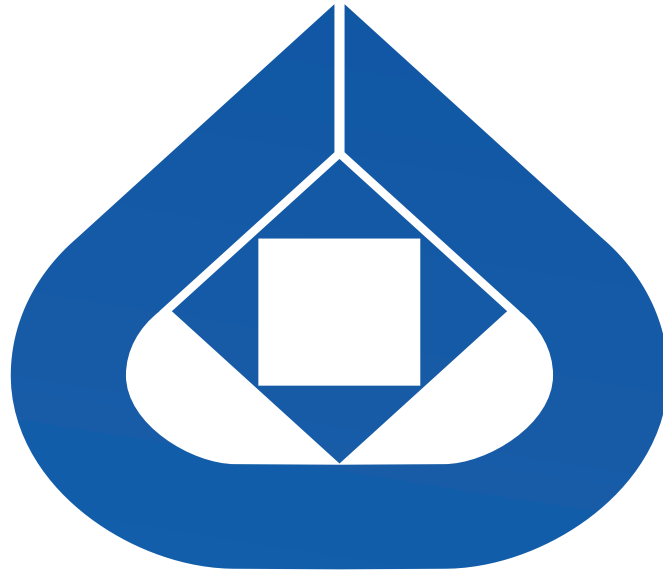




आपत्काले रक्षिष्यामि
GIC Re South Africa Ltd

GIC RE SOUTH AFRICA LIMITED

AUDITED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

The financial statements have been audited in compliance with Section 30 of the South African Companies Act 71 of 2008.

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How To Navigate The Annual Financial Statements

The format of the annual financial statements has been revised since IFRS 17 adoption. Refer to the glossary of terms for the revised terminology on page 5.

Primary Statements

The primary statements are included in the beginning of the annual financial statements and include note references to specific underlying detailed notes.

Notes To The Financial Statements

The notes to the financial statements consist of insurance-specific, financial instrument-specific and risk management notes first followed by less significant notes thereafter.

Accounting Policies

The principal accounting policies applied in the preparation of the financial statements are included in the specific notes to which they relate and are indicated with a grey background.

Critical Accounting Estimates And Judgements

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Company's financial statements, are included in the specific notes to which they relate and are indicated with a border.

GLOSSARY OF TERMS, ABBREVIATIONS, AND ACRONYMS

AC	Amortised Cost
AGM	Annual General Meeting
CEO	Chief Executive Officer
Company/GIC Re SA Ltd	GIC Re South Africa Limited
CSM	Contractual Service Margin
EAD	Exposure at Default
ECL	Expected Credit Losses
EIR	Effective Interest Rate
ERM	Enterprise Risk Management
FCF	Fulfilment Cash Flows
FSCA	The Financial Sector Conduct Authority
FVOCI	Fair Value Through Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
GDP	Gross Domestic Product
GIC Re India	General Insurance Corporation of India
GMM	General Measurement Model
HR	Human Resources
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards / IFRS Accounting Standards
IFRS 17	IFRS 17 - Insurance Contracts
IFRS 9	IFRS 9 - Financial Instruments
IMF	International Monetary Fund
Insurance Contracts issued	In GIC Re SA's terms it refers to the Reinsurance Contracts issued
LGD	Loss Given Default
LIC	Liability for Incurred Claims
LRC	Liability for Remaining Coverage
LTECL	Lifetime Expected Credit Loss
MD	Managing Director
OCI	Other Comprehensive Income
PA	Prudential Authority
PAA	Premium Allocation Approach
PCS	Property Claims Services
PD	Probability of Default
PVT	Political Violence and Terrorism
RA	Risk Adjustment for Non-Financial Risk
Reinsurance Contracts Held	In GIC Re SA's terms it refers to the Retrocession Contracts held
SAM	Solvency Assessment and Management
SARB	South African Reserve Bank
SCR	Solvency Capital Requirement
SICR	Significant Increase in Credit Risk
SPPI	Solely Payments of Principal and Interest
The Act	The Companies Act 71 of 2008

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

Responsibility for and approval of the Company annual financial statements

The Board of GIC Re South Africa Limited accepts responsibility for the integrity, objectivity and reliability of the Company's financial statements. Adequate accounting records have been maintained. The Board endorses the principle of transparency in financial reporting.

The responsibility for the preparation and presentation of the financial statements has been delegated to management.

The responsibility of the external auditors is to express an independent opinion on the fair presentation of the financial statements based on their audit of GIC Re South Africa Limited.

The Board has confirmed that adequate internal financial control systems are being maintained. There were no breakdowns in the functioning of the internal control systems during the year, that had a material impact on the financial results. The Board is satisfied that the financial statements fairly present the financial position, the results of the operations and cash flows in accordance with relevant accounting policies, based on IFRS® Accounting Standards.

The Board is of the opinion that GIC Re South Africa Limited is financially sound and operates as a going concern. The financial statements have accordingly been prepared on this basis.

The financial statements were authorised for issue and publication by the Board and signed on its behalf by:

Sd/-

Jonathan Bagg

Chairperson & Non- Executive Director

29 September 2026

Sd/-

Fundiswa Roji-Nodolo

Non-Executive Director

29 September 2026

PREPARATION AND PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS

The preparation of the annual financial statements was supervised by the Chief Financial Officer of GIC Re South Africa Limited, Mr. Shyjulal K Palat (CA).

STATEMENT ON INTERNAL FINANCIAL CONTROLS

The officers, whose names are stated below, hereby confirm that:

- the Annual Financial Statements set out on pages 20 to 102 fairly present, in all material respects, the financial position, financial performance and cash flows of the Company in accordance with International Financial Reporting Standards (IFRS);
- to the best of our knowledge and belief, no facts have been omitted and no untrue statements have been made that would render the Annual Financial Statements false or misleading;
- internal financial controls have been implemented and maintained to ensure that material financial information relating to the Company is appropriately captured, processed, reviewed and reported for the purpose of preparing the Annual Financial Statements;
- the internal financial controls are designed and implemented to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Annual Financial Statements, having fulfilled our respective roles and responsibilities as executive management with primary responsibility for the implementation and operation of such controls; and
- where deficiencies in the design or operational effectiveness of internal financial controls have been identified, these have been appropriately disclosed to the Audit Committee and the external auditors, where applicable, and appropriate remedial actions have been or are being implemented.

Sd/-
Mr Shyjulal K Palat
Chief Financial Officer
Date : 29 September 2026

Sd/-
Mