is satisfied that current arrangements ensure adequate executive input into Board deliberations.

2.3.2 Directors' Independence Review

The Code requires that the Board should normally have at least two Independent Directors. The Insurance Act 2005 stipulates that the Board should be composed of at least thirty percent (30%) Independent Directors.

There were five (5) Independent Directors on the Board, representing approximately 71% at the reporting date.

The Board ensures to determine that on an annual basis, and as and when the circumstances require, whether or not a Director is independent.

2.3.3 Non-Executive Directors

The Non-Executive Directors constructively challenge and help develop proposals on strategy, review the performance of management in attaining goals and objectives, monitor the reporting of performance and meet and/or hold discussions at least annually without the presence of Management.

2.4 Board Meetings

The Board met thrice during the financial year ended 30 June 2025. The Board deliberated on a range of matters including:

- (a) Review and approval for the launch of a new general insurance product, namely Home Insurance;
- (b) Review of various strategic matters including the progress of the Restructuring Plan, Enterprise Risk Management Framework, HR Restructuring and Optimisation, Financial and Business Performances, Capital Management, Corporate Governance Policies including Ethics and Whistle-blowing, AML-CFT Framework and Data Protection Policy;
- (c) Review and launch of the NIC product suites and offerings;
- (d) Consideration of an enhanced corporate brand and community support strategy;
- (e) Consideration of the IFRS 17 implementation project by the Company;
- (f) Consideration of the implementation of an Anti-Corruption framework; and
- (g) Examination, consideration and endorsement of the recommendations of various Board Committees.

The Company provides the Directors appropriate tools to access the Board Portal which facilitates secure digital communication of Board Papers.

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2.4.1 Former Board Members and attendance during the year under review

No.	Name of Director	Classification	Board Meetings attendance (3)
1.	Mr. Vikash Peerun	Non-Independent & Non-Executive	3/3
2.	Mr. Kresh Seebundhun	Non-Independent & Non-Executive	3/3
3.	Dr. Sudhirsan Kowlessur	Non-Independent & Non-Executive	2/3
4.	Mr. Rouben Krishna Dorasami	Independent & Non-Executive	3/3
5.	Mrs. Nalini Gopaul Dookhee	Independent & Non-Executive	3/3
6.	Mrs. Tej Asha Mudhoo	Non-Independent & Non-Executive	3/3
7.	Dr. (Mrs) Arty Rambharush	Independent & Non-Executive	3/3
8.	Mr. Dhirshantsingh Ramkelawon	Independent & Non-Executive	3/3

Board meeting attendance for Board members appointed during the financial year is not recorded in the table above since the Board was not fully constituted as at 30 June 2025.

2.5 Board Committees for the year ended 30 June 2025

The Board has constituted the following committees to assist in fulfilling its responsibilities:-

- (a) **Audit and Risk Committee**
- (b) **Corporate Governance and Ethics Committee**
- (c) **Finance, Investment and Procurement Committee**
- (d) **HR Committee**

The Board acknowledges that delegating authorities to these committees does not discharge itself from its responsibilities and its fiduciary duties.

2.5.1 Audit and Risk Committee

The Audit and Risk Committee is governed by a Charter which has been approved by the Board and is available on the Company's website.

The duties of the Audit and Risk Committee include amongst others:-

- Examining and reviewing the quality and integrity of the financial statements of the Company including its annual report;
- Complying with International Financial Reporting Standards and legal requirements;
- Keeping under review the adequacy and effectiveness of the Company's systems of internal control, including internal financial control and business risk management and maintaining effective internal control systems;
- Approving the internal audit plan and reviewing the internal audit report;
- Reviewing the annual compliance work plan and other reports from the Compliance function;
- Keeping under review potential legal and litigation cases; and
- Considering and making recommendations to the Board, to be put to the Shareholders for approval at the Annual Meeting of Shareholders, in relation to the appointment, re-appointment and removal of the Company's External Auditors.

In performing its function, the Audit and Risk Committee meets regularly with the internal and external auditors. Where necessary, separate meetings are held without the presence of Management. The internal and external auditors have unrestricted access to the Audit and Risk Committee.

This Committee met once during the year.

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Audit and Risk Committee Members and attendance during the year under review

No.	Name of Members	Role	Committee Meetings attendance (1)
1.	Mr. Kresh Seebundhun	Chairperson	1/1
2.	Mr. Rouben Krishna Dorasami	Member	1/1
3.	Mr. Dhirshantsingh Ramkelawon	Member	1/1
4.	Dr. Sudhirsan Kowlessur	Member	1/1

2.5.2 Corporate Governance and Ethics Committee

The Corporate Governance and Ethics Committee is governed by a Charter which has been approved by the Board and is available on the website.

The duties of the Corporate Governance & Ethics Committee include, amongst others, the following:-

- Overseeing the implementation of the corporate governance framework;
- Establishing a clearly defined and documented Code of Ethics and ensuring that a process is in place to ensure compliance; and
- Monitoring the ethical conduct of the Company, its executives, senior officers and employees and intermediaries and ensuring that the latter are in compliance with relevant legislations, regulations and other requirements relevant to ethical behaviour.

This Committee did not meet during the year.

Corporate Governance and Ethics Committee Members and attendance during the year under review

No.	Name of Members	Role	Committee Meetings attendance (0)
1.	Mrs. Tej Asha Mudhoo	Chairperson	0/0
2.	Dr. (Mrs) Arty Rambharush	Member	0/0
3.	Mr. Kresh Seebundhun	Member	0/0

2.5.3 Finance, Investment and Procurement Committee

The Finance, Investment and Procurement Committee is governed by a Charter which has been approved by the Board and is available on the website.

The duties of the Finance, Investment & Procurement Committee include, amongst others, the following:

- Assessing and reviewing the business plan, annual budget and extra-budgetary provisions of the Company;
- Formulating and reviewing the investment strategies and policies of the Company;
- Ensuring implementation of the investment mandate as approved by the Board;
- Formulating policies and procedures relating to procurement and ensuring compliance with relevant legal/regulatory framework; and
- Considering Investment and Procurement proposals falling under its scope.

This Committee met twice during the year.

Finance, Investment and Procurement Committee Members and attendance during the year under review

No.	Name of Members	Role	Committee Meetings attendance (2)
1.	Mr. Dhirshantsingh Ramkelawon	Chairperson	2/2
2.	Mr. Kresh Seebundhun	Member	2/2
3.	Mrs. Nalini Gopaul Dookhee	Member	2/2

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2.5.4 HR Committee

The HR Committee is governed by a Charter which has been approved by the Board and is available on the website.

The duties of the HR Committee include, amongst others, the following:-

- Providing direction with regards to the Human Resource strategy including key objectives, plans and workforce requirements;
- Considering succession planning for Officers, Senior Officers and Executives, taking into account the challenges and opportunities facing the Company, and the skills/expertise needed in relation thereto;
- Remuneration and nomination of such Officers and Executives of the Company within the Grade of Managers and above, as may be applicable; and
- Overseeing any major change in organisational and employee benefits structures across the Company.

This Committee met twice during the year.

HR Committee Members and attendance during the year under review

No.	Name of Members	Role	Committee Meetings attendance (2)
1.	Dr. (Mrs) Arty Rambharush	Chairperson	2/2
2.	Mrs. Nalini Gopaul Dookhee	Member	1/2
3.	Dr. Sudhirsan Kowlessur	Member	1/2
4.	Mr. Rouben Krishna Dorasami	Member	2/2

2.6 Directorships of Directors in other companies

Name of Director	Name of Company	Designation
<u>Directors appointed during and subsequent to the financial year 30 June 2025</u>		
Mr. Santosh Kumar Gujadhur	National Insurance Co. Ltd	Chairman
	Mauritius Turf Club (MTC)	President
	MTC Jockey Club	Chairman
Dr. Oumeshsingh Sookdawoor	National Insurance Co. Ltd	Executive Director
Mrs. Karuna Devi Beelur-Pusram	None	None
Mr. Alvin Joyekurun	National Insurance Co. Ltd	Director
Ms. Leelamane Poonosamy Padiachy	None	None
Mr. Sorensen Nirsimloo	None	None
Mr. Nakshay Nilkumar Bulloram	None	None
<u>Officers who served and ceased to be Directors during the year 2025 or subsequently</u>		
Mr. Vikash Peerun	National Insurance Co. Ltd	Chairman
	NIC Properties Co. Ltd	Chairman
	NIC Micro Finance Co. Ltd	Chairman
	NIC Multi-Employer Pension Scheme	Chairperson (Trustee)
Mr. Rouben Krishna Dorasami	National Insurance Co. Ltd	Director
	NIC Micro Finance Co. Ltd	Director
	Dora Floral Ltd	Director
Mrs. Nalini Gopaul Dookhee	National Insurance Co. Ltd	Director
	NIC Micro Finance Co. Ltd	Director
Mrs. Tej Asha Mudhoo	National Insurance Co. Ltd	Director
Dr. (Mrs) Arty Rambharush	National Insurance Co. Ltd	Director
Dr. Sudhirsan Kowlessur	National Insurance Co. Ltd	Director
Mr. Dhirshantsingh Ramkelawon	National Insurance Co. Ltd	Director
Mr. Kresh Seebundhun	National Insurance Co. Ltd	Director
	NIC Micro Finance Co. Ltd	Director
	Multi Carrier Mauritius Ltd	Director
Mr. Yuvrajsingh Betchoo	Real Estate Agent Authority	Board Member
Mr. Vivekanand Lochun	National Insurance Co. Ltd	Director

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3 PRINCIPLE THREE – DIRECTORS’ APPOINTMENT PROCEDURES

“There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of Directors. The search for Board candidates should be conducted, and appointments made, on merit, against objective criteria (to include skills, knowledge, experience, and independence and with due regard to the benefits of diversity on the Board, including gender). The Board should ensure that a formal, rigorous and transparent procedure be in place for planning the succession of all key officeholders.”

3.1 Appointment of Directors

The appointment of Directors is subject to a predetermined process governed by the Companies Act 2001, the Financial Services Act 2007 and the Insurance Act 2005.

In accordance with its Charter, the HR Committee has the following responsibilities:-

- Keeping under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace; and
- Remuneration and nomination of such Directors and Executives of the Company within the Grade of Managers and above, as may be applicable.

The proposed appointee is required to disclose any other business interests that may result in a conflict of interest. The proposed appointee is also required to report any future business interests that could result in a conflict of interest.

The Board considers its succession very carefully and assumes responsibility for succession planning. The HR Committee is responsible for considering succession planning for senior executives in the course of their work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future.

3.2 Professional Development

Directors are encouraged to keep themselves updated with industry practices, trends, and standards. As and when required or requested, the Company organises workshops and arranges for training of Directors. During the Board evaluation exercise, Board Members are invited to indicate any training development programme needs/requirements.

During the financial year 2025, the Board experienced a transitional period following the resignations of Directors, which subsequently resulted in no previous Directors serving for the remainder of the period. Consequently, no formal Board training sessions were conducted during the year for the current Directors. Governance oversight and operational continuity were maintained through appropriate shareholder oversight mechanisms and statutory governance arrangements.

Training and development needs are reviewed and addressed once the Board is fully constituted, as part of the ongoing Board effectiveness process.

Subsequently, Directors participated in training sessions on AML/CFT compliance and IFRS 17 implementation as part of ongoing Board development and capacity building. These sessions were held subsequent to the reporting period.

3.3 Induction

Upon appointment on the Board, Directors receive a comprehensive induction pack from the Company Secretary and have a briefing session from Management, providing them with sufficient knowledge and understanding of the nature of the business to enable them to effectively contribute to strategic discussions and oversight of the Company.

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4. PRINCIPLE FOUR - DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

“Directors should be aware of their legal duties. Directors should observe and foster high ethical standards and a strong ethical culture in their organisation. Each director must be able to allocate sufficient time to discharge his or her duties effectively. Conflicts of interest should be disclosed and managed. The Board is responsible for the governance of the organisation’s information, information technology and information security. The Board, committees and individual directors should be supplied with information in a timely manner and in an appropriate form and quality to perform to required standards. The Board, committees and individual directors should have their performance evaluated and be held accountable to appropriate stakeholders. The Board should be transparent, fair and consistent in determining the remuneration policy for directors and senior executives.

4.1 Legal Duties

All Directors are aware of their fiduciary duties as laid out in the Companies Act 2001. The Directors act in good faith for the overall interests of the Company, to exercise reasonable care and skill as any prudent person would do, not to abuse their executive powers and to avoid entering into a situation of conflict of interest and to disclose any such conflict forthwith, among others.

The Board also has the functions of monitoring and evaluating the performance of the Directors and to ensure prevention of corruption, insider dealing and conflict of interest.

4.2 Code of Ethics

The Code of Ethics, as approved by the Board, is published on the Company’s website.

4.3 Conflict of Interest

Board Members have a fiduciary duty to conduct themselves without conflicts of the interests of the Company. In their capacity as Board Members, they must subordinate personal individual business, third-party and other interests to the welfare and best interests of the Company. The Company ensures that Directors declare any interest and report to the Chairman and Company Secretary any related party transactions. A register of conflict of interests is kept by the Company Secretary and is available to the Shareholder upon written request to the Company Secretary.

4.4 Information Technology (IT) and Information Security Governance

The Board of Directors is conscious that in today’s world of technology, it is important to have a strategic plan for IT security aligned with the business strategy to achieve the goals set by the Company. The Board of Directors ensures that appropriate resources are allocated for the implementation of an IT framework and information security governance. The Company has adopted an IT Management policy which provides for the principles and recommended practices to achieve strategic goals identified and as approved by the Company’s Board. The policy covers all the information assets held by the organisation, including emails and social media and the Company is committed to apply and enforce Data Privacy Laws. The Company has a Data Protection Officer in place to ensure confidentiality and compliance with Data Protection Laws.

The Company has an IT Disaster Data Recovery Plan in place, with relevant back-ups so that all digital information is properly secured and safeguarded in different locations to ensure business continuity.

The Company continues to monitor IT governance, cybersecurity risks and data protection matters as part of its overall risk management framework, with oversight by management and periodic reporting to the Board to ensure that key risks are identified and appropriately managed.

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4.5 Board Information

The Chairperson is responsible for ensuring that the Directors receive accurate, timely and clear information. The Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and non-executive Directors. Management has an obligation to provide accurate, timely and clear information. Directors seek clarification or amplification where necessary.

The Board ensures that Directors have access to independent professional advice at the Company's expense in cases where the Directors judge it necessary for discharging their responsibilities as Directors.

All Directors keep information relating to the Company, gathered in their capacity as Directors, strictly confidential and private and do not divulge it to anyone without the authority of the Board.

4.6 Directors & Officers Liability Insurance

The Company has contracted a Management Liability Insurance policy (Directors & Officers Liability cover) with certain Underwriters at Lloyd's London and is effective from 18 September 2024 to 17 September 2025, in respect of legal action or liability that can arise against its Directors and Officers.

4.7 Board Evaluation

In view to enhancing the Board's effectiveness, the Company has established a system of appraisal to assess the performance of the Board and sub-committees periodically. The appraisal focuses on the major governance issues relevant to the Board's oversight responsibilities.

As part of this process, Directors will be invited to provide their views, opinions, and recommendations through a structured questionnaire issued by the Company Secretary in consultation with the Chairperson. The feedback received will be compiled by the Company Secretary and presented for consideration by the Board.

The Board remains committed to continuous improvement of its governance practices and effectiveness and continues to promote a collaborative and constructive environment that supports sound decision-making at Board level. The Board further undertakes to work in collaboration with Management and the Company Secretary to strengthen its performance on an ongoing basis, both individually and collectively.

4.8 Statement of Remuneration Philosophy

The Directors are remunerated for their knowledge, experience, insights and their collective contribution towards achievement of the Company's objectives. The remuneration of Directors is approved by the Shareholder and is aligned to similar state-owned companies.

The table below depicts the total fees paid to each Director during the year under review

No.	Name of Directors	Classification	Directors' fees (MUR)
1.	Mr. Yuvrajsingh Betchoo	Non-Independent & Non-Executive	109,773
2.	Mr. Alvin Joyekurun	Independent & Non-Executive	26,727
3.	Mr. Sorensen Nirsimloo	Independent & Non-Executive	26,727
4.	Mr. Vikash Peerun	Non-Independent & Non-Executive	125,284
5.	Dr. Sudhirsan Kowlessur	Non-Independent & Non-Executive	109,500
6.	Mr. Rouben Krishna Dorasami	Independent & Non-Executive	109,500
7.	Mrs. Nalini Gopaul Dookhee	Independent & Non-Executive	107,455
8.	Mrs. Tej Asha Mudhoo	Non-Independent & Non-Executive	94,500
9.	Dr. (Mrs) Arty Rambharush	Independent & Non-Executive	105,000
10.	Mr. Dhirshantsingh Ramkelawon	Independent & Non-Executive	107,500
11.	Mr. Kresh Seebundhun	Non-Independent & Non-Executive	82,682
Total			1,004,648

Out of a total of **MUR 1,004,648**, 95% is in relation to monthly Board fees and the remaining 5% relates to Board Committees attendance fees.

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The Executive Director is remunerated in his executive capacity in accordance with the remuneration framework and terms of employment of a related company within the NIC Group of companies.

The Executive Director does not participate in decisions relating to his own remuneration. Oversight of remuneration matters is exercised by the Board through the HR Committee, in accordance with its Charter and delegated responsibilities.

The Company does not have any long-term incentive plans apart from the Occupational Pension Benefits provided to its eligible employees. The Directors do not benefit from any long-term incentive plan.

The Directors have not received any remuneration in the form of share options or bonuses associated with organisational performance.

5. PRINCIPLE FIVE – RISK GOVERNANCE & INTERNAL CONTROL

“The Board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management. The Board should ensure the maintenance of a sound internal control system.”

5.1 Risk Governance

The Board of Directors has ultimate responsibility for risk management and internal control and remains ultimately responsible for the setting up of a risk management framework, overseeing the implementation and subsequent monitoring, determining the risk culture and providing management with leadership and guidance. The Audit and Risk Committee is mandated by the Board to oversee all risk management and internal control issues. The task of implementing a robust system of risk management has been delegated to the Executive Team.

The Board evaluates on a regular basis the Company’s strategic risk, financial risk, compliance and operational risk.

5.2 Assurance on risk management processes

The Board relies on the internal and external audit functions to report on any weaknesses and to make recommendations via the Audit and Risk Committee, the objective being to ensure the effective and efficient use of available resources and ascertaining the accuracy of information used in the preparation of financial statements.

The internal and external auditors report directly to the Audit and Risk Committee on a regular basis for identification of any deficiency noted in internal processes and controls, compliance issues and any material misstatements noted in the financial reports.

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5.3 The principal risks faced by the Company and the way in which each is managed are as follows:

The Company's policy on risk management encompasses all significant business risks including physical, operational, human resources, technology, business continuity, financial, compliance and reputational which could influence the achievement of the Company's objectives.

Within the Company, the risk elements are viewed under the following headings:

- Capital Risk: The risk which arises from capital to support business plans, assessing solvency, the output of stress testing and future capital assessment;
- Credit Risk: The risk of a change in value due to actual credit losses deviating from expected credit losses due to the failure to meet contractual debt obligations or a deterioration in the creditworthiness of counterparties;
- Insurance Risk: The risk that arises from the inherent uncertainties as to the occurrence, amount and timing of insurance liabilities;
- Investment Risk: The risk which arises from asset and liability matching, valuation, concentration, liquidity and the application of any provision relating to investments as set out in the relevant Acts;
- Legal and Regulatory Risk: The risk that arises from an insurer's non-compliance with laws, rules, regulations, prescribed practices, or ethical standards in any jurisdiction in which the institution operates. The operations of the Company as a whole are fully compliant with all the rules, regulations and policies laid down by the authorities and furthermore the Company regularly reviews its position towards any new regulations or amendments in the laws to ensure strict and ongoing compliance;
- Liquidity Risk: Liquidity risk is exposure to loss in the event that insufficient liquid assets will be available from among the assets supporting (among others) the policy obligations, to meet the cash flow requirements of the policyholder obligations when they are due, or that assets may be available, but only at excessive cost;
- Reinsurance Risk: The risk which arises from net retentions, catastrophe exposures, and exposures above the level of reinsurance protection, horizontal exposures as well as counterparty risk, credit risk and concentration risk;
- Reputational Risk: The risk that adverse publicity regarding an insurer's business practices and associations, whether accurate or not, will cause a loss of confidence in the integrity of the organisation;
- Strategic Risk: The risk of a change in value due to the inability to implement appropriate business plans and strategies, make decisions, allocate resources, or adapt to changes in the business environment;
- Physical risks: Losses due to torrential rainfall, flood, fire, cyclones, riots, etc.;
- Operational risks: Operational risk is defined as risk of loss resulting from inadequate or failed internal processes, people and systems or from external events;
- Human resources risks: Losses arising from attrition, talent scarcity, health and safety laws, personal injury claims and acts inconsistent with employment, etc.;
- Technology risks: Includes hardware and software failures, systems development and support and maintenance aspects. The scalability of the legacy system to cover all classes of insurance and innovative products has been identified as an area of improvement. The implementation of a major state of the art system is presently underway that will provide enhanced scalability, integration, security, mobility and customer experience;
- Business continuity risks: Losses from inaccessible systems and worksites arising from major natural disasters and system failures. Accordingly, the organisation has reviewed and enhanced its disaster recovery infrastructure to mitigate any such risks;
- Financial risks: The identification and management of these risks are further discussed in Note 6 to the Financial Statements; and
- The organisation attended to the requirements of the Insurance (Risk Management) Rules 2016 for the year under review.

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In conducting its annual review of the effectiveness of risk management, the Board considers the key findings from the ongoing monitoring and reporting processes, management assertions and independent assurance reports. The Board also takes into account material changes and trends in the risk profile and considers whether the control system, including reporting, adequately supports the Board in achieving its risk management objectives.

During the course of the year, the Board considered the Company's responsiveness to changes within its business environment including any change brought through statutes and regulations. The Board is satisfied that there is an ongoing process, which has been operational throughout the year.

5.4 Risk Management Framework and Own Risk and Solvency Assessment ("ORSA")

This Risk Management Framework ("RMF") outlines the approach of NIC General Insurance Co. Ltd to risk management within the organisation. The RMF includes the establishment of risk principles and strategy, risk governance, a risk management process and risk resources in the Company's approach to risk. The RMF comprises 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 ORSA is defined as the entirety of the processes and procedures employed to identify, assess, monitor, manage, and report the short and long term risks an insurance undertaking faces or may face and to determine the own funds necessary to ensure that insurers' overall solvency needs are met at all times and are sufficient to achieve its business strategy.

The Board is in the process of appointing a specialised risk management services consultant to assist the Company in its journey in implementing the following in line with regulatory requirements:

- (i) Risk Management Framework;
- (ii) Liquidity Policy;
- (iii) Risk Appetite Statement;
- (iv) Own Risk & Solvency Assessment (ORSA) Policy;
- (v) Operational Risk Policy; and
- (vi) Outsourcing Policy.

The annual reviews of the above, for the year under review, by the Statutory Actuary and Auditor will be performed as per the requirement of the above-mentioned Rule.

5.5 Compliance

The Company ensures that it adheres to applicable legislations, rules and regulations and takes appropriate measures to establish, review and reinforce its compliance objectives and functions. The Company has in place a Compliance Officer, a Money Laundering Reporting Officer (MLRO), a Data Protection Officer (DPO) and a Deputy Money Laundering Reporting Officer (DMLRO). The Company in general is fully committed to reducing the risk of money laundering through its various types of insurance policies and services. The Company has a robust AML/CFT policy in place, which is reviewed at least once every year. No material compliance breaches were reported during the financial year. The Compliance function continued its monitoring and reporting responsibilities.

5.6 Internal Audit

Internal audit is an independent objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Company has clear and robust internal control procedures for the approval of all transactions, including AML/CFT policies and a clear reporting procedure for any suspicion of money laundering across the organisation.

The Internal Audit activities are conducted at the Company by the Internal Audit Department under the supervision of the Internal Auditor. This falls under the aegis of the Audit and Risk Committee with a direct independent reporting line on all affairs relating to internal audits, controls and risk management.

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5.7 Frameworks and processes for the sound management of risk and Internal Controls

The Board has delegated the authority to identify, manage and mitigate risks to the Audit and Risk Committee who has appointed an Internal Auditor to independently review the effectiveness of the Company's systems of internal control, including internal financial control and business risk management and maintaining effective internal control systems. This ensures that appropriate frameworks and effective processes are in place for sound risk management.

Management is responsible for the implementation of internal control and risk management systems under the supervision of the Audit and Risk Committee, which ensures that proper accounting records are maintained and that the strategies and policies adopted by the Board are being implemented.

The Internal Auditor covers all key areas of activities, including IT. Any deviation from policies and deficiencies in internal controls are duly reported and discussed in detail at Management and Board Audit and Risk Committee levels. Corrective actions are promptly taken, and regular follow-ups are conducted. This enables the Board to derive assurance that the internal control systems are effective.

There have been no significant areas which were not covered by the Internal Auditor during the year. Based on the internal audit report, no major risk or deficiency has been found in the Company's system of internal controls that remained unattended for remedial action.

5.8 Whistle-blowing rules and procedures

For any suspicious or illegal transactions, Officers and Directors are encouraged to lodge reports promptly with the Money Laundering Reporting Officer as per the Financial Intelligence and Anti-Money Laundering Act and Financial Crimes Commission Act.

The Company continually maintains and enforces its Whistle-blowing and Anti-Money Laundering Policies to further supplement its current control systems.

Reported Whistle-blowing and ethics-related cases are escalated to the Corporate Governance and Ethics Committee of the Board for consideration as appropriate.

5.9 Anti-Corruption Framework

The Company is committed to maintaining the highest level of integrity to fully and unequivocally adopt a zero-tolerance stance towards corruption and malpractices.

Consequently, the Company has developed an Anti-Corruption Policy and corruption prevention strategies to further supplement its existing Code of Ethics as well as the setting up of an Anti-Corruption Committee.

6. PRINCIPLE SIX: REPORTING WITH INTEGRITY

"The Board should present a fair, balanced and understandable assessment of the organisation's financial, environmental, social and governance position, performance and outlook in its annual report."

The Board is responsible for the preparation of financial statements that fairly present the state of affairs of the Company and the results of its operations and that comply with the International Financial Reporting Standards (IFRS), Companies Act 2001, Financial Services Act 2007, Insurance Act 2005, the Financial Reporting Act 2004 and other applicable laws.

The Annual Report of the Company include the financial statements and Corporate Governance Report which provide comprehensive details on all of the Company's financial, environmental, social and governance position as well as its performance for the financial year under consideration. The financial statements and other key corporate governance related information of the Company are published in full on its website.

The Directors are also responsible for keeping adequate accounting and Company records. They also have the duty to safeguard the assets of the Company and to prevent and detect fraud. The Directors have a duty to explain the Company's transactions and to disclose with reasonable accuracy at any given point in time the financial position of the Company.

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6.1 Health, Safety, Social and Environmental Policies

The Company strives to promote and maintain a safe working environment that is free from hazards and risk of injury to all employees within the organisation. The Company has developed and implemented social, safety, health and environmental policies and practices that in all material respects comply with the Occupational Safety and Health Act 2005 and other statutory and regulatory frameworks. The Company has also supplemented its health and safety processes with the implementation of sanitary protocols and measures against the proliferation of Covid-19.

The Company ensures social harmony through its employment policies and it follows non-discriminatory policies in recruitment and promotion. It adopts a transparent and merit-based procedure.

Given the nature of its activities, the Company has embraced an eco-friendly strategy and culture such that its operations do not cause significant adverse impacts on the environment. The Company operates its day-to-day activities in a way that is aligned as far as possible with green, environmentally friendly and energy-saving principles.

6.2 Corporate Social Responsibility and Donations

The Company has adopted the 3rd Global Sustainable Development Goal of the United Nations, **“Good Health and Well-Being”**. The Company has devised its own Corporate Social Responsibility programme (*Get Healthy*) and has been running the Programme in partnership with the Ministry of Health and Wellness and other stakeholders across the country thereby promoting health awareness campaigns to make Healthy Living accessible to the Mauritian nation and its future generations.

The Company has broadened its CSR strategies to cover ESG concerns including the protection of the environment, enhancing empowerment of SMEs, Women and Youth, Literacy and Education, and Social Support.

The Company remains committed to further strengthening its ESG-related disclosures in line with evolving reporting expectations and best practices.

The Company has actively participated in socio-cultural activities on the ground across various regions of the island in a bid to fulfil its corporate mission of serving the nation.

The Company made no donations during the year.

7. PRINCIPLE SEVEN – AUDIT

“Organisations should consider having an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the management. The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation’s auditors.”

7.1 Internal Audit

The Internal Audit Department is headed by the Internal Auditor, Mr. Ashish Bucktowar. The manpower of the department is being further reinforced with new team members having profiles to cover internal audit, system audit and risk management functions. The Department conducts internal audits for NIC Group.

The Internal Audit function is governed by the Internal Audit Charter which has been approved by the Board and is available on the Company’s website.

The internal audit is performed on the basis of an established and approved Internal Audit Plan and the progress thereon is reported to the Audit and Risk Committee on a regular basis. The Internal Audit Plan covers all key aspects of the business including sales, receipting, cashiering, banking, posting, underwriting, claims assessment, recovery and payment as well as other areas regarding systems and control processes. During the year ended 30 June 2025, internal audits were performed on Arrears Management, updates on effectiveness of Anti-Money Laundering and Combatting the Financing of Terrorism (“AML-CFT”), Branch Operations, Premium Management, Processing of Claims for Health Operations, Sales Operations and Procurement.

NIC GENERAL INSURANCE CO. LTD
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The Internal Auditor reports directly to the Audit and Risk Committee, has unrestricted access to review all activities and transactions undertaken within the Company and to appraise and report thereon. There was no restriction placed on the right of access by internal audit to the records, management or employees of the organisation.

7.2 External Audit

The Company has re-appointed MOORE (Mauritius) LLP as External Auditors for the financial year ended 30 June 2025. MOORE (Mauritius) LLP was initially appointed as External Auditors in February 2019. Since appointment, they have conducted audits for the Company's financial statements. The Audit and Risk Committee ensures that the external auditors and/or the signing audit partner are rotated in accordance with applicable practices, generally not exceeding seven years of continuous service.

For the financial year ended 30 June 2025, Ms. Shweta Moheput served as the signing audit partner in replacement of Mr. Arvin Rogbeer.

7.3 Meeting with Audit and Risk Committee and Key Audit Issues

The External Auditors have met regularly with the Audit and Risk Committee during which the financial statements of the Company, timeline of the audit, the audit approach, the accounting principles and critical policies adopted are discussed. The External Auditors have regularly been apprising the Audit and Risk Committee and Board members, through attendance and presentation at such instances, of key audit matters pertaining to the business and necessitating the attention of the directors. The External Auditors may also have meetings with key stakeholders without Management being present.

7.4 Evaluation of the Auditors

The Audit and Risk Committee will evaluate the External Auditors in fulfilling their duty annually, to make an informed recommendation to the Board for their reappointment. The Audit and Risk Committee assesses the qualifications and performance of the External Auditors, the quality of the External Auditors' communications with the Audit and Risk Committee and the External Auditors' independence, objectivity and professional scepticism.

7.5 Information on non-audit services

The Company has retained the services of MOORE (Mauritius) LLP for tax advisory services.

The audit and tax department of MOORE (Mauritius) LLP are two separate departments and the manager and partner for the provision of the respective services are different persons.

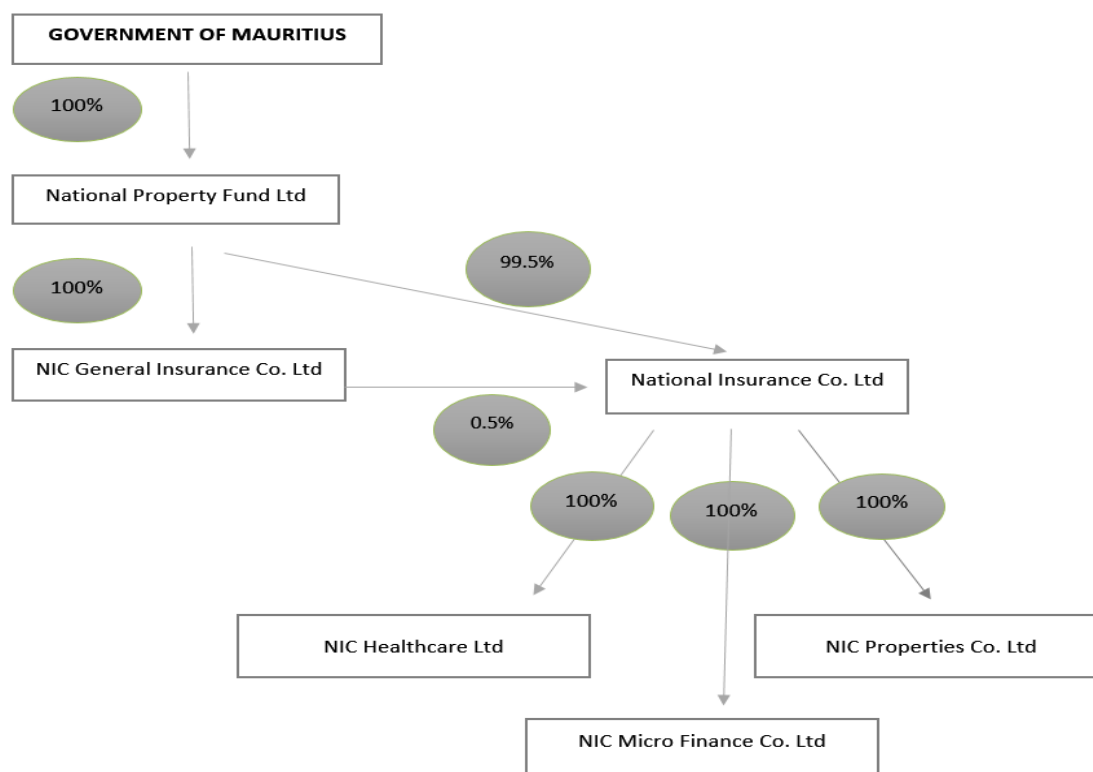
**NIC GENERAL INSURANCE CO. LTD
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8. PRINCIPLE EIGHT - RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

“The Board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders. The Board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose.”

8.1 SHARE CAPITAL STRUCTURE

The holding structure of the Company as at 30 June 2025 was as follows:-



**NIC HealthCare Ltd – In process of Winding Up*

Name	Percentage Holding
National Property Fund Ltd	100%

The Company is ultimately owned by the Government of Mauritius.

Except for the above, no person has reported any material interest of 5% or more of the equity share capital of the Company.

NIC GENERAL INSURANCE CO. LTD
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8.2 DIVIDEND POLICY

The Board has not established a formal dividend policy. However, the Board endeavours to authorise distributions in the light of the Company's profitability, cash flow requirements and planned capital expenditure in due course.

8.3 RELATIONS WITH SHAREHOLDER

The Company ensures that there is regular contact and dialogue with the Shareholder and the Ultimate Shareholder (Government of Mauritius) to keep them informed on material events affecting the Company including its performance and outlook.

Decisions are taken either at the Shareholder's Meetings or by way of written resolution in lieu of holding a Meeting of Shareholder (either Annual Meeting or Special Meeting) of the Company in conformity with Section 117 of Companies Act 2001.

Regarding the Shareholder's Meetings, the Board, through the assistance of the Company Secretary, ensures that the Notice of Meeting along with the proxy forms are sent to the Shareholder at least 21 days before the meeting in accordance with the Companies Act. Directors and External Auditors are invited to attend Shareholder's Meetings.

The Chairperson, through the assistance of the Company Secretary and Management, is available to answer any query from the Shareholder. As and when required, appropriate papers and reports pertaining to critical business affairs are shared between the Company and the Shareholder for appropriate consideration and support.

8.4 COMPANY KEY STAKEHOLDERS

The Company's main stakeholders are as follows:

- Shareholders
- Employees
- Policyholders/Clients
- Insurance Salespersons/Agents/Brokers
- Regulators
- Suppliers, Consultants and Service Providers
- Reinsurers
- Bankers

The Company maintains regular engagement with these key stakeholders, including regulators, policyholders, employees, service providers and the Shareholder, through structured communication channels, formal reporting processes and ongoing operational and governance interactions, as appropriate to each stakeholder group. This ensures effective information flow, regulatory compliance and alignment of stakeholder interests with the Company's strategic and operational objectives.

Relationships with the regulator and authorities, mainly the Financial Services Commission, the Registrar of Companies, the Financial Reporting Council, Office of Ombudsperson for Financial Services and the Mauritius Revenue Authority are considered critical to the good running of the Company. The Company maintains relationships with its regulators and relevant authorities through written communications, meetings, filing of returns and financial reports, participation in forums, conferences and workshops as well as compliance with relevant legislations.

These relationships are viewed as strategic partnerships to ensure that the Company upholds and maintains best practices with full transparency.

Stakeholders' communication

The Board aims to properly understand the information needs of all Shareholder/stakeholders and places great importance on an open and meaningful dialogue with all those involved with the Company. The Company's website www.nicl.mu is used to provide relevant information. Furthermore, open lines of communication are maintained to ensure transparency and optimal disclosure.

8.5 CALENDAR OF IMPORTANT EVENTS

The key milestones of important events during the financial year are as follows:

December	Annual Meeting of Shareholder
June	Financial Year End

STATEMENT OF COMPLIANCE

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

Name of PIE: NIC General Insurance Co. Ltd
Reporting period: 30 June 2025

We, the Directors of NIC General Insurance Co. Ltd (the "Company"), confirm to the best of our knowledge that the Company has complied with all of its obligations and requirements under the Code of Corporate Governance for Mauritius (2016) except for the following sections:-

Reasons for non-compliance with the sections of the Code:**Principle 2: The Structure of the Board and its Committees**

1.1 Composition of the Board - The Code recommended that the Board maintain a strong executive management presence, with at least two executives as members. The Group Officer-In-Charge & Chief Operating Officer was appointed as an Executive Director, with effect from 15 May 2025.

The appointment of a second Executive Director on the Board, as required by the Code, is being considered.

The day-to-day management of the operations of the Company is performed by the Group Officer-In-Charge & Chief Operating Officer, who reports directly to the Board. Other members of the senior management team namely Group Chief Financial Officer and Chief Officer Lending and Group Chief Services Officer and Chief Officer-Insurance are invited to attend Board and Board Committee meetings as required.

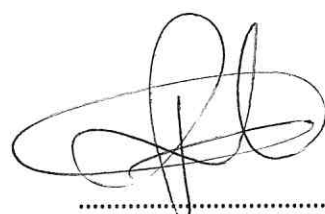
1.2 Composition of the Audit Committee – The Code requires that the Chairperson of the Audit Committee shall be an independent director. During the year, the chairman of the audit committee was a non-independent non-executive director and held office till 9 October 2024.

As the Board had not yet been fully constituted during the year, the appointment of an independent non-executive director as chairperson of the audit committee has been completed subsequent to year end.

Signed on behalf of the Board of Directors:



Mr. Santosh Kumar Gujadhur
 Chairman



Mr. Alvin Joyekurun
 Director

17 SEP 2026

Secretary's Certificate as per Section 166(d) of the Companies Act 2001

We certify that, based on the records and information made available to us by the Directors and Shareholder of the Company, the Company has filed with the Registrar of Companies, all such returns as are required under Section 166 (d) of the Companies Act 2001 for the period ended 30 June 2025, save and except the Annual Report and Audited Financial Statements for 30 June 2025, which are now being filed.



Prime Partners Ltd
Corporate Secretary
Per R. G. Bullyraz

Date : 17 SEP 2026

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NIC General Insurance Co. Ltd**

34

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of **NIC General Insurance Co. Ltd** ("the Company") set out on pages 39 to 93 which comprise the statement of financial position as at 30 June 2025 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policies.

In our opinion, these financial statements give a true and fair view of the financial position of the Company as at 30 June 2025 and of its financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Insurance Act 2005.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for 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 a separate opinion on these matters.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NIC General Insurance Co. Ltd**

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Report on the audit of the financial statements (continued)

Key Audit Matters (continued)

1. Valuation of insurance contract liability balances under IFRS 17 - Insurance contracts ("IFRS 17")	
Key Audit Matter	How our Audit Addressed the Key Audit Matter
We considered the valuation of insurance contract liability balances to be a key audit matter in our audit of the financial statements because of the following: ·The significant judgements and estimation uncertainty related to the magnitude and timing of projected cash flows and the use of unobservable inputs; ·The material nature of the insurance contract liability balances on the Company's statement of financial position and resultant impact on the statement of profit or loss for the year ended 30 June 2025; and ·its impact on profit or loss and other comprehensive income for the year ended 30 June 2025.	We tailored our testing of the insurance contract liability balances with reference to the various portfolios of contracts and the measurement models applied. With the assistance of our actuarial specialists, the procedures comprised the following: ·We assessed the compliance of the methodology applied to estimate the cash flows and Risk Adjustment (RA) related to these contracts with the current accounting standards; ·We assessed the valuation methodology and assumptions for compliance against the generally accepted actuarial principles, applicable legislation and approved Company policies; ·We applied procedures to test on a sample basis the reliability of the underlying data used in the estimates; ·We assessed reasonability of key financial and demographic assumptions and the valuation methodologies applied in determining the BEL and RA; ·We tested on a sample basis and based on our risk assessment, the calculation models used to estimate future cash flows, and non-financial risk adjustment, as well as any significant change to the calculation models; ·We assessed the appropriateness of management's allocation of groups of contracts into the various measurement buckets and compliance of these groups with the eligibility criteria as required by IFRS 17. We also assessed the profitability criteria applied in determining the grouping of contracts based on their onerousness characteristics. ·We evaluated the reasonability of the risk adjustment calculation, and its related release by performing independent recalculations for sampled products; ·For the valuation of insurance contract liabilities across the Company, we assessed management's valuation models;

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NIC General Insurance Co. Ltd**

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Report on the audit of the financial statements (continued)

Key Audit Matters (continued)

1. Valuation of insurance contract liability balances under IFRS 17 - Insurance contracts ("IFRS 17") (Continued)	
Key Audit Matter	How our Audit Addressed the Key Audit Matter
	·For short-term portfolios, we have assessed the reasonableness of the assumptions including claims ratio, development triangles, reinsurance recovery rates, and assessed the adequacy of the year- end valuation with amongst others reference to prior years and key ratios; and ·We assessed the adequacy of the IFRS 17 disclosures in the notes to the financial statements.
Refer to note 13, note 3.18 (accounting policies) and note 4 (critical accounting estimates and judgements) of the accompanying financial statements.	

Other Information

The directors are responsible for the other information. The other information comprises the Annual report and Certificate from the Company Secretary, or any other statutory disclosures. The other information does not include the financial statements and our auditors' 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. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors.

Responsibilities of 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 International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, Financial Reporting Act 2004 and the Insurance Act 2005 and for such internal control as the directors determine is necessary to enable the preparation of 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. The directors are responsible for overseeing the Company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NIC General Insurance Co. Ltd**

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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 auditors' 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 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 auditors' 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 auditors' 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards applied to eliminate threats to our independence.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
NIC General Insurance Co. Ltd**

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Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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. We describe these matters in our auditors' 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

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditors, tax advisors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Insurance Act 2005

The financial statements have been prepared in the manner and meet the requirements specified by the Financial Services Commission (FSC).

Financial Reporting Act 2004 - Corporate Governance Report

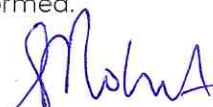
Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the public interest entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code and satisfactory explanation disclosed on the principles of the Code which have not been complied with.

Use of this report

This report is made solely to the Company's member, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters that we are required to state in an auditors' 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 member, for our audit work, for this report, or for the opinions we have formed.



MOORE (Mauritius) LLP
Chartered Accountants

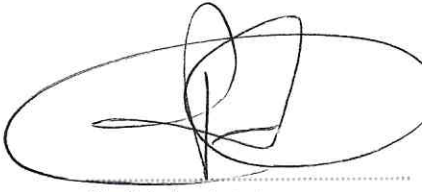


Shweta Moheput BSC, FCA
Licensed by FRC

	Notes	2025 MUR	2024 MUR
ASSETS			
Non-current assets			
Plant and equipment	7	1,624,388	2,037,128
Intangible asset	8	24,290,157	21,949,829
Investment property	9	55,800,000	55,800,000
Investment in financial assets	11	16,863,724	14,596,148
Deferred tax assets	18	35,526,935	28,778,256
		<u>134,105,204</u>	<u>123,161,361</u>
Current assets			
Insurance contract assets	13	5,559,978	13,667,439
Reinsurance contract assets	14	126,969,810	170,699,108
Other receivables	12	543,700	8,268,644
Cash and cash equivalents	15	241,812,757	128,220,871
		<u>374,886,245</u>	<u>320,856,062</u>
Asset held for sale	10	-	44,775,833
TOTAL ASSETS		<u>508,991,449</u>	<u>488,793,256</u>
EQUITY AND LIABILITIES			
Equity			
Stated capital	16	180,000,000	180,000,000
Reserves	17	71,836,308	49,026,760
Total equity		<u>251,836,308</u>	<u>229,026,760</u>
Non-current liability			
Retirement benefit obligations	19	6,823,000	5,492,000
		<u>6,823,000</u>	<u>5,492,000</u>
Current liabilities			
Insurance contract liabilities	13	128,030,882	136,627,688
Reinsurance contract liabilities	14	-	1,711,735
Trade and other payables	20	106,039,571	103,983,830
Current tax liabilities	21	15,722,688	11,342,243
Retirement benefit obligations	19	539,000	609,000
		<u>250,332,141</u>	<u>254,274,496</u>
TOTAL EQUITY AND LIABILITIES		<u>508,991,449</u>	<u>488,793,256</u>

These financial statements have been approved and authorised for issue by the Board of Directors on 17 SEP 2026 and signed on its behalf by:


Mr. Santosh Kumar Gujadhur
Chairman


Mr. Alvin Joyekurun
Director

The notes on pages 43 to 93 form an integral part of these financial statements.
Independent auditor's report on pages 34 to 38.

	Notes	2025 MUR	2024 MUR
Insurance revenue	22 (a)	488,893,603	396,103,570
Insurance service expenses	22 (b)	(448,119,611)	(418,004,722)
Net expenses from insurance contracts issued		40,773,992	(21,901,152)
Insurance expenses for reinsurance contracts held	22 (c)	(213,337,808)	(159,039,462)
Insurance service income for reinsurance contracts held	22 (d)	219,032,719	242,152,594
Net income from reinsurance contracts held		5,694,911	83,113,132
Insurance service result		46,468,903	61,211,980
Investment income	23	20,151,632	9,914,699
Other income	23	-	13,900
Total investment and other income		20,151,632	9,928,599
Net insurance and investment result		66,620,535	71,140,579
Other operating expenses	24 (iv)	(45,836,624)	(12,834,479)
Provision for ECL	24 (ii)	(1,986,164)	(128,285,098)
Non-insurance expenses		(47,822,788)	(141,119,577)
Profit/(loss) before taxation		18,797,747	(69,978,998)
Income tax credit/(expense)	21(b)	2,125,735	10,943,792
Profit/(loss) for the year		20,923,482	(59,035,206)
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of retirement benefit obligations	19	(471,000)	39,000
Movement in deferred tax	18	89,490	(6,630)
Change in fair value of financial assets at fair value through other comprehensive income/available-for-sale financial assets	11	2,267,576	2,993,092
Other comprehensive income for the year, net of tax		1,886,066	3,025,462
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		22,809,548	(56,009,744)

The notes on pages 43 to 93 form an integral part of these financial statements.
Independent auditor's report on pages 34 to 38.

	Stated capital	Reserves			Total reserves	Total equity
		Retained earnings	Fair value reserve (i)	Actuarial gains (ii)		
	MUR	MUR	MUR	MUR	MUR	MUR
At 1 July 2023	180,000,000	91,295,630	11,603,054	2,137,820	105,036,504	285,036,504
Loss for the year	-	(59,035,206)	-	-	(59,035,206)	(59,035,206)
Other comprehensive income	-	-	2,993,092	32,370	3,025,462	3,025,462
Total comprehensive loss for the year	-	(59,035,206)	2,993,092	32,370	(56,009,744)	(56,009,744)
At 30 June 2024	180,000,000	32,260,424	14,596,146	2,170,190	49,026,760	229,026,760
At 1 July 2024	180,000,000	32,260,424	14,596,146	2,170,190	49,026,760	229,026,760
Profit for the year	-	20,923,482	-	-	20,923,482	20,923,482
Other comprehensive income	-	-	2,267,576	(381,510)	1,886,066	1,886,066
Total comprehensive income for the year	-	20,923,482	2,267,576	(381,510)	22,809,548	22,809,548
At 30 June 2025	180,000,000	53,183,906	16,863,722	1,788,680	71,836,308	251,836,308

Notes:

- (i) Fair value reserve relates to change in fair value of financial assets at fair value through other comprehensive income.
- (ii) Actuarial gains relate to movements in retirement benefit obligations recognised through other comprehensive income.

The notes on pages 43 to 93 form an integral part of these financial statements.
Independent auditor's report on pages 34 to 38.

	Notes	2025 MUR	2024 MUR
Cash flows from operating activities			
Profit/(loss) before taxation		18,797,747	(69,978,998)
Adjustments for:			
Movement in retirement benefit obligations	19	790,000	2,133,000
Gain on disposal of asset held for sale	10	(12,224,167)	-
Depreciation on plant and equipment	7	623,765	941,940
Amortisation of intangible assets	8	7,444,402	5,487,455
		<u>15,431,747</u>	<u>(61,416,603)</u>
Changes in working capital			
Change in other receivables	12	(2,059,786)	2,834,094
Change in insurance contract assets	13	8,107,461	(6,138,132)
Change in insurance contract liabilities	13	(8,596,806)	1,233,804
Change in reinsurance contract assets	14	43,729,298	(31,197,371)
Change in reinsurance contract liabilities	14	(1,711,735)	(1,072,506)
Change in trade and other payables	20	2,055,740	17,744,847
		<u>56,955,919</u>	<u>(78,011,867)</u>
Cash generated from/(used in) operating activities			
Tax paid	21	-	(1,600,467)
Tax deducted at source	21	(153,008)	(119,228)
		<u>56,802,911</u>	<u>(79,731,562)</u>
Net cash flow generated from/(used in) operating activities			
Cash from investing activities			
Acquisition of plant and equipment	7	(211,025)	(925,750)
Movement in investment property	9	-	(800,000)
Proceeds from asset held for sale	10	57,000,000	-
		<u>56,788,975</u>	<u>(1,725,750)</u>
Net cash generated from/(used in) investing activities			
Movement in cash and cash equivalents		<u>113,591,886</u>	<u>(81,457,312)</u>
Cash and cash equivalents			
At 1 July		128,220,871	209,678,183
Movement for the year		<u>113,591,886</u>	<u>(81,457,312)</u>
At 30 June 2025	15	<u>241,812,757</u>	<u>128,220,871</u>

Non-cash transaction:

During the year ended 30 June 2025, the Company recognised software (intangible asset) amounting to **MUR 9,784,730** (2024: MUR 27,437,284). The acquisition was settled through deposits made in advance and recorded under other receivables (note 12). As no cash outflow occurred during the year, the transaction has therefore been excluded from the statement of cash flows.

The notes on pages 43 to 93 form an integral part of these financial statements.
Independent auditor's report on pages 34 to 38.

1 GENERAL INFORMATION

NIC General Insurance Co. Ltd (the Company) is a public company incorporated in Mauritius. Its registered office is situated at NIC Centre, 217 Royal Road, Curepipe, Mauritius.

The Company carries out short-term insurance activities comprising general insurance which cover the following:

- Accident and Health
- Motor
- Engineering
- Liability
- Property
- Guarantee
- Miscellaneous

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

2 NEW STANDARDS AND INTERPRETATIONS

2.1 Standards and interpretations effective and adopted in the current year but with no material effect on the financial statements

In the current year, the Company has adopted the following standards and interpretations that are effective for the current financial year. The adoption of these amendments did not have a material impact on the Company's financial statements.

	Effective date: Years beginning on or after	Standards/ Interpretations amended
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024	IAS 1
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024	IFRS 16
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024	IAS 7, IFRS 7
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024	
IFRS S2 Climate-related disclosures	1 January 2024	

2.2 Standards and interpretations issued but not yet effective

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 1 July 2025 or later periods:

	Effective date: Years beginning on or after	Standards/ Interpretations amended
Lack of exchangeability – Amendments to IAS 21	1 January 2025	IAS 21, IFRS 1
Illustrative examples - Disclosures about Uncertainties in the Financial Statements	November 2025	IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36, IAS 37
IFRS Practice Statement 1 Management Commentary	23 June 2025	
Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026	IFRS 7, IFRS 9, IFRS 19
Contracts referencing Nature-dependent Electricity -Amendments to IFRS 9 and IFRS 7	1 January 2026	IFRS 7, IFRS 9, IFRS 19
Annual Improvements to IFRS Accounting Standards — Volume 11 The pronouncement comprises the following amendments: • IFRS 1: Hedge accounting by a first-time adopter • IFRS 7: Gain or loss on derecognition • IFRS 7: Disclosure of deferred difference between fair value and transaction price • IFRS 7: Introduction and credit risk disclosures • IFRS 9: Lessee derecognition of lease liabilities • IFRS 9: Transaction price • IFRS 10: Determination of a 'de facto agent' • IAS 7: Cost method	1 January 2026	IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	IAS 1 (replaced) and consequential amendments to various IFRS/IAS/IFRICs
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	IFRS 1, IFRS 5, IFRS 13, IFRS 17, IFRS 18, IAS 32, IAS 34, IFRIC 14
Translation to a Hyperinflationary Presentation Currency - Amendments to IAS 21	1 January 2027	IFRS 19, IAS 29
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Effective date deferred	IFRS 10, IAS 28

The Directors are currently assessing the impact of the above Standards and amendments on the financial statements of the Company in future periods.

3 MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation

The financial statements of the NIC General Insurance Co. Ltd have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and comply with the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and Insurance Act 2005.

The financial statements are presented in Mauritian rupee (MUR).

The financial statements are prepared under the historical cost convention, except that:

- (i) investment property is stated at fair value; and
- (ii) financial assets and financial liabilities are stated either at their fair values or carried at amortised cost.
- (iii) Insurance contract assets are measured using a fulfilment value basis;
- (iv) Reinsurance contract assets are measured using a fulfilment value basis;
- (v) Insurance contract liabilities are measured using a fulfilment value basis; and
- (vi) Reinsurance contract liabilities are measured using a fulfilment value basis.

Where necessary, comparative figures have been amended to conform with changes in presentation or accounting policies in the current year.

3.2 Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

3.3 Foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using Mauritian rupee (MUR), the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in Mauritian rupee, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Taxation

The tax expense for the year comprises current income tax, deferred tax, Corporate Social Responsibility (CSR) and Corporate Climate Responsibility (CCR) levy. 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.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years but it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

(b) Corporate social responsibility (CSR)

Corporate social responsibility (CSR) was legislated by the Government of Mauritius in July 2009. In terms of the legislation, the Company is required to allocate 2% of its chargeable income of the preceding financial year to government approved CSR NGOs. After 01 January 2019, the Company is required to remit to the Director General at least 75% of the CSR contribution. This is recorded as part of income tax expense.

(c) Corporate Climate Responsibility (CCR) levy

The Finance (Miscellaneous Provisions) Act 2024, which was gazetted on 27 July 2024, introduced a new Corporate Climate Responsibility (CCR) Levy at 2% of the current year's chargeable income as from the year of assessment commencing on 01 July 2024. CCR is payable to the MRA by all companies where the turnover exceeds MUR 50 million. This levy is recognised as part of income tax expense.

(d) Deferred tax

Deferred taxation is provided in full using the liability method. Deferred tax liabilities are recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax is calculated on all temporary differences under the liability method at the rate of 19% (2024: 17%).

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 end of 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.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is possible that taxable profit will be available against which the deductible temporary differences can be utilised.

The principal temporary difference arises from depreciation on plant and equipment, retirement benefit assets/obligations, provision for bad debts, and Company's accumulated tax losses.

3.5 Revenue recognition

Fees and commission income

Insurance contract policyholders are charged for policy administration services and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods. Commission income is accounted on accrual basis at the end of the year.

Investment and other income

Investment and other income comprises mainly interest, rent and gain on disposals of assets held for sale for the year. Interest income is recognised using the effective interest method.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.6 Expenses

Expenses are recognised on an accruals basis in the statement of profit or loss and other comprehensive income.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, bank overdraft and short-term deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown in current liabilities in the statement of financial position.

3.8 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the end of the reporting period. Provisions are reviewed at the end of reporting period and adjusted to reflect the current best estimate.

3.9 Leasing

The Company as lessor

Operating lease

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

A lease in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as an operating lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.10 Retirement benefit obligations

(i) Defined Contribution Plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitles them to the contributions.

(ii) State plan

Contributions to the National Pension Scheme are expensed to the profit or loss in the period in which they fall due.

The Company has recognised a defined benefit liability in the statement of financial position in respect of any residual retirement gratuities or full gratuities (retirement, death or withdrawal) that are expected to be paid out of the Company's cash flow to its employees under the Workers' Rights Act (WRA) 2019.

Other long-term benefits

Other benefits are calculated and provided for and are recognised as liabilities in the statement of financial position. The obligations arising under this item are not funded.

3.11 Investment property

Property held to earn rentals and/or for capital appreciation and not occupied by the Company is stated at its fair value at the end of the reporting period, representing Sales Comparison Approach determined by independent valuers. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the year in which they arise.

Investment properties are derecognised either when they have been disposed of (i.e., the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of significant financing component, non-cash consideration, and consideration payable to the buyer (if any). Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with policy stated under property, plant and equipment up to the date of change in use.

3.12 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared.

3.13 Related parties

Parties are considered to be related if one party has control, joint control or exercises significant influence over the other party or is a member of the key management personnel of the other party.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.14 Plant and equipment

All plant and equipment are stated at historical cost/deemed cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of the assets 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 or revalued amounts of each asset to their residual values over their estimated useful lives as follows:

Computer hardware	- 20% per annum
Motor Vehicle	- 20% per annum

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

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.15 Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The software is capitalised at cost and amortised over its estimated useful lives of 2 to 5 years.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.16 Financial liabilities and equity instruments

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of their assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount. Any impairment loss is charged to the statements of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amounts. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the assets in prior years.

Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. Impairment losses of continuing operations are recognised in the statements of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

(a) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(c) Financial liabilities

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Subsequently they are measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(d) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3.17 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses will not be offset in the profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 IFRS 17: Insurance Contracts

The key accounting policies applied to contracts within the scope of IFRS 17 are set out below:

Classification

The Company applies IFRS 17 to insurance contracts issued and reinsurance contracts held. A contract is classified as an insurance contract upon initial recognition if one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. For insurance contracts issued by the Company, the Company is the issuer and for reinsurance contracts held, it is the policyholder. Once classified as an insurance contract, the classification remains unchanged for the remainder of the contract's lifetime, unless the terms of the contract are modified such that there is no longer significant insurance risk transferred.

The Company considers its substantive rights and obligations in classifying its contracts, whether they arise from a contract, law or regulation. It also considers all terms in its contracts, explicit or implied, except for those with no commercial substance (i.e., those that have no discernible effect on the economics of the contract).

The Company issues insurance contracts, and holds reinsurance contracts, under which the insured risk relates to one or more of the following lines of business:

- Accident and Health
- Motor
- Engineering
- Liability
- Property
- Guarantee
- Miscellaneous

Separation of components of insurance contracts

The insurance contracts issued by the Company do not contain any distinct non-insurance components or embedded derivatives that are accounted for separately.

Combination of insurance contracts

A set or series of insurance contracts with the same or a related counterparty may achieve, or be designed to achieve, an overall commercial effect. In order to report the substance of such contracts, it may be necessary to combine such individual contracts and treat them as a whole as an insurance contract for the purposes of applying IFRS 17. No such combination has been required by the Company.

Aggregation of insurance contracts

The recognition and measurement requirements of IFRS 17 are applied to groups of insurance contracts, with insurance contracts issued and reinsurance contracts held being grouped separately from each other. Groups of insurance contracts are determined by the Company by first identifying portfolios of insurance contracts. A portfolio of insurance contracts comprises contracts subject to similar risks and that are managed together. The Company has a number of lines of business with respect to insurance contracts issued, each of which represents different risks. This results in the Company identifying approximately nine portfolios for insurance contracts issued, which are not expected to change unless there are changes in the way in which the business is managed.

Each portfolio of insurance contracts issued is subdivided first such that contracts issued more than one year apart are in separate groupings, and then such groupings are sub-divided based on profitability into the following groups of contracts:

- Contracts that are onerous at initial recognition (if any);
- Contracts that, at initial recognition, have no possibility of becoming onerous subsequently (if any); and
- Remaining contracts (if any)

The Company is applying the premium allocation approach (PAA) to all insurance contracts issued. As permitted under the premium allocation approach (PAA) which the Company is applying to all insurance contracts issued, unless facts or circumstances indicate otherwise, the Company assumes that no contracts are onerous at initial recognition. Since the Company's strategy is to grow a profitable and sustainable business, facts and circumstances that could indicate that contracts are onerous upon initial recognition include:

- projected losses in the business plan;
- initial stages of a new business; or
- any other strategic decisions the board considers appropriate that are expected to result in losses.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 IFRS 17: Insurance Contracts (continued)

Aggregation of insurance contracts (continued)

In respect of reinsurance contracts held, the Company has identified portfolios based on the reinsurance contracts held which each generally represents different risks and are managed separately, which includes consideration of whether the reinsurance is proportional, non-proportional or facultative. IFRS 17 requires subdivision of portfolios of reinsurance contracts held to be done on a similar basis to that for portfolios of insurance contracts issued, except that in the context of profitability of reinsurance contracts held, references to onerous contracts are replaced with references to contracts on which a net gain is expected. For similar reasons to those applicable to insurance contracts issued by the Company, portfolios of reinsurance contracts held by the Company are not subdivided based on profitability. Subdivision occurs only where the issue date of the contracts is more than one year apart. This results in the Company identifying a separate portfolio for each reinsurance contract held in place, the basis of which is not expected to change unless there are changes in the way in which these arrangements

Initial recognition

Insurance contracts issued

The Company recognises a group of insurance contracts issued from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due; and
- for a group of onerous contracts, when the group becomes onerous.

For the Company, the beginning of the coverage period as well as the date when the first payment is due is usually specified in the policy contract and thus does not involve significant judgement. Initial recognition for the Company in respect of new insurance contracts issued usually occurs at the beginning of the coverage period. For renewals, the receipt of premium will indicate recognition even if the signed extension approval is received later.

On initial recognition the Company recognises a liability for remaining coverage (LRC) and it recognises a liability for incurred claims (LIC) when claims are incurred, including those not yet reported.

Reinsurance contracts held

The Company recognises a group of reinsurance contracts held from the earliest of the following:

- the beginning of the coverage period of the group of reinsurance contracts held; and
- the date when the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

Initial recognition for the Company in respect of reinsurance contracts held usually occurs at the beginning of the coverage period of that group. However, notwithstanding the above, the Company only recognises a group of reinsurance contracts held that provide proportionate coverage on the date that any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

On initial recognition the Company recognises an asset for remaining coverage (ARC) and it recognises an asset for incurred claims (AIC) when claims are incurred.

Measurement

Liability for remaining coverage (LRC) and asset for remaining coverage (ARC)

The Company applies the premium allocation approach (PAA) to measure the LRC, in respect of all groups of insurance contracts issued, and the ARC in respect of all groups of reinsurance contracts held.

The premium allocation approach (PAA) is a simplified measurement approach for the LRC which can be applied to a group of insurance contracts issued if, and only if, at the inception of the group:

- the coverage period of each contract in the group (including insurance contract services arising from all premiums within the contract boundary determined at that date) is one year or less; or
- it is reasonably expected that the LRC for the group measured under the PAA would not differ materially from the LRC measured using the general measurement requirements of IFRS 17 (General Measurement Model (GMM)).

The contract boundary reflects the later of the date until which:

- The Company can compel a policyholder to pay premiums; and
- The Company is obliged to provide the policyholder with insurance contract services.

The contract boundary of the Company's products is as per the respective policy term and was deemed to be the full policy term. All of the Company's contracts have a coverage period of one year or less, thus, the term (contract boundary) is one year. Hence the PAA approach has been used to calculate the liability for remaining coverage (LRC) in terms of IFRS 17. The Company assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effect of changes in circumstances on the Company's substantive rights and obligations. The insurance and reinsurance contracts have been tested for PAA eligibility and it was concluded that all the contracts are eligible to be measured under PAA.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 IFRS 17: Insurance Contracts (continued)

On initial recognition, the LRC is therefore measured at an amount equal to the premiums received (if any), less insurance acquisition cash flows. Premiums already paid by policyholders to intermediaries which are yet to be paid over to the Company are considered by the Company not to have been received for purposes of the LRC measurement. Accordingly, no receivable from intermediaries for such premiums is recognised either.

The LRC is measured subsequently at an amount equal to the balance at the beginning of the reporting period:

- plus premiums received during the period;
- minus insurance acquisition cash flows paid or incurred during the period;
- plus amortisation of the insurance acquisition cash flows;
- minus the amount recognised as insurance revenue for service provided during the period.

Insurance acquisition cash flows

Insurance acquisition cash flows are those cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio. Insurance acquisition cash flows include costs that arise both internally and externally, are not necessarily incremental, and relate to both successful and unsuccessful acquisition efforts.

No insurance acquisition cash flow assets or other pre-recognition cash flows exist.

The insurance acquisition cash flows deferred within the measurement of the LRC are amortised on a straight-line basis over the coverage period and recognised as part of insurance service expenses in the statement of profit or loss.

Liability for incurred claims (LIC) and asset for incurred claims (AIC)

The LIC in respect of groups of insurance contracts issued, and the AIC in respect of groups of reinsurance contracts held, are measured using fulfilment cash flows related to claims incurred, whether reported or not. The fulfilment cash flows are calculated on a probability-weighted basis for a range of possible outcomes, include all expected cash inflows and outflows arising as a result of such events, and are adjusted for the effect of the time value of money and financial risks.

The Company uses current discount rates equal to a market risk-free rate plus an illiquidity premium (where applicable), to reflect the differences between the liquidity characteristics of the financial instruments that underlie the risk-free rate observed in the market and the liquidity characteristics of the insurance contracts.

In addition, for the measurement of the LIC, the Company adds a risk adjustment to the discounted cash flows for non-financial risk which is an explicit adjustment representing the compensation the Company would require to make it indifferent between fulfilling its obligation that has a range of possible outcomes arising from non-financial risk, and fulfilling a liability that will generate fixed cash flows with the same expected present value as the insurance contract.

For the AIC, the Company calculates the risk adjustment for non-financial risk so that it represents the amount of risk being transferred by the Company to the reinsurer for those groups of reinsurance contracts held.

The Company has elected to disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

Onerous contracts

If at any time during the coverage period there are facts and circumstances that indicate that a group of contracts is onerous, the Company recognises a loss in profit or loss equal to the net outflow, resulting in the carrying amount of the LRC for the group being equal to the fulfilment cash flows, including a risk adjustment for non-financial risk. The loss component is tracked separately for subsequent measurement of the LRC because it determines the amounts that are presented in profit or loss as reversals of losses on onerous groups. The loss component included in the LRC will be reduced to nil by the end of the coverage period.

The Company calculates a loss-recovery component in respect of reinsurance contracts held by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented in profit or loss as reversals of recoveries of losses from reinsurance contracts held and are consequently excluded from the allocation of premiums paid to the reinsurer. After establishing a loss-recovery component, the Company adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts. The carrying amount of the loss-recovery component cannot exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held. The loss-recovery component adjusts the carrying amount of the ARC.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 IFRS 17: Insurance Contracts (continued)

Derecognition and modification

The Company derecognises an insurance contract when the rights and obligations relating to the contract are extinguished (i.e. expired, discharged, or cancelled), transferred, or if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed.

Insurance revenue

Expected premium receipts are recognised as insurance revenue typically on a straight-line basis over the coverage period.

Insurance service expense

The following amounts are recognised in insurance service expenses:

- claims and administration expenses incurred (excluding amounts allocated to the loss component);
- experience adjustments relating to claims and administration expenses incurred;
- the initial loss on onerous groups of contracts recognised during the period;
- the increases and reversals of losses on onerous contracts;
- the changes in liability for incurred claims relating to past service; and
- the amortisation of insurance acquisition cash flows.

The Company applies judgement in assessing whether expenses are directly attributable to fulfilment of the insurance contract or are non-attributable expenses. Non-attributable expenses are recognised when incurred and comprise business expenditure, certain employee benefit costs not related to maintenance of existing products or the sale of new products and system development costs which were incurred during the research and product development stage.

Attributable overhead expenses are allocated to groups of insurance contracts on the basis of gross written premium.

Finance income and expense from insurance contracts issued and reinsurance contracts held

The Company has elected to recognise all finance income and finance expenses on insurance contracts issued and reinsurance contracts held for the reporting period in profit or loss.

Income or expense from reinsurance contracts held

The Company presents separately the income and expenses from reinsurance contracts held respectively, other than insurance finance income or expenses which are additionally presented separately.

Income or expenses from reinsurance contracts held comprise:

- reinsurance expenses (reinsurance premiums paid are recognised as an expense on a straight-line basis over the coverage period of the reinsurance contract);
- incurred claims recovery;
- other incurred directly attributable expenses;
- changes that relate to past service;
- effect of changes in non-performance risk of reinsurers; and
- amounts relating to accounting for onerous groups of underlying insurance contracts issued.

3 MATERIAL ACCOUNTING POLICIES

3.19 Financial assets

Financial assets are recognised when an entity becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of profit or loss.

Initial recognition, classification and measurement

The Company adopted IFRS 9 on 1 July 2023 and the financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

As permitted by IFRS 17, the Company has reassessed/revoked the previous designation of financial assets under FVOCI and amortised cost and reclassified them under fair value through profit or loss with a view to eliminate or significantly reduce a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The net gains and losses for these financial assets are recognised as part of investment income in the Income Statement.

In order for a debt instrument to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Debt instruments at fair value through OCI with recycling
- Equity instruments at fair value through OCI with no recycling
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss (FVTPL)

This category has two sub-categories: 'financial assets held for trading and those that are mandatorily classified and measured at fair value through profit or loss'. A financial asset is classified into the 'financial assets at fair value through profit or loss' category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or if so designated by management.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.19 Financial assets (continued)

Financial assets at fair value through profit or loss (FVTPL) (continued)

Financial assets measured at fair value through profit or loss at inception are those that are:

- Held in internal funds to match insurance liabilities that are linked to the changes in fair value of these assets. The classification of these assets to be at fair value through profit or loss eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; and
- Managed and whose performance is evaluated on a fair value basis. Information about these financial assets is provided internally on a fair value basis to the Company's key management personnel. The Company's investment strategy is to invest in mutual funds and collective investment schemes and to evaluate them with reference to their fair values. Assets that are part of these portfolios are classified upon initial recognition at fair value through profit or loss. This category includes those financial instruments which are classified as FVTPL because they do not meet SPPI tests.

These investments are initially recorded at fair value. Subsequent to initial recognition, they are re-measured at fair value. Changes in fair value are recorded in net gain/ (loss) on financial assets at fair value through profit or loss.

Equity instruments at fair value through OCI (FVOCI)

Upon initial recognition, the Company elects to classify irrevocably its investments in equity securities as equity instruments at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

For gains and losses on equity instruments at FVOCI, the Company can make an irrevocable election at initial recognition to recognise the changes in fair value through OCI. Where the Directors have elected to present fair value gains and losses on equity investments in OCI, there is no subsequent recycling of fair value gains and losses to profit or loss. Dividends are recognised in profit or loss as other operating income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case such gains are recorded in OCI. Dividend distribution in kind would fall in that category. Equity instruments at FVOCI are not subject to impairment.

The Company has established a policy to perform an assessment at the end of each reporting period of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.20 Impairment of financial assets

Overview of the ECL principles

From 1 July 2023, the Company has been recording the allowance for expected credit losses for the financial assets not held at FVPL, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment at the end of each reporting period of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process the Company groups its financial instruments into Stage 1, Stage 2 and Stage 3 as described below:

- Stage 1: When exposures are first recognised, the Company recognises an allowance based on 12m ECLs. Stage 1 instruments also include facilities where the credit risk has improved, and the instrument has been reclassified from Stage 2.
- Stage 2: When an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 instruments also include facilities, where the credit risk has improved, and the instrument has been reclassified from Stage 3.
- Stage 3: Debt instruments considered credit-impaired. The Company records an allowance for the LTECLs. For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

The calculation of ECLs

The ECL on financial assets at amortised cost has been calculated using the PD times the LGD times the EAD. The PD was determined using the provision matrix for converting the credit rating of the country into a PD. The portfolio of financial assets at amortised cost comprise investment grade bonds and deposits issued by reputable financial institutions. A cash shortfall is the difference between the cash flows that are due deposits issued by reputable financial institutions. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- PD The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
- EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. It is usually expressed as a percentage of the EAD.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.20 Impairment of financial assets (continued)

The calculation of ECLs (continued)

The mechanics of the ECL method are summarised below:

These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

- Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date.
- Stage 2: When an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- Stage 3: For instruments considered credit-impaired, the Company recognises the lifetime expected credit losses for these instruments. The method is similar to that for Stage 2 assets, with the PD set at 100%.

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, and the carrying amount of the asset is reduced to its recoverable amount. Any impairment loss is charged to the statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amounts. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the assets in prior years.

Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

3.21 Comparatives

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies in the current year.

4 CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS IN APPLYING ACCOUNTING ESTIMATES

Estimates, judgements and assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable 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.

The estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Estimates and Judgements

4.1 Valuation of short term insurance contract liabilities

The uncertainty inherent in the financial statements of the Company arises mainly in respect of insurance liabilities, which include outstanding claims provision (including IBNR). In addition to the inherent uncertainty when estimating liabilities, there is also uncertainty as regards the eventual outcome of claims. As a result, the Company applies estimation techniques to determine the appropriate provisions.

These estimates are described below:

The uncertainty inherent in the financial statements of the Company arises mainly in respect of insurance liabilities, which include outstanding claims provision (including IBNR). In addition to the inherent uncertainty when estimating liabilities, there is also uncertainty as regards the eventual outcome of claims. As a result, the Company applies estimation techniques to determine the appropriate provisions. The Company is required to estimate future cash flows arising from the payment of losses and loss adjustment expenses that arise from the Company's general insurance products. These cash flows include the expected ultimate cost to settle claims occurring prior to but still outstanding as of the reporting date. The Company generally calculates cash flows by product line, product type and year of occurrence and distinguishes between reported losses (outstanding claims) and estimates for losses incurred but not reported (IBNR). Additionally, cash flow estimations are made for loss adjustment expenses, which contain the estimated legal and other expenses expected to be incurred to finalise the settlement of the losses.

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques. For each class of business, the decision to use the applicable approach was made based on the observed claims development to date. A rule of thumb was applied: for loss years where observed claims development was less than 75% was used on the basis that the observed claims are not felt to be credible enough on their own to form the basis of an estimate; for loss years where observed claims development was more than 75% was used.

Liabilities for unpaid reported claims are estimated using the input of assessments for individual cases reported to the Company and management estimates based on past claims settlement trends for the claims incurred but not reported. General insurance loss reserves require significant judgment relating to factors and assumptions such as inflation, claims development patterns and regulatory changes.

The Company adopts multiple techniques to estimate the required level of provisions, thereby setting a range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and risks involved. In the case of IBNR, 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.

The methods used for the projection of the estimated ultimate claims and, hence, total cash flows 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 cash flow estimation for reported losses and loss adjustment expenses are based on estimates of future payments to settle reported general insurance claims. The Company bases such estimates on the facts available at the time the provisions are established. The Company generally establishes these provisions on an undiscounted basis to recognise the estimated costs of bringing pending claims to final settlement, taking into account inflation, as well as other factors that can influence the amount of provisions required, some of which are subjective or are dependent on future events. In determining the level of provisions, the Company considers historical trends and patterns of loss payments, pending levels of unpaid claims and types of coverage. The Company reviews and re-evaluates claims and provisions on a regular basis. Amounts ultimately paid for losses and loss adjustment expenses can vary significantly from the level of provisions originally set.

The LIC is initially estimated gross of reinsurance. For the AIC a separate calculation is carried out to estimate reinsurance recoveries. The calculation of reinsurance recoveries considers the type of risk underwritten, the year in which the claim occurred and under which reinsurance programme the recovery will be made, the size of the claim, and whether the claim was an isolated incident or formed part of a catastrophe reinsurance claim which reinsurance programme the recovery will be made, the size of the claim, and whether the claim was an isolated incident or formed part of a catastrophe reinsurance claim.

The Company establishes cash flows for IBNR to recognise the estimated cost of losses for events which have already occurred, but which have not yet been notified. These cash flow estimates are established to recognise the estimated costs required to bring claims for these not yet reported losses to final settlement. As these losses have not yet been reported, the Company relies upon historical information and statistical models, based on geographic location, product line, type and year of occurrence, to estimate its IBNR provisions.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING ESTIMATES (CONTINUED)

4.1 Valuation of short term insurance contract liabilities (continued)

The Company also uses reported claim trends, claim severities, exposure growth, and other factors in estimating IBNR. These estimates cash flows 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 reasons why this may not be the case, including:

- 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.

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.

4.2 Assessment of significance of insurance risk

The Company applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk. A contract transfers significant insurance risk only if an insured event could cause the Company to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely. The assessment of whether additional amounts payable on the occurrence of an insured event are significant and whether there is any scenario with commercial substance in which the issuer has a possibility of a loss on a present value basis involves significant judgement and is performed at initial recognition on a contract-by-contract basis. The type of contracts where this judgement is required are those that transfer financial and insurance risk and result in the benefit payable in some circumstances being at least 5% higher than the premium paid by the client.

4.3 Determination of the contract boundary

The measurement of a Company of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, from applicable law, regulation and customary business practices. Cash flows are considered to be outside of the contract boundary if the Company has the practical ability to reprice existing contracts to reflect their reassessed risks, and if the contract's pricing for coverage up to the date of reassessment only considers the risks until the next reassessment date. The Company applies its judgement in assessing whether it has the practical ability to set a price that fully reflects all the risks in the contract or portfolio. The Company considers contractual, legal and regulatory restrictions when making its assessment and applies judgement to decide whether these restrictions have commercial substance.

4.4 Level of aggregation

The Company applies judgement when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts.

4.5 Assessment of directly attributable cash flows

The Company uses judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a Company of insurance contracts only if they are directly attributable to the individual contracts in a Company, or to the Company itself, or the portfolio of insurance contracts to which the Company belongs. When estimating fulfilment cash flows, the Company also allocates fixed and variable overheads fulfilment cash flows directly attributable to the fulfilment of insurance contracts.

4.6 Reinsurance

The Company is exposed to disputes on, and defects in, contract wordings and the possibility of default of its reinsurers. The Company monitors the financial strength of its reinsurers. Allowance will be made in the financial statements for non-recoverability in case of reinsurer's default.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING ESTIMATES (CONTINUED)

4.7 Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer to Note 6 Financial Risks.

4.8 Useful lives and residual values of plant and equipment and intangible asset

Determining the carrying amounts of plant and equipment and intangible asset 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 and the relevant industries in which the Company's entities operate in order to best determine the useful lives and residual values of plant and equipment and intangible asset. Refer to Note 7 Plant and equipment and Note 8 Intangible asset.

4.9 Revaluation of investment property

The Company carries its investment property at fair value, with changes in fair value being recognised in profit or loss. The independent valuer used the Sales Comparison and/or Income Approach method of valuation. The key assumptions used to determine the fair value of the investment property are further explained in Note 9.

4.10 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.

4.11 Employee benefits liabilities

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any change in these assumptions will impact the carrying amount of pension obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality corporate bonds denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligations. Other key assumptions for pension obligations are based in part on current market conditions. Refer to Note 19 Retirement benefit obligations.

4.12 Impairment of financial assets

Provision for expected credit losses

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. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Wrong estimation of the probability of default and loss given default can impact the Company's assessment of ECL.

4.13 Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the Directors and management are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

As at 30 June 2025, the external Actuary has certified that the Company has sufficient admissible assets to cover its technical provisions and minimal capital requirements in accordance with the Insurance Business Solvency Rules 2007, as further described under Note 6.4.

5 INSURANCE RISKS

The Company's activities expose it to a variety of insurance risks. A description of the significant risk factors is given below together with the risk management policies applicable.

Insurance risk is transferred when the Company agrees to compensate a policyholder if a specified uncertain future event (other than a change in a financial variable) adversely affects the policyholder. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

The main risk that the Company faces under its insurance contracts is that actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This may occur if the frequency or severity of claims and benefits are greater than estimated.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy so as 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.

Factors that increase insurance risk include lack of risk diversification in terms of type and amount of risk, accumulation of risk and type of industry covered.

The Company makes use of reinsurance arrangements to reduce exposure to risk. The Company purchases reinsurance as part of its risk mitigation programme. Reinsurance ceded is placed on both a treaty and facultative basis. Amounts recoverable from reinsurers are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligation to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract. A key risk for the Company is that the proceeds from its assets will not be sufficient to fund the obligations arising from its insurance. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

5.1 Short term insurance liabilities

The frequency and severity of claims can be affected by several factors. The most significant claims result from accident, liability claims awarded by the Court, fire and allied perils and their consequences. Inflation is also a significant factor due to the long period typically required to settle some claims.

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. The performance of individual insurance policies are reviewed by management and the Company reserves the right not to renew individual policies. It can impose deductibles and has the right to reject the payment of a fraudulent claim. Where relevant, the Company may sue third parties for payment of some or all liabilities (subrogation). Claims development and provisioning levels are regularly monitored.

The reinsurance arrangements of the Company include proportional and excess-of-loss and as such the maximum loss per any claim that the Company may suffer is pre-determined.

5.2 Concentration of insurance risk

The following table discloses the concentration of outstanding claims by class of business, gross and net of reinsurance.

Class of Business	2025			
	Outstanding claims			
	No. of claims	Gross	Reinsurance	Net
	MUR	MUR	MUR	MUR
Motor	983	38,690,435	(92,355,935)	(53,665,500)
Property	10	10,660,900	(28,791,088)	(18,130,188)
Accident and Health	1,316	14,262,815	(8,783,593)	5,479,222
Engineering	3	92,750	(91,823)	927
Liability	1	779,829	(742,888)	36,941
Incurred but not reported (IBNR)	-	79,205,168	(43,579,068)	35,626,100
	2,313	143,691,897	(174,344,395)	(30,652,498)

5 INSURANCE RISKS (CONTINUED)

5.2 Concentration of insurance risk (continued)

Class of Business	2024			
	Outstanding claims			
	No. of claims MUR	Gross MUR	Reinsurance MUR	Net MUR
Motor	1,094	26,989,057	(72,948,511)	(45,959,454)
Property	25	33,610,968	(34,862,562)	(1,251,594)
Accident and Health	2,851	23,367,430	(21,876,385)	1,491,045
Engineering	3	92,750	(91,823)	927
Liability	23	1,820,614	-	1,820,614
Incurred but not reported (IBNR)	-	34,126,695	(18,514,780)	15,611,915
	<u>3,996</u>	<u>120,007,514</u>	<u>(148,294,061)</u>	<u>(28,286,547)</u>

5.3 Sources of uncertainty

Claims on short-term insurance contracts are payable on a claims occurrence basis. Under the 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. As a result, liability claims may be settled over a long period of time and a larger element of the claims provision relates to incurred but not reported claims (IBNR).

The estimated costs of claims include direct expenses to be incurred in settling claims, net of subrogation and salvage recoveries. The Company ensures that claims provisions are determined using the best information available of claims settlement patterns, forecast inflation and settlement of claims. Estimation techniques also involve obtaining corroborative evidence from as wide a range of sources as possible, and combining these to form the best overall estimates. However, given the uncertainty in claims provisions, it is very probable that estimated costs and subsequent settlement amounts would differ.

The development of insurance liabilities provides a measure of the Company's ability to estimate the ultimate value of claims.

	2025				
	Change in assumptions	Impact on gross liabilities	Impact on reinsurance share of liabilities	Impact on profit before tax	Impact on equity
	MUR	MUR	MUR	MUR	MUR
Average claim cost	<u>10%</u>	<u>14,369,190</u>	<u>17,434,440</u>	<u>3,065,250</u>	<u>3,065,250</u>

	2024				
	Change in assumptions	Impact on gross liabilities	Impact on reinsurance share of liabilities	Impact on profit before tax	Impact on equity
	MUR	MUR	MUR	MUR	MUR
Average claim cost	<u>10%</u>	<u>12,000,751</u>	<u>13,334,168</u>	<u>1,333,417</u>	<u>1,333,417</u>

5.4 Reinsurance strategy

Reinsurance agreements are reviewed annually to verify that the levels of protection being bought reflect any developments in exposure and risk appetite of the Company. The Company is exposed to risks of default by reinsurers in respect of their share of reinsurance liabilities and there may be disputes in contract wordings, especially on facultative reinsurance placements. To minimise the reinsurance credit exposure, reinsurance is placed with top-rated and/or credit-worthy reinsurers who meet the Company's counterparty security requirements and the Company regularly monitors its exposure.

5 INSURANCE RISKS (CONTINUED)

5.5 Claims development tables

The table below illustrates the claims development pattern for the Accident and Health insurance and Motor insurance businesses. For other lines of business there is no sufficient historical data for claims development pattern to be produced.

2025

Claims Paid Development														
Accident and Health and Motor		Development Quarter (MUR)												
		0	1	2	3	4	5	6	7	8	9	10	10+	Total
First Quarter Loss	2014	-	-	-	-	-	299,961	11,461	-	175,000	-	-	-	486,422
	2015	-	10,973,286	3,890,639	1,692,931	774,583	175,837	45,065	-	-	-	1,164	-	17,553,505
	2016	75,643,695	27,338,878	2,749,674	1,058,398	349,937	503,405	119,080	24,900	7,021	-	6,000	-	107,800,988
	2017	111,279,106	52,237,846	4,355,209	1,344,745	(1,174,619)	(832,293)	108,634	13,177	(119,505)	1,068	260,314	(553,247)	166,920,435
	2018	113,112,019	66,287,938	13,821,441	(55,849)	1,269,618	(149,537)	718,526	333,524	3,884	31,416	(20,636)	1,884,371	197,236,715
	2019	93,485,883	123,040,649	20,224,456	5,810,427	1,496,468	(712,185)	17,551	(34,056)	64,983	(1,075,456)	(639,389)	(270,560)	241,408,771
	2020	77,507,970	127,548,644	25,731,248	7,147,758	970,864	624,170	1,030,669	182,751	(358,595)	(1,753,366)	886,476	(2,079,178)	237,439,411
	2021	55,230,831	152,988,590	38,359,182	15,150,853	3,656,405	(496,997)	(871,205)	(649,438)	(1,037,290)	(335,281)	(568,320)	(1,792,480)	259,634,850
	2022	101,605,528	135,131,405	19,521,135	740,399	(443,781)	(1,018,977)	(73,556)	(1,011,970)	(382,470)	45,819	68,046	130,262	254,311,840
	2023	176,854,786	113,485,734	12,988,803	649,119	(2,287,321)	(2,192,640)	(1,115,289)	(227,806)	587,486	324,875	5,520	80,560	299,153,827
	2024	138,262,381	147,202,613	31,939,620	11,464,810	7,444,350	2,595,325	690,517	85,414	-	-	-	-	339,685,030
	2025	147,114,579	130,556,342	29,656,545	2,512,169	-	-	-	-	-	-	-	-	309,839,635

2024

Claims Paid Development															
Accident and Health and Motor	Development Quarter (MUR)														
	0	1	2	3	4	5	6	7	8	9	10	10+	Total		
First Quarter Loss	2014	-	-	-	-	-	299,961	11,461	-	175,000	-	-	-	486,422	
	2015	-	10,973,286	3,890,639	1,692,931	774,583	175,837	45,065	-	-	-	1,164	-	17,553,505	
	2016	75,643,695	27,338,878	2,749,674	1,058,398	349,937	503,405	119,080	24,900	7,021	-	6,000	-	107,800,988	
	2017	111,279,106	52,237,846	4,355,209	1,344,745	(1,174,619)	(832,293)	108,634	13,177	(119,505)	1,068	260,314	(553,247)	166,920,435	
	2018	113,112,019	66,287,938	13,821,441	(55,849)	1,269,618	(149,537)	718,526	333,524	3,884	31,416	(20,636)	1,884,371	197,236,715	
	2019	93,485,883	123,040,649	20,224,456	5,810,427	1,496,468	(712,185)	17,551	(34,056)	64,983	(1,075,456)	(639,389)	(270,560)	241,408,771	
	2020	77,507,970	127,548,644	25,731,248	7,147,758	970,864	624,170	1,030,669	182,751	(358,595)	(1,753,366)	886,476	(2,079,178)	237,439,411	
	2021	55,230,831	152,988,590	38,359,182	15,150,853	3,656,405	(496,997)	(871,205)	(649,438)	(1,037,290)	(335,281)	(568,320)	(1,792,480)	259,634,850	
	2022	101,605,528	135,131,405	19,521,135	740,399	(443,781)	(1,018,977)	(73,556)	(1,011,970)	(382,470)	45,819	68,046	126,262	254,307,840	
	2023	176,854,786	113,485,734	12,988,803	649,119	(2,287,321)	(2,516,945)	(1,320,292)	(417,736)	-	-	-	-	297,436,148	
2024	138,390,558	107,018,679	10,885,937	1,495,790	-	-	-	-	-	-	-	-	257,790,964		

The above figures include recoveries.

6 FINANCIAL RISKS

The Company is exposed to financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that proceeds from financial assets are not sufficient to fund the obligations arising from insurance contracts.

The main risks to which the Company is exposed are as follows:

6.1 Market risk

Market risk is the risk of adverse financial impact due to changes in fair values or future cash flows of financial instruments from fluctuations in foreign currency exchange rates, interest rates and equity prices.

6.1.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a monetary financial instrument will fluctuate because of changes in foreign exchange rates. Most of the Company's financial instruments are denominated in its functional currency. The Company's financial instruments which are exposed to currency risk consist mainly of reinsurance receivables, other receivables, trade and other payables and reinsurance payables. Management monitors the Company's currency position on a regular basis. The carrying amounts of the Company's financial assets and liabilities at the reporting date are as

	2025	2024
<u>Financial assets</u>	MUR	MUR
Mauritian Rupees (MUR)	243,354,303	125,676,205
United States Dollars (USD)	15,491,878	17,289,014
	<u>258,846,181</u>	<u>142,965,219</u>

	2025	2024
<u>Insurance and reinsurance contract assets</u>	MUR	MUR
Mauritian Rupees (MUR)	67,066,281	134,311,286
United States Dollars (USD)	58,176,754	28,217,599
South African Rand (ZAR)	7,286,753	21,837,662
	<u>132,529,788</u>	<u>184,366,547</u>

Advances and prepayments of **MUR 374,000** (2024: MUR 8,120,444) have been excluded from the foreign currency exposure analysis of financial assets above for the Company.

	2025	2024
<u>Financial liabilities</u>	MUR	MUR
Mauritian Rupees (MUR)	83,633,730	67,813,364
United States Dollars (USD)	-	7,995,443
South African Rand (ZAR)	-	1,264,650
	<u>83,633,730</u>	<u>77,073,457</u>

	2025	2024
<u>Insurance and reinsurance contract liabilities</u>	MUR	MUR
Mauritian Rupees (MUR)	92,288,305	115,008,091
United States Dollars (USD)	35,742,577	23,331,332
	<u>128,030,882</u>	<u>138,339,423</u>

Accruals of **MUR 22,405,841** (2024: MUR 26,910,373) have been excluded from the foreign currency exposure analysis of financial liabilities above for the Company.

The Company's insurance and reinsurance contract assets and liabilities are denominated in Mauritian Rupees and therefore do not expose the Company to foreign currency risk.

Consequently, the Company is exposed to risks that the exchange rate relative to these currencies may change in a manner which has an effect on the reported value of that portion of the Company's assets and liabilities which are denominated in currencies other than Mauritian Rupees.

6 FINANCIAL RISKS (CONTINUED)

6.1 Market risk (continued)

6.1.1 Foreign currency risk (continued)

Sensitivity analysis

The following table details the Company's sensitivity to a change of 10% of the Mauritian Rupee against the foreign currencies.

	Impact on profit or loss and equity	
	2025	2024
	MUR	MUR
United States Dollars (USD)	3,792,606	1,417,984
South African Rand (ZAR)	728,675	2,057,301

6.1.2 Interest rate risk

The Company is exposed to interest rate fluctuations on the domestic market. The Company monitors interest rate trends and related impact on investment income for performance evaluation and better management.

Interest rate risk arises from the Company's bank balances which are exposed to fluctuations in interest rates. Exposure to interest rate risk on short term business is observed through a monitoring of assets and liabilities. The impact of exposure to sustained low interest rates is also monitored.

Short term insurance liabilities are not directly sensitive to the level of market interest rates as they are undiscounted and 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 incurred by certain insurance contract holders, a reduction in interest rates would normally produce a higher insurance liability. The Company reviews its estimation in respect of these claims on a regular basis and works towards maintaining sufficient cash flows.

The interest rate profile was:

Financial assets

Interest bearing bank balances

2025	2024
MUR	MUR
192,383,213	79,289,289

The following table details the sensitivity to a 1% change of the rate of interest of financial assets:

<u>Change of 1% in interest rates</u>	2025	2024
	MUR	MUR
Impact on results	1,923,832	792,893

The movement in the interest rate sensitivity is due to fluctuations in interest rates on savings accounts at year end.

6.1.3 Equity price risk

The Company is subject to price risk due to changes in the market values of its equity securities portfolio. Equity price risk is managed in order to mitigate anticipated unfavourable market movements. In addition, local insurance regulations set out the capital required for risks associated with type of assets held, investments above a certain concentration limit, policy liabilities risks and reinsurance ceded.

Sensitivity

The impact on the Company's profit or loss and equity had the net asset values and equity market values change by 10% with other assumptions left unchanged would have been as follows:

Type	Fair value amount (MUR)	Valuation approach	Key observable inputs	Relationship of unobservable inputs to fair value
<u>Investment of financial assets</u> <u>(Financial services)</u>				
FVOCI as at 30 June 2025	16,863,724	Net asset value (NAV)	Net asset value (NAV) per share	A 10% increase/decrease in Net asset value will lead to an increase/decrease of MUR 1.7 million in fair value
FVOCI as at 30 June 2024	14,596,148	Net asset value (NAV)	Net asset value (NAV) per share	A 10% increase/decrease in Net asset value will lead to an increase/decrease of MUR 1.4 million in fair value

6 FINANCIAL RISKS (CONTINUED)

6.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

The Company is exposed to daily payments of claims to clients and to repayment of financial liabilities.

The Company's liquidity position is monitored on a regular basis. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by monitoring forecast and actual cash flows and matching profiles of financial assets.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Maturities of financial assets and liabilities:

<u>At 30 June 2025</u>	<u>< 1 year</u>	<u>1 to 5 years</u>	<u>> 5 years</u>	<u>No maturity</u>	<u>Total</u>
	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>dates</u>	<u>MUR</u>
<u>Financial assets</u>					
Investment in financial assets	-	-	-	16,863,724	16,863,724
Other receivables	169,700	-	-	-	169,700
Short-term deposit	-	-	-	-	-
Cash at bank	241,812,757	-	-	-	241,812,757
Total	241,982,457	-	-	16,863,724	258,846,181
<u>Insurance and reinsurance contract assets</u>					
Insurance contract assets	-	-	-	5,559,978	5,559,978
Reinsurance contract assets	-	-	-	126,969,810	126,969,810
	-	-	-	132,529,788	132,529,788

Financial assets exclude advances and prepayments of MUR 374,000.

<u>At 30 June 2025</u>	<u>< 1 year</u>	<u>1 to 5 years</u>	<u>> 5 years</u>	<u>No maturity</u>	<u>Total</u>
	<u>MUR</u>	<u>MUR</u>	<u>MUR</u>	<u>dates</u>	<u>MUR</u>
<u>Financial liabilities</u>					
Trade and other payables	83,633,730	-	-	-	83,633,730
Total	83,633,730	-	-	-	83,633,730
<u>Insurance and reinsurance contract liabilities</u>					
Insurance contract liabilities	-	-	-	128,030,882	128,030,882
Reinsurance contract liabilities	-	-	-	-	-
	-	-	-	128,030,882	128,030,882

Financial liabilities exclude accruals of MUR 22,405,841.

6 FINANCIAL RISKS (CONTINUED)

6.2 Liquidity risk (continued)

Maturities of financial assets and liabilities (continued):

At 30 June 2024	< 1 year	1 to 5 years	> 5 years	No maturity dates	Total
	MUR	MUR	MUR	MUR	MUR
<u>Financial assets</u>					
Investment in financial assets	-	-	-	14,596,148	14,596,148
Other receivables	148,200	-	-	-	148,200
Short-term deposit	-	-	-	-	-
Cash at bank	128,220,871	-	-	-	128,220,871
Total	128,369,071	-	-	14,596,148	142,965,219
<u>Insurance and reinsurance contract assets</u>					
Insurance contract assets	-	-	-	13,667,439	13,667,439
Reinsurance contract assets	-	-	-	170,699,108	170,699,108
	-	-	-	184,366,547	184,366,547

Financial assets exclude advances and prepayments of MUR 8,120,444.

At 30 June 2024	< 1 year	1 to 5 years	> 5 years	No maturity dates	Total
	MUR	MUR	MUR	MUR	MUR
<u>Financial liabilities</u>					
Trade and other payables	77,073,457	-	-	-	77,073,457
Total	77,073,457	-	-	-	77,073,457
<u>Insurance and reinsurance contract liabilities</u>					
Insurance contract liabilities	-	-	-	136,627,688	136,627,688
Reinsurance contract liabilities	-	-	-	1,711,735	1,711,735
	-	-	-	138,339,423	138,339,423

Financial liabilities exclude accruals of MUR 26,910,373.

Insurance contract liabilities are outstanding claims where significant delays can be expected in the notification and settlement of these claims and the ultimate cost of which cannot be known with certainty at the end of the reporting period. Reinsurance contract liabilities are outstanding claim recoveries where significant delays can be expected in the notification and settlement of these recoveries of which cannot be known with certainty at the end of the reporting period.

Given the uncertainty involved in timing of repayment and recoveries of these liabilities, the entity's normal operating cycle is not clearly identifiable. Consequently, the insurance and reinsurance contract liabilities have been disclosed as current under "No maturity dates".

6 FINANCIAL RISKS (CONTINUED)

6.3 Credit risk

Credit risk is the risk that a counterparty will be unable to pay an amount in full when fall due. The Company's credit risk is primarily attributable to its reinsurance assets, insurance, other receivables and bank balances. The amounts presented in the statement of financial position are net of allowances for doubtful receivables based on prior experience and the current economic environment. The Underwriting department assesses the creditworthiness of potential policy holders before issuing any new business.

The Credit Control department assesses the creditworthiness of brokers, agents and of contract holders based on details of recent payment history, past experience and by taking into account their financial position. The Company is exposed to the possibility of default by its reinsurers for their share of insurance liabilities and refunds in respect of claims already paid. Management monitors the financial strength of its reinsurers and has policies in place to ensure that risks are ceded to top-rated and credit-worthy reinsurers only. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

The Company provides payment facilities to clients and there is a credit risk that a counterparty will default on its obligations resulting in financial loss to the Company.

The table below shows the maximum exposure to credit risk:

	2025 MUR	2024 MUR
<u>Financial assets</u>		
Other receivables	169,700	148,200
Cash at bank	241,812,757	128,220,871
	<u>241,982,457</u>	<u>128,369,071</u>
	2025	2024
<u>Insurance and reinsurance contract assets</u>	MUR	MUR
Insurance contract assets	5,559,978	13,667,439
Reinsurance contract assets	126,969,810	170,699,108
	<u>132,529,788</u>	<u>184,366,547</u>

Financial assets exclude advances and prepayments of **MUR 374,000** (2024: MUR 8,120,444).

6.4 Capital risk management

The main objectives of the Company when managing capital are:

- to keep and maintain at all times a solvency margin in accordance with the Insurance (General Insurance Business Solvency) Rules 2007 as follows:
 - (a) The solvency margin shall at all times be at least 100% of the minimum capital requirement.
 - (b) The capital requirement ratio shall at all times be at the target level of at least 150%.
- to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns to the Shareholder and benefits for other stakeholders; and
- to provide an adequate return to the Shareholder by pricing insurance contracts and other services commensurately with the level of risk.

The Company manages the minimum capital requirement as follows:

Different target levels are set above the statutory requirements, providing a buffer in order to remain solvent at all times and this is monitored on a quarterly basis. Capital planning is done to ensure we minimise the risk of being below the minimum required and these calculations are done under different stress test scenarios using parameters in different areas of risks such as equity risk, interest rate risk, credit risk, business risk and currency risk. Reinsurance is used to reduce the volatility of our results, thus reducing our capital needs. This risk is further reduced by using rated reinsurers in our panel.

The operation of the Company is also subject to regulatory requirements. 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 to meet unforeseen liabilities. In reporting financial strength, capital and solvency are measured using the rules prescribed by the Insurance Act.

For the years ended 30 June 2025 and 30 June 2024, the Company has satisfied the minimum capital requirement of 150% which is as per the Insurance (General Insurance Business Solvency) Rules 2007 made by the Financial Services Commission under Sections 23 and 130 of the Insurance Act 2005

6 FINANCIAL RISKS (CONTINUED)

6.5 Categories of financial instruments

	2025	2024
<u>Financial assets</u>	MUR	MUR
Investment in financial assets	16,863,724	14,596,148
Other receivables	169,700	148,200
Cash at bank	241,812,757	128,220,871
	258,846,181	142,965,219
<u>Insurance and reinsurance contract assets</u>	MUR	MUR
Insurance contract assets	5,559,978	13,667,439
Reinsurance contract assets	126,969,810	170,699,108
	132,529,788	184,366,547

Financial assets exclude advances and prepayments of **MUR 374,000** (2024: MUR 8,120,444).

<u>Financial liabilities</u>	2025	2024
	MUR	MUR
Trade and other payables	83,633,730	77,073,457
	83,633,730	77,073,457
<u>Insurance and reinsurance contract liabilities</u>	MUR	MUR
Insurance contract liabilities	128,030,882	136,627,688
Reinsurance contract liabilities	-	1,711,735
	128,030,882	138,339,423

Financial liabilities exclude accruals of **MUR 22,405,841** (2024: MUR 26,910,373).

6.6 Fair value measurement recognised in the statement of financial position

The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair values, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2025			
	Level 1	Level 2	Level 3	Total
	MUR	MUR	MUR	MUR
Investment in financial assets (note 11)	-	-	16,863,724	16,863,724
	2024			
	Level 1	Level 2	Level 3	Total
	MUR	MUR	MUR	MUR
Investment in financial assets (note 11)	-	-	14,596,148	14,596,148

Reconciliation of level 3 fair value measurements of financial assets

	2025	2024
<u>Unquoted equities</u>	MUR	MUR
At 1 July	14,596,148	11,947,363
Transfer to Fair value through other comprehensive income	-	(344,307)
Fair value adjustment	2,267,576	2,993,092
At 30 June	16,863,724	14,596,148

There was no transfer between level 1 and 2.

7 PLANT AND EQUIPMENT

	Motor Vehicle	Computer Hardware	Total
		2025	
	MUR	MUR	MUR
Cost			
At 1 July 2024	1,480,000	3,442,985	4,922,985
Additions	-	211,025	211,025
At 30 June 2025	1,480,000	3,654,010	5,134,010
Accumulated depreciation			
At 1 July 2024	320,667	2,565,190	2,885,857
Charge for the year	296,000	327,765	623,765
At 30 June 2025	616,667	2,892,955	3,509,622
Net book value			
At 30 June 2025	863,333	761,055	1,624,388

	Motor Vehicle	Computer Hardware	Total
		2024	
	MUR	MUR	MUR
Cost			
At 1 July 2023	1,480,000	2,517,235	3,997,235
Additions	-	925,750	925,750
At 30 June 2024	1,480,000	3,442,985	4,922,985
Accumulated depreciation			
At 1 July 2023	24,667	1,919,250	1,943,917
Charge for the year	296,000	645,940	941,940
At 30 June 2024	320,667	2,565,190	2,885,857
Net book value			
At 30 June 2024	1,159,333	877,795	2,037,128

8 INTANGIBLE ASSET

	Software	
	2025	2024
	MUR	MUR
Cost		
At 1 July	27,437,284	-
Additions	9,784,730	27,437,284
At 30 June	37,222,014	27,437,284
Accumulated amortisation		
At 1 July	5,487,455	-
Charge for the year	7,444,402	5,487,455
At 30 June	12,931,857	5,487,455
Net book value		
At 30 June	24,290,157	21,949,829

The estimated useful life of the software ranges from 2 to 5 years. During the year ended 30 June 2025, an impairment assessment of the intangible asset was carried out and it was concluded that there is no indication of impairment (2024: nil).

9 INVESTMENT PROPERTY

	2025	2024
	MUR	MUR
At 1 July	55,800,000	55,000,000
Additions	-	800,000
At 30 June	55,800,000	55,800,000

The Company appointed an independent Chartered Valuation Surveyor to assess the fair value of its investment property as at 30 June 2025. The independent valuer determined a market value of MUR 55,800,000, comprising MUR 55,000,000 attributed to the land and MUR 800,000 to the site improvements (enclosures, access gate and gate post) as at 30 June 2025. The fair value was determined using the Sales Comparison Approach. The Directors have assessed the fair value as at 30 June 2025 and the valuation has been maintained.

The investment property of the Company has generated rental income of **MUR 2,386,553** (2024: MUR 1,933,500) during the year which is included in investment and other income under Note 23. Direct operating expenses incurred in respect of the property amounted to **MUR 359,752** (2024: MUR 311,700).

The Company owns two portions of freehold land situated at Labourdonnais Street, Port Louis, which are solely used for rental purposes.

The Company's land is measured at fair value and the information about the fair value hierarchy is as follows:

	Level 2	Level 2
	2025	2024
	MUR	MUR
Freehold land	55,800,000	55,800,000

10 ASSET HELD FOR SALE

	2025	2024
	MUR	MUR
At 1 July	44,775,833	44,775,833
Gain on disposal	12,224,167	-
Disposal	(57,000,000)	-
At 30 June	-	44,775,833

Details of investment in unquoted shares:

Name of investee company	Principal activity	Classes of Shares	Country of incorporation & operation	% Holding	Cost
					MUR
Flic en Flac Ltd (Villas Caroline)	Hospitality	Ordinary	Mauritius	28.58	55,582,513

The asset held for sale comprises an investment in non-listed equity shares (Level 3 in the fair value hierarchy) of MUR 44,775,833. The asset was disposed during the year ended 30 June 2025 for an amount of MUR 57,000,000 and a gain on disposal of MUR 12,224,167 has been recognised in the statement of profit or loss and comprehensive income for the year ended 30 June 2025.

11 INVESTMENT IN FINANCIAL ASSETS

	2025	2024
	MUR	MUR
Unquoted shares		
Equity instrument		
Financial asset at fair value through other comprehensive income (note (11(a)(i)))	16,863,723	14,596,147
Debt instrument		
Financial asset at fair value through other comprehensive income (note (11(a)(ii)))	1	1
	16,863,724	14,596,148

Fair value hierarchy of financial assets

	2025			
	Level 1	Level 2	Level 3	Total
	MUR	MUR	MUR	MUR
At 1 July 2024	-	-	14,596,148	14,596,148
Fair value adjustment	-	-	2,267,576	2,267,576
At 30 June 2025	-	-	16,863,724	16,863,724

	2024			
	Level 1	Level 2	Level 3	Total
	MUR	MUR	MUR	MUR
At 1 July 2023	-	-	11,603,056	11,603,056
Fair value adjustment	-	-	2,993,092	2,993,092
At 30 June 2024	-	-	14,596,148	14,596,148

(a) Financial assets at fair value through other comprehensive income

	2025	2024
	MUR	MUR
At 1 July 2024	14,596,148	11,603,056
Change in fair value	2,267,576	2,993,092
At 30 June	16,863,724	14,596,148

Analysed as follows:

Unquoted equity securities	16,863,723	14,596,147
Unquoted debt instruments	1	1
Total financial assets at fair value through other comprehensive income	16,863,724	14,596,148

(i) Equity instrument at fair value through other comprehensive income

The fair value of the investment in National Insurance Co. Ltd has been determined based on its Net Asset Value as at 30 June 2025.

Details of investment in unquoted shares:

Name of investee company	Principal activity	Classes of Shares	Country of incorporation & operation	% Holding	Cost
					MUR
National Insurance Co. Ltd	Insurance	Ordinary	Mauritius	0.50	30,000,000

11 INVESTMENT IN FINANCIAL ASSETS (CONTINUED)

(a) Financial assets at fair value through other comprehensive income (continued)

(ii) Debt instruments at fair value through other comprehensive income

	2025	2024
	MUR	MUR
Unquoted debt instrument	1	1
Less ECL provision	-	-
	1	1

There were no transfers between stages during the year as there was no observed deterioration in credit risk on the instrument in the portfolio.

Details of investment in debt instruments:

100,000 unsecured redeemable debentures of MUR 1,000 each were issued by Bramer Banking Corporation Ltd (BBCL) to BAI Co (Mtius) Ltd. The debentures were transferred from BAI Co (Mtius) Ltd (Special Administrator appointed) to the Company for an amount of MUR 104,956,164 as per the deed registered and transcribed in May 2016.

The Company has accordingly fair valued the investment in the debt instrument from MUR 104,956,164 to MUR 1 as part of the IFRS 3 adjustment in the period ended 30 June 2016.

12 OTHER RECEIVABLES

	2025	2024
	MUR	MUR
(i) Interest accrued on short-term deposit		
At 1 July	4,744,726	53,378
Interest accrued	1,986,164	4,691,348
	6,730,890	4,744,726
Matured	(6,730,890)	-
ECL provision (ii)	-	(4,744,726)
Net of provision	-	-
Advances and prepayments (note (b))	374,000	8,120,444
Others	169,700	148,200
Total other receivables	543,700	8,268,644
(ii) ECL provision - Interest accrued on short-term deposit		
	2025	2024
	MUR	MUR
At 1 July	4,744,726	53,378
ECL provision	1,986,164	4,691,348
	6,730,890	4,744,726
Transfer to cash and cash equivalents (note 15 (c))	(6,730,890)	-
At 30 June	-	4,744,726

(a) The carrying amounts of other receivables approximate their fair values.

(b) Advances and prepayments include an amount of **MUR 374,000** (2024: MUR 7,995,444) for the implementation of an IT software which has been completed.

(c) An ECL provision of **MUR 1,986,164** has been recognised in respect of interest accrued on short-term deposit held at Silver Bank Limited for the year ended 30 June 2025 (2024: MUR 4,691,348).

13 (a) INSURANCE CONTRACT (ASSETS)/LIABILITIES

	Current portion 2025			Current portion 2024		
	Direct Participating Contracts	Property and Casualty	Total	Direct Participating Contracts	Property and Casualty	Total
	MUR	MUR	MUR	MUR	MUR	MUR
Insurance contract assets						
Insurance contract assets excluding insurance acquisition cash flow assets	-	(5,559,978)	(5,559,978)	-	(13,667,439)	(13,667,439)
Total Insurance contract assets	-	(5,559,978)	(5,559,978)	-	(13,667,439)	(13,667,439)
Insurance contract liabilities						
Insurance contract liabilities excluding insurance acquisition cash flow assets	-	128,030,882	128,030,882	-	136,627,688	136,627,688
Total Insurance contract liabilities	-	128,030,882	128,030,882	-	136,627,688	136,627,688
Net Insurance contract (assets)/liabilities	-	122,470,904	122,470,904	-	122,960,249	122,960,249

13 (b) INSURANCE CONTRACTS ISSUED

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims

2025	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component	Loss component	Best estimate liability	Risk adjustment	Total
	MUR	MUR	MUR	MUR	MUR
Net Insurance contract (assets)/liabilities as at 1 July 2024	(12,180,017)	-	123,428,861	11,711,405	122,960,249
Insurance revenue					-
New contracts and contracts measured under the modified retrospective approach at transition	(488,893,603)	-	-	-	(488,893,603)
Total insurance revenue	(488,893,603)	-	-	-	(488,893,603)
Insurance service expenses					-
Incurred claims and other directly attributable expenses	-	-	407,042,101	(6,011,476)	401,030,625
Changes that relate to past service - changes in the FCF relating to the LIC	-	-	-	-	-
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Insurance acquisition cash flow amortisation	47,088,986	-	-	-	47,088,986
Total Insurance service expenses	47,088,986	-	407,042,101	(6,011,476)	448,119,611
Insurance service result	441,804,617	-	(407,042,101)	6,011,476	40,773,992
Finance (income)/expenses from insurance contracts issued	-	-	-	-	-
Total amounts recognised in statement of comprehensive income	441,804,617	-	(407,042,101)	6,011,476	40,773,992
Cash flows					
Premium received	540,071,038	-	-	-	540,071,038
Claims and other directly attributable expenses paid	-	-	(452,697,405)	-	(452,697,405)
Insurance acquisition cash flow paid	(47,088,986)	-	-	-	(47,088,986)
Total cash flows	492,982,052	-	(452,697,405)	-	40,284,647
Net Insurance contract (assets)/liabilities as at 30 June 2025	38,997,418	-	77,773,557	5,699,929	122,470,904

13 (b) INSURANCE CONTRACTS ISSUED (CONTINUED)

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

2024	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss	Loss component	Best estimate	Risk adjustment	Total
	component		liability		
	MUR	MUR	MUR	MUR	MUR
Net Insurance contract (assets)/liabilities as at 1 July 2023	3,819,146	-	113,683,836	10,361,595	127,864,577
Insurance revenue					
New contracts and contracts measured under the modified retrospective approach at transition	(396,103,570)	-	-	-	(396,103,570)
Total insurance revenue	(396,103,570)	-	-	-	(396,103,570)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	-	363,679,781	13,808,208	377,487,989
Changes that relate to past service- changes in the FCF relating to the LIC	-	-	1,386,678	(12,458,398)	(11,071,720)
Losses on onerous contracts and reversals of those losses	-	-	-	-	-
Insurance acquisition cash flow amortisation	51,588,453	-	-	-	51,588,453
Total Insurance service expenses	51,588,453	-	365,066,459	1,349,810	418,004,722
Insurance service result	344,515,117	-	(365,066,459)	(1,349,810)	(21,901,152)
Finance (income)/expenses from insurance contracts issued	-	-	-	-	-
Total amounts recognised in statement of comprehensive income	344,515,117	-	(365,066,459)	(1,349,810)	(21,901,152)
Cash flows					
Premium received	380,104,408	-	-	-	380,104,408
Claims and other directly attributable expenses paid	-	-	(355,321,434)	-	(355,321,434)
Insurance acquisition cash flow paid	(51,588,454)	-	-	-	(51,588,454)
Total cash flows	328,515,954	-	(355,321,434)	-	(26,805,480)
Net Insurance contract (assets)/liabilities as at 30 June 2024	(12,180,017)	-	123,428,861	11,711,405	122,960,249

13 (b) INSURANCE CONTRACTS ISSUED (CONTINUED)

(ii) Reconciliation of the measurement components of insurance contract balances

2025

	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	MUR	MUR	MUR
Net Insurance contract liabilities as at 1 July 2024	111,248,844	11,711,405	122,960,249
Insurance revenue from contracts measured under the PAA	(488,893,603)	-	(488,893,603)
Experience adjustments - relating to incurred claims	454,131,087	(6,011,476)	448,119,611
Changes that relate to current service	(34,762,516)	(6,011,476)	(40,773,992)
Changes in estimates that result in onerous contract losses or reversals of those losses	-	-	-
Changes that relate to future service	-	-	-
Changes that relate to past service - changes in the FCFs relating to the LIC	-	-	-
Changes that relate to past service	-	-	-
Insurance service result	34,762,516	6,011,476	40,773,992
Finance income/(expenses) from insurance contracts issued	-	-	-
Investment return	-	-	-
Total amounts recognised in statement of comprehensive income	34,762,516	6,011,476	40,773,992
Cash flows			
Premiums received	540,071,038	-	540,071,038
Claims and other directly attributable expenses paid	(452,697,405)	-	(452,697,405)
Insurance acquisition cash flows paid	(47,088,986)	-	(47,088,986)
Total cash flows	40,284,647	-	40,284,647
			-
Net Insurance contract liabilities as at 30 June 2025	116,770,975	5,699,929	122,470,904

13 (b) INSURANCE CONTRACTS ISSUED (CONTINUED)

(ii) Reconciliation of the measurement components of insurance contract balances (continued)

2024	Present value of future cash flows MUR	Risk adjustment for non-financial risk MUR	Total MUR
Net Insurance contract (assets)/liabilities as at 1 July 2023	117,502,982	10,361,595	127,864,577
Insurance revenue from contracts measured under the PAA	(396,103,570)	-	(396,103,570)
Experience adjustments - relating to incurred claims	415,268,234	13,808,208	429,076,442
Changes that relate to current service	19,164,664	13,808,208	32,972,872
Changes in estimates that result in onerous contract losses or reversals of those losses	-	-	-
Changes that relate to future service	-	-	-
Changes that relate to past service - changes in the FCFs relating to the LIC	1,386,678	(12,458,398)	(11,071,720)
Changes that relate to past service	1,386,678	(12,458,398)	(11,071,720)
Insurance service result	(20,551,342)	(1,349,810)	(21,901,152)
Finance income/(expenses) from insurance contracts issued	-	-	-
Investment return	-	-	-
Total amounts recognised in statement of comprehensive income	(20,551,342)	(1,349,810)	(21,901,152)
Cash flows			
Premiums received	380,104,408	-	380,104,408
Claims and other directly attributable expenses paid	(355,321,434)	-	(355,321,434)
Insurance acquisition cash flows paid	(51,588,454)	-	(51,588,454)
Total cash flows	(26,805,480)	-	(26,805,480)
Net Insurance contract (assets)/liabilities as at 30 June 2024	111,248,844	11,711,405	122,960,249

Analysis of finance income and expenses

	2025 MUR	2024 MUR
Finance income/(expenses) from insurance contracts issued		
Interest accreted	-	-
Effect of changes in interest rates and other financial assumptions	-	-
Finance income/(expenses) from insurance contracts issued	-	-

14 (a) REINSURANCE CONTRACT (ASSETS)/LIABILITIES

	Current portion 2025			Current portion 2024		
	Direct Participating	Property and	Total	Direct Participating	Property and	Total
	Contracts	Casualty		Contracts	Casualty	
	MUR	MUR	MUR	MUR	MUR	MUR
Reinsurance contract assets	-	(126,969,810)	(126,969,810)	-	(170,699,108)	(170,699,108)
Total Reinsurance contract assets	-	(126,969,810)	(126,969,810)	-	(170,699,108)	(170,699,108)
Reinsurance contract liabilities	-	-	-	-	1,711,735	1,711,735
Total Reinsurance contract liabilities	-	-	-	-	1,711,735	1,711,735
Net Reinsurance contract (assets)/liabilities	-	(126,969,810)	(126,969,810)	-	(168,987,373)	(168,987,373)

14 (b) REINSURANCE CONTRACTS HELD

(i) Reconciliation of the remaining coverage and incurred claims

2025	Remaining Coverage Component		Incurred Claims		
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	Total
	MUR	MUR	MUR	MUR	MUR
Net Reinsurance contract (assets)/liabilities as at 1 July 2024	(5,395,512)	-	(156,097,414)	(7,494,447)	(168,987,373)
Net income/(expenses) from reinsurance contracts held					
Amortisation of ceding commission	(6,334,673)	-	-	-	(6,334,673)
Premiums recognised	219,672,481	-	-	-	219,672,481
Reinsurance expenses	213,337,808	-	-	-	213,337,808
Other incurred directly attributable expenses incurred claims	-	-	(220,843,331)	2,862,078	(217,981,253)
Changes that relate to past service- changes in the FCF relating to incurred claims recovery	-	-	-	(338,865)	(338,865)
Changes that relate to past service	-	-	-	(338,865)	(338,865)
Changes that relate to future service- changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-	-	-
Changes that relate to future service	-	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	(712,601)	-	(712,601)
Changes that relate to current service	-	-	(712,601)	-	(712,601)
Net Income/(expenses) from reinsurance contracts held	213,337,808	-	(221,555,932)	2,523,213	(5,694,911)
Finance (income)/ expenses from insurance contracts held	-	-	-	-	-
Other operating expenses	-	-	-	-	-
Total amounts recognised in statement of comprehensive income	213,337,808	-	(221,555,932)	2,523,213	(5,694,911)
Investment components	-	-	-	-	-
Cash flows					
Premium paid net of ceding commissions and other directly attributable expenses paid	(222,974,290)	-	-	-	(222,974,290)
Recoveries from reinsurance	-	-	270,686,764	-	270,686,764
Directly attributable expenses paid	-	-	-	-	-
Total cash flows	(222,974,290)	-	270,686,764	-	47,712,474
Net Reinsurance contract (assets)/liabilities as at 30 June 2025	(15,031,994)	-	(106,966,582)	(4,971,234)	(126,969,810)

14 (b) REINSURANCE CONTRACTS HELD (CONTINUED)

(i) Reconciliation of the remaining coverage and incurred claims (continued)

2024	Remaining Coverage Component		Incurred Claims		Total
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	
	MUR	MUR	MUR	MUR	
Net Reinsurance contract (assets)/liabilities as at 1 July 2023	515,275	-	(130,818,419)	(6,414,352)	(136,717,496)
Net income/(expenses) from reinsurance contracts held	(6,055,558)	-	-	-	(6,055,558)
Reinsurance expenses	165,095,020	-	-	-	165,095,020
Other incurred directly attributable expenses incurred claims recovery	-	-	(237,470,949)	2,258,473	(235,212,476)
Changes that relate to past service- changes in the FCF relating to incurred claims recovery	-	-	(4,012,983)	(3,338,568)	(7,351,551)
Changes that relate to past service	-	-	(4,012,983)	(3,338,568)	(7,351,551)
Changes that relate to future service- changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-	-	-
Changes that relate to future service	-	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	411,433	-	411,433
Changes that relate to current service	-	-	411,433	-	411,433
Net Income/(expenses) from reinsurance contracts held	159,039,462	-	(241,072,499)	(1,080,095)	(83,113,132)
Finance (income)/expenses from insurance contracts held	-	-	-	-	-
Other operating expenses	-	-	-	-	-
Total amounts recognised in statement of comprehensive income	159,039,462	-	(241,072,499)	(1,080,095)	(83,113,132)
Investment components	-	-	-	-	-
Cash flows					
Premium paid net of ceding commissions and other directly attributable expenses paid	(164,950,249)	-	-	-	(164,950,249)
Recoveries from reinsurance	-	-	215,793,504	-	215,793,504
Directly attributable expenses paid	-	-	-	-	-
Total cash flows	(164,950,249)	-	215,793,504	-	50,843,255
Net Reinsurance contract (assets)/liabilities as at 30 June 2024	(5,395,512)	-	(156,097,414)	(7,494,447)	(168,987,373)

14 (b) REINSURANCE CONTRACTS HELD (CONTINUED)

(ii) Reconciliation of the measurement components of reinsurance contract balances

2025

	Present value of future cash flows MUR	Risk adjustment for non-financial risk MUR	Total MUR
Net Reinsurance contract (assets)/liabilities as at 1 July 2024	(161,492,926)	(7,494,447)	(168,987,373)
Reinsurance expenses- contract measured under the PAA	213,337,808	-	213,337,808
Experience adjustments- relating to incurred claims and other directly attributable expenses recovery	(220,843,331)	2,862,078	(217,981,253)
Changes that relate to current service	(7,505,523)	2,862,078	(4,643,445)
Changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-
Changes that relate to future service	-	-	-
Changes that relate to past service- changes in the FCF relating to the incurred claims recovery	-	(338,865)	(338,865)
Changes that relate to past service	-	(338,865)	(338,865)
Effect of changes in non-performance risk of reinsurers	(712,601)	-	(712,601)
Net income/(expenses) from reinsurance contracts held	(8,218,124)	2,523,213	(5,694,911)
Finance (income)/expenses from reinsurance contracts held	-	-	-
Total amounts recognised in statement of comprehensive	(8,218,124)	2,523,213	(5,694,911)
Cash flows			
Premium paid net of ceding commissions and other directly attributable expenses paid	(222,974,290)	-	(222,974,290)
Recoveries from reinsurance	270,686,764	-	270,686,764
Directly attributable expenses paid	-	-	-
Total cash flows	47,712,474	-	47,712,474
Net Reinsurance contract (assets)/liabilities as at 30 June 2025	(121,998,576)	(4,971,234)	(126,969,810)

2024

	Present value of future cash flows MUR	Risk adjustment for non-financial risk MUR	Total MUR
Net Reinsurance contract (assets)/liabilities as at 1 July 2023	(130,303,144)	(6,414,352)	(136,717,496)
Reinsurance expenses- contract measured under the PAA	159,039,462	-	159,039,462
Experience adjustments- relating to incurred claims and other directly attributable expenses recovery	(237,470,949)	2,258,473	(235,212,476)
Changes that relate to current service	(78,431,487)	2,258,473	(76,173,014)
Changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-
Changes that relate to future service	-	-	-
Changes that relate to past service- changes in the FCF relating to the incurred claims recovery	(4,012,983)	(3,338,568)	(7,351,551)
Changes that relate to past service	(4,012,983)	(3,338,568)	(7,351,551)
Effect of changes in non-performance risk of reinsurers	411,433	-	411,433
Net income/(expenses) from reinsurance contracts held	(82,033,037)	(1,080,095)	(83,113,132)
Finance (income)/expenses from reinsurance contracts held	-	-	-
Total amounts recognised in statement of comprehensive income	(82,033,037)	(1,080,095)	(83,113,132)
Cash flows			
Premium paid net of ceding commissions and other directly attributable expenses paid	(164,950,249)	-	(164,950,249)
Recoveries from reinsurance	215,793,504	-	215,793,504
Directly attributable expenses paid	-	-	-
Total cash flows	50,843,255	-	50,843,255
Net Reinsurance contract (assets)/liabilities as at 30 June 2024	(161,492,926)	(7,494,447)	(168,987,373)

Analysis of finance income and expenses (Applicable to all measurement models)

	2025 MUR	2024 MUR
Finance income/(expenses) from reinsurance contracts held		
Interest accreted	-	-
Effect of changes in interest rates and other financial assumptions	-	-
Foreign exchange differences	-	-
Finance income/(expenses) from reinsurance contracts held	-	-

15 CASH AND CASH EQUIVALENTS

	2025	2024
	MUR	MUR
(a) Short-term deposit		
At 1 July	-	123,593,750
ECL provision (i)	-	(123,593,750)
Net of provision	-	-
(b) Cash at bank		
Cash at bank	241,788,407	128,196,521
<i>For Silver Bank Limited:</i>		
Cash at bank	131,755,240	125,024,350
ECL provision	(131,730,890)	(125,000,000)
Net of provision	24,350	24,350
Total cash and cash equivalents	241,812,757	128,220,871
(c) ECL provision		
At 1 July:	125,000,000	1,406,250
ECL provision transferred (note 12 (ii))	6,730,890	123,593,750
At 30 June	131,730,890	125,000,000

(i) An ECL provision of **MUR 131,730,890** has been recognised in respect of the bank balance (inclusive of prior year's short term deposit and interest receivables) held at Silver Bank Limited for the year ended 30 June 2025 (2024: MUR 125,000,000 on short-term deposit) since Silver Bank Limited was placed under conservatorship by the Bank of Mauritius on 13 February 2024.

(ii) The Company has a performance security lien of MUR 3,000,000 over its cash at bank in favour of a corporate client relating to its general insurance operations. As no default occurred during the year under review, no contingent liability has arisen thereon.

16 STATED CAPITAL

	2025	2024
	MUR	MUR
Issued and paid:		
At 1 July and 30 June	180,000,000	180,000,000

The stated capital comprises **18,000,000** (2024: 18,000,000) ordinary shares.

Each ordinary share carries one voting right and rights to dividends. The above ordinary shares are at no par value and fully paid.

17 RESERVES

	Retained earnings	Reserves	Total Reserves
	MUR	MUR	MUR
At 1 July 2023	91,295,630	13,740,874	105,036,504
Loss for the year	(59,035,206)	-	(59,035,206)
Other comprehensive income for the year	-	3,025,462	3,025,462
At 30 June 2024	32,260,424	16,766,336	49,026,760
At 1 July 2024	32,260,424	16,766,336	49,026,760
Profit for the year	20,923,482	-	20,923,482
Other comprehensive income for the year	-	1,886,066	1,886,066
At 30 June 2025	53,183,906	18,652,402	71,836,308

18 DEFERRED TAX

- (a) Deferred taxes are calculated on all temporary differences under the liability method at **19%** (2024: 17%). The movement on deferred tax account is as follows:

	2025	2024
	MUR	MUR
At 1 July	28,778,256	6,463,534
Movement in profit or loss (note 21 (b))	6,659,189	22,321,352
Other comprehensive income	89,490	(6,630)
At 30 June	35,526,935	28,778,256

- (b) Deferred tax assets and liabilities are offset when the income taxes relate to the same fiscal authority on the same entity.

The following amounts are shown in the statement of financial position:

	2025	2024
	MUR	MUR
Deferred tax assets	38,157,299	30,445,181
Deferred tax liabilities	(2,630,364)	(1,666,925)
Net deferred tax	35,526,935	28,778,256

- (c) Deferred tax assets credited to the statement of profit or loss and other comprehensive income are attributable to the following items:

	2025		
	At 1 July 2024	Movement in profit or loss	Movement in other comprehensive
	MUR	MUR	MUR
Deferred tax assets/(liabilities):			
Retirement benefit obligations	1,037,170	272,120	89,490
Provision for ECL on receivables	26,109,853	7,566,301	-
Gratuity as an exceptional cost in 2022	3,298,158	(215,793)	-
Accelerated Depreciation	(1,666,925)	(963,439)	-
	28,778,256	6,659,189	89,490
			35,526,935
	2024		
	At 1 July 2023	Movement in profit or loss	Movement in other comprehensive income
	MUR	MUR	MUR
Deferred tax assets/(liabilities):			
Retirement benefit obligations	681,190	362,610	(6,630)
Provision for ECL on receivables	2,269,265	23,840,588	-
Gratuity as an exceptional cost in 2022	3,649,592	(351,434)	-
Accelerated Depreciation	(136,513)	(1,530,412)	-
	6,463,534	22,321,352	(6,630)
			28,778,256

19 RETIREMENT BENEFIT OBLIGATIONS

NIC General Insurance Co. Ltd participates in the NIC Multi-Employer Pension Scheme ("NMEPS"). Its contributions for DC employees are expensed to the statement of profit or loss and comprehensive income and amounted to **MUR 2,398,236** for the year ended 30 June 2025 (2024: MUR 1,996,701).

The Company has recognised a defined benefit liability of **MUR 5,879,000** in its statement of financial position as at 30 June 2025 (2024: MUR 4,582,000) in respect of employees under the pension plan who are entitled to residual retirement gratuities because their pension plan benefits are not expected to fully offset the Company's retirement gratuity obligations under the Workers' Rights Act (WRA) 2019.

The Company has also recognised a net defined benefit liability of **MUR 742,000** as at 30 June 2025 (2024: MUR 799,000) in respect of pensions to be paid out of the Company's cash flow for some former employees who were members of BAI Group Pension Fund.

The Company has also recognised a net defined benefit liability of **MUR 741,000** in its statement of financial position at 30 June 2025 (2024: MUR 720,000) in respect of any vacation leave that is expected to be paid out of the Company's cash flow to its employees who are entitled to vacation leave under WRA 2019.

The Company is subject to an unfunded defined benefit plan for its employees. The plans expose the Company to normal risks described below:

Investment risk: The Company has a residual obligation imposed by WRA on top of the DC plan. It is therefore exposed to investment underperformance of the DC plan.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by a decrease in inflationary pressures on salary and pension increases.

Longevity risk: The plan liability is calculated by reference to the best estimate of the mortality of plan participants. A reduction in the mortality rates of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

Pension risk (applicable to unfunded pensioners): The plan liability is calculated by reference to the future pensions payable to the pensioners. As such, an increase in the pension payable to pensioners above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

The Company has a residual obligation imposed by WRA 2019 on top of its DC plan. It is therefore particularly exposed to investment under-performance of the DC plan.

There has been no plan amendment, curtailment or settlement during the year except for the past service costs in respect of employee transfers to and from the Company.

19 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The liabilities are analysed as follows:

	2025	2024
	MUR	MUR
Funded obligation (note (a))	5,879,000	4,582,000
Unfunded obligation (note (b))	742,000	799,000
Vacation leave (note (c))	741,000	720,000
	7,362,000	6,101,000

(a) Funded obligation - Residual Retirement Gratuities (NMEPS)

	2025	2024
	MUR	MUR
Reconciliation of net defined benefit liability/(asset)		
At 1 July	4,582,000	4,007,000
Amount recognised in profit or loss	796,000	614,000
Amount recognised in other comprehensive income	501,000	(39,000)
Less Employer contributions	-	-
At 30 June	5,879,000	4,582,000

Reconciliation of fair value of plan assets

At 1 July	-	-
Employer contributions	-	-
(Benefits paid)	-	-
At 30 June	-	-

Reconciliation of present value of defined benefit obligation

At 1 July	4,582,000	4,007,000
Current service cost	578,000	372,000
Interest expense	250,000	228,000
Past service cost	(32,000)	14,000
(Other benefits paid)	-	-
Liability experience (gain)/loss	1,419,000	(383,000)
Liability (gain)/loss due to change in financial assumptions	(918,000)	344,000
At 30 June	5,879,000	4,582,000

Components of amount recognised in profit or loss

Current service cost	578,000	372,000
Past service cost	(32,000)	14,000
Service cost	546,000	386,000

Net interest on net defined benefit liability/(asset)

250,000	228,000
796,000	614,000

Components of amount recognised in other comprehensive income

Liability experience (gain)/loss	1,419,000	(383,000)
Liability (gain)/loss due to change in financial assumptions	<u>(918,000)</u>	<u>344,000</u>
	501,000	(39,000)

Allocation of plan assets at end of period*

	%	%
Cash and other	-	-
Total	-	-

Principal assumptions used at end of year

	2025	2024
Discount rate	6.0%	5.5%
Rate of salary increases	4.5%	4.5%
Average retirement age (ARA)	65	65
Annuity rates:		
- Male at ARA	12.211	12.211
- Female at ARA	14.447	14.447

19 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(a) Funded obligation - Residual Retirement Gratuities (NMEPS) (continued)

Sensitivity analysis on defined benefit obligation at end of year	2025 MUR	2024 MUR
Increase due to 1% decrease in discount rate	1,955,000	1,623,000
Decrease due to 1% increase in discount rate	1,534,000	1,259,000

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between the pure retirement gratuities under the Workers' Rights Act 2019 and the deductions allowable, being five times the annual pension provided and half the lump sum received by the member at retirement from the pension fund with reference to the Company's share of contributions. The latter amount is **MUR 16,229,000** as at 30 June 2025 (2024: MUR 14,622,000).

Future cash flows	2025	2024
The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.		
Expected employer contribution for the next year	-	-
Weighted average duration of the defined benefit obligation	22 years	22 years

(b) Unfunded obligation - Unfunded Pensioners

	2025 MUR	2024 MUR
Reconciliation of net defined benefit liability/(asset)		
At 1 July	799,000	-
Amount recognised in profit or loss	39,000	819,000
Amount recognised in other comprehensive income	(30,000)	-
Less employer contributions	(66,000)	(20,000)
At 30 June	742,000	799,000
Reconciliation of present value of defined benefit obligation		
At 1 July	799,000	-
Interest expense	39,000	13,000
Past service cost	-	806,000
Other benefits paid	(66,000)	(20,000)
Liability experience (gain)/loss	8,000	-
Liability (gain)/loss due to change in financial assumptions	(38,000)	-
At 30 June	742,000	799,000
Components of amount recognised in profit or loss		
Past service cost	-	806,000
Service cost	-	806,000
Net interest on net defined benefit liability/(asset)	39,000	13,000
Total	39,000	819,000

Principal Assumptions used at end of period	2025	2024
Discount rate	5.7%	5.1%
Rate of pension increases	0.0%	0.0%

Sensitivity Analysis on defined benefit obligation at end of period	2025 MUR	2024 MUR
Increase due to 1% decrease in discount rate	66,000	76,000
Decrease due to 1% increase in discount rate	57,000	65,000

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

Future cash flows		
The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.		
Expected employer contribution for the next year	66,000	66,000
Weighted average duration of the defined benefit obligation	8 years	9 years

19 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

(c) Vacation Leave

	2025 MUR	2024 MUR
Reconciliation of net defined benefit liability/(asset)		
At 1 July	720,000	-
Amount recognised in profit or loss	21,000	720,000
At 30 June	741,000	720,000
Reconciliation of present value of defined benefit obligation		
Opening balance	720,000	-
Current service cost	156,000	123,000
Past service cost	9,000	576,000
Interest expense	-	21,000
Liability experience (gain)/loss	(138,000)	-
Liability (gain)/loss due to change in financial assumptions	(6,000)	-
At 30 June	741,000	720,000
Components of amount recognised in profit or loss		
Current service cost	156,000	123,000
Past service cost	9,000	597,000
Service cost	165,000	720,000
Net interest on net defined benefit liability/(asset)	-	-
Remeasurement components		
Liability experience (gain)/loss	(138,000)	-
Liability (gain)/loss due to change in financial assumptions	(6,000)	-
	(144,000)	-
Total P&L charge	21,000	720,000
Principal assumptions used at end of year	2025	2024
Discount rate	4.9%	3.6%
Rate of salary increases	4.5%	4.5%

Sensitivity analysis on defined benefit obligation at end of year

	2025 MUR	2024 MUR
Increase due to 1% decrease in discount rate	5,000	6,000
Decrease due to 1% increase in discount rate	5,000	6,000

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged.

Future cash flows

The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.

Expected employer contribution for the next year	473,000	609,000
Weighted average duration of the defined benefit obligation	0.7 years	0.9 years

The retirement benefit obligations are summarised as follows:

	2025 MUR	2024 MUR
(i) Statement of profit or loss and other comprehensive income		
Amount recognised in profit or loss:		
Funded obligation (note (a))	796,000	614,000
Employer contributions (funded obligation (note (a)))	-	-
Unfunded obligation (note (b))	(27,000)	799,000
Vacation leave (note (c))	21,000	720,000
	790,000	2,133,000
Amount recognised in other comprehensive income:		
Funded obligation (note (a))	471,000	(39,000)
(ii) Statement of financial position		
Current portion	539,000	609,000
Non-current portion	6,823,000	5,492,000
	7,362,000	6,101,000
20 TRADE AND OTHER PAYABLES	2025 MUR	2024 MUR
Payable to ultimate shareholder (note 25)	1	1
Amount due to fellow subsidiary (note 25)	77,142,589	71,139,282
Other payables	6,491,140	5,934,174
Accruals	22,405,841	26,910,373
	106,039,571	103,983,830

(a) The carrying amounts of trade and other payables approximate their fair values.

(b) The amount due to fellow subsidiary is unsecured, interest free and repayable at any time or in any other manner as may be mutually agreed.

21 TAXATION

Income tax

Income tax is calculated at the rate of 15% on the profit for the year as adjusted for income tax purposes.

Corporate Social Responsibility (CSR)

Contribution to the CSR Fund is at a rate of 2% on the chargeable income of the preceding financial year.

Corporate Climate Responsibility (CCR)

The government has also recently introduced a new levy called Corporate Climate Responsibility Levy (CCR) of 2% on chargeable income of all companies having a turnover exceeding MUR 50 million. More details are provided in note 31.

	2025 MUR	2024 MUR
(a) Statement of financial position		
At 1 July	11,342,243	1,684,378
Income tax charge for the year	2,522,302	10,039,028
Corporate Social Responsibility (CSR)	1,674,844	1,338,532
Corporate Climate Responsibility (CCR) levy	336,307	-
Income tax paid during the year	-	(1,600,467)
Tax deducted at source	(153,008)	(119,228)
At 30 June	15,722,688	11,342,243

Analysed as follows:

Current tax liability	2,522,302	10,039,028
Corporate Climate Responsibility (CCR) levy	336,307	-
Corporate Social Responsibility (CSR)	1,674,844	1,338,532
Tax deducted at source	(153,008)	(119,228)
Prior year provision	11,342,243	83,911
Net balance	15,722,688	11,342,243

(b) Statement of profit or loss and other comprehensive income

Current tax on the adjusted profit for the year at 15%	2,522,302	10,039,028
Corporate Climate Responsibility (CCR) levy	336,307	-
Corporate Social Responsibility (CSR)	1,674,844	1,338,532
Deferred tax	(6,659,188)	(22,321,352)
	(2,125,735)	(10,943,792)

(c) Tax reconciliation

	2025 MUR	2024 MUR
Profit/(loss) before taxation:	18,797,747	(69,978,998)
Tax calculated at rate of 15%	2,819,662	(10,496,850)
Income not subject to tax	(4,001,554)	(2,587,260)
Expenses not deductible for tax purposes	3,704,194	23,123,138
Tax charge for the year	2,522,302	10,039,028

22 INSURANCE SERVICE RESULT

22 (a) INSURANCE REVENUE	2025	2024
	MUR	MUR
Insurance revenue from contracts measured under the PAA:		
<i>Accident and Health</i>	311,414,458	287,239,671
<i>Motor</i>	149,242,383	89,255,983
<i>Property</i>	13,080,109	10,041,871
<i>Others</i>	15,156,653	9,566,045
Total insurance revenue	488,893,603	396,103,570
22 (b) INSURANCE SERVICE EXPENSES	2025	2024
	MUR	MUR
Incurred claims and other directly attributable expenses:		
<i>Accident and Health</i>	295,901,831	249,020,665
<i>Motor</i>	114,786,890	93,568,468
<i>Property</i>	(3,012,403)	33,067,776
<i>Others</i>	(56,667)	1,831,079
Changes that relate to past service - changes in the FCF relating to the LIC:		
<i>Accident and Health</i>	(3,119,151)	382,012
<i>Motor</i>	(2,666,653)	(9,139,922)
<i>Property</i>	(2,105,096)	(3,272,910)
<i>Others</i>	1,301,874	959,100
Insurance acquisition cash flows amortisation:		
<i>Accident and Health</i>	21,944,670	31,691,426
<i>Motor</i>	20,951,442	17,134,507
<i>Property</i>	1,496,071	1,183,090
<i>Others</i>	2,696,803	1,579,431
Total Insurance service expenses	448,119,611	418,004,722
Net income/(expenses) from insurance contracts issued	40,773,992	(21,901,152)

22 INSURANCE SERVICE RESULT (CONTINUED)

22 (c) INSURANCE EXPENSES FOR REINSURANCE CONTRACTS HELD	2025	2024
	MUR	MUR
<i>Accident and Health</i>	(189,917,695)	(144,223,166)
<i>Motor</i>	(3,388,462)	83,307
<i>Property</i>	(11,815,473)	(8,140,182)
<i>Others</i>	(8,216,178)	(6,759,421)
Total insurance expenses from reinsurance contracts held	(213,337,808)	(159,039,462)

22 (d) INSURANCE SERVICE INCOME FOR REINSURANCE CONTRACTS HELD	2025	2024
	MUR	MUR
Claims recovered:		
<i>Accident and Health</i>	204,553,743	166,024,981
<i>Motor</i>	18,685,249	45,869,083
<i>Property</i>	(5,566,171)	23,158,995
<i>Others</i>	308,432	159,417
Effect of changes in non-performance risk of reinsurers:		
<i>Accident and Health</i>	205,065	102,481
<i>Motor</i>	445,947	(351,239)
<i>Property</i>	68,103	(160,229)
<i>Others</i>	(6,514)	(2,446)
Changes that relate to past service- changes in the FCF relating to incurred claims recovery:		
<i>Accident and Health</i>	2,120	(229,260)
<i>Motor</i>	-	268,609
<i>Property</i>	409,166	7,287,728
<i>Others</i>	(72,421)	24,474

Changes that relate to future service- changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts

Other incurred directly attributable expenses

Total Insurance service income for reinsurance contracts held

Insurance service result

23 INVESTMENT AND OTHER INCOME

	2025	2024
	MUR	MUR
Rental income	2,386,553	1,933,500
Bank interest	5,540,912	7,981,199
Gain on disposal of asset held for sale	12,224,167	-
Reversal of provisions	-	13,900
Total Investment and other income	20,151,632	9,928,599

24 OTHER OPERATING AND ADMINISTRATIVE COSTS	2025	2024
	MUR	MUR
Staff and related costs (i)	46,186,485	44,328,997
Director fees and expenses	1,004,648	2,578,840
Rent and other related costs	4,429,207	4,104,029
Office service costs	11,753,817	4,333,327
Legal and professional fees	10,129,460	8,862,935
Advertising and marketing	4,286,644	1,195,794
Depreciation and amortisation	8,068,167	6,429,395
Bad debts	-	100,000
Provision/(reversal) for ECL on insurance receivables	11,246,266	20,079,619
Provision for impairment on reinsurance receivables	2,152,536	(4,112,983)
Provision for ECL on cash at bank (ii)	1,986,164	128,285,098
Other expenses	7,432,260	1,578,328
	108,675,654	217,763,379
(i) <i>Staff and related costs are analysed as follows:</i>		
Wages and salaries	37,155,859	34,213,313
Pension	2,395,953	1,996,702
Social security	1,504,386	1,261,679
Employee development	921,869	1,286,242
Retirement benefit obligations (note 19)	790,000	2,133,000
Other costs	3,418,418	3,438,061
	46,186,485	44,328,997
Number of employees at year end	60	48

(ii) An ECL provision of **MUR 1,986,164** has been accounted in respect of the interest accrued on the short term deposit of MUR 125 million which has been transferred to cash at bank as at reporting date since Silver Bank Limited was placed under conservatorship by the Bank of Mauritius on 13 February 2024 (2024: MUR 128,285,098). This deposit matured during the year and the balance was transferred to the Company's bank account held with Silver Bank Limited.

(iii) The other operating and administrative costs have been reclassified as per IFRS 17 as follows:

	2025		
	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Non-attributable expenses
	MUR	MUR	MUR
Staff and related costs	20,235,868	13,490,579	12,460,038
Office service costs	2,620,156	1,889,285	7,244,376
Other operating expenses	13,570,187	9,046,791	26,132,210
	36,426,211	24,426,655	45,836,624
ECL provision on cash at bank (ii)	-	-	1,986,164
	36,426,211	24,426,655	47,822,788
			108,675,654

24 OTHER OPERATING AND ADMINISTRATIVE COSTS (CONTINUED)

	2024			
	Expenses attributed to insurance acquisition cash flows	Other directly attributable expenses	Non-attributable expenses	Total
	MUR	MUR	MUR	MUR
Staff and related costs	26,597,398	17,731,599	-	44,328,997
Office service costs	6,457,633	4,305,089	-	10,762,722
Other operating expenses	12,931,250	8,620,833	12,834,479	34,386,562
	45,986,281	30,657,521	12,834,479	89,478,281
ECL provision on short-term deposit (ii)	-	-	128,285,098	128,285,098
Total	45,986,281	30,657,521	141,119,577	217,763,379

(iv) Non-attributable expenses

	2025	2024
	MUR	MUR
Legal and professional fees	10,129,460	8,862,935
Advertising expenses	-	1,195,794
Directors' fees and expenses	502,324	2,578,840
Travel and entertainment	846,015	22,907
Public relations and donations	-	174,003
Staff and related costs	12,460,038	-
Depreciation and amortisation	8,068,167	-
Office service costs	7,244,376	-
Other operating expenses	6,586,244	-
Total non-attributable expenses	45,836,624	12,834,479

The above non-attributable other operating and administrative costs exclude the non-attributable provision of ECL on cash at bank amounting to **MUR 1,986,164** (2024: provision of ECL on interest accrued and short term deposit of MUR 128,285,098) as disclosed in note 24 (ii).

25 RELATED PARTY DISCLOSURES

	2025				
	Remuneration and benefits	Sale of goods or services	Purchase of goods or services	Amount payable to related parties	Amount receivable from related parties
	MUR	MUR	MUR	MUR	MUR
Ultimate shareholder	-	-	-	-	-
Holding company	-	592,751	-	-	-
Fellow subsidiary	-	16,184,027	5,990,751	77,142,589	-
Key management personnel	7,347,075	-	-	-	-
Directors	1,004,648	-	-	-	-
	8,351,723	16,776,778	5,990,751	77,142,589	-
<u>Key management personnel</u>	MUR				
- Short-term employee benefits	7,111,477				
- Post-employment benefits	235,598				
- Termination benefits	-				
- Other long-term benefits	-				
	7,347,075				
	2024				
	Remuneration and benefits	Sale of goods or services	Purchase of goods or services	Amount payable to related parties	Amount receivable from related parties
	MUR	MUR	MUR	MUR	MUR
Ultimate shareholder	-	-	-	1	-
Holding company	-	1,180,188	-	-	-
Fellow subsidiary	-	12,381,013	5,630,210	71,139,282	-
Key management personnel	6,007,500	-	-	-	-
Directors	2,578,840	-	-	-	-
	8,586,340	13,561,201	5,630,210	71,139,283	-
<u>Key management personnel</u>	MUR				
- Short-term employee benefits	5,563,050				
- Post-employment benefits	333,450				
- Termination benefits	-				
- Other long-term benefits	111,000				
	6,007,500				

The terms and conditions of the outstanding amounts payable are disclosed under note 20.

The transactions with related parties are made at normal market prices. There have been no guarantees provided or received for any related party receivables and payables. At each financial year-end, an assessment of the provision for impairment is undertaken.

Shared service agreement

The Company has entered into a "shared service arrangement" with its sister company, National Insurance Co. Ltd for the apportionment of common costs including usage of space of its subsidiary's property. The transaction is considered at arm's length.

26 CAPITAL COMMITMENTS

Capital commitments as at the reporting date amounted to **MUR 1,804,018** (2024: MUR 7,955,444) representing the implementation of a new General Insurance Policy Administration System. The Company has capitalised an amount of **MUR 9,784,730** for the software development during the year ended 30 June 2025 (2024: MUR 27,437,284).

27 COMPLIANCE WITH INSURANCE ACT 2005

As per the Insurance Act 2005, the Company is required to maintain a minimum surplus of assets over liabilities being the Minimum Capital Requirement (MCR).

As at the reporting date, the Company is in compliance with the Insurance Act 2005.

28 EVENTS AFTER THE REPORTING PERIOD

GEOPOLITICAL DEVELOPMENTS – MIDDLE EAST

During March 2026, military hostilities escalated in the Middle East following military operations involving Iran and other regional actors. The situation has resulted in heightened geopolitical tensions and increased uncertainty in global financial and commodity markets.

These developments may affect global economic conditions, including energy prices, inflation, exchange rates and financial market volatility. The extent to which the conflict may impact the Company's operations and financial performance will depend on future developments, including the duration and scope of the conflict and responses by governments and regulators.

The Directors have considered the potential implications of the ongoing conflict on the Company's operations, financial position and future cash flows based on information available at the date of approval of these financial statements. Based on this assessment, the Directors are of the opinion that the conflict has not had a material impact on the Company's financial position or results of operations as at the reporting date, and that no adjustments are required to these financial statements.

The Company will continue to monitor the situation closely.

There have been no other material events since the end of the reporting period which would require disclosure or adjustment to the financial statements for the year ended 30 June 2025.

29 HOLDING COMPANY AND ULTIMATE BENEFICIAL OWNER

The Directors regard the National Property Fund Ltd as its holding company which is ultimately wholly owned by the Government of Mauritius.

30 CONTINGENT LIABILITIES

The Company may face litigations arising in the normal course of the insurance business. The Directors are of the opinion that these litigations will not have a material impact on the financial position or results of the Company, as the insurance contract liabilities consider potential claims related to these litigations in their estimation which already incorporates expectations of future claims, including those related to ongoing or potential legal proceedings. Consequently, no separate provision for contingent liabilities has been recognised in the financial statements.

As at 30 June 2025, there were contingent liabilities amounting to **MUR 27,651,382** (2024: MUR 26,437,382).

31 SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

Corporate Climate Responsibility Levy

The Finance (Miscellaneous Provisions) Act 2024 which was gazetted on the 27 July 2024, introduced a new Corporate Climate Responsibility (CCR) Levy at 2% of chargeable income as from the year of assessment commencing on 1 July 2024. This new levy was substantively enacted within the meaning of IAS 12 : Income Taxes and hence a provision has been recognised in these financial statements.

The amount payable for the year of assessment 2025-2026 was **MUR 336,307** (2024-2025 - MUR Nil) for the Company.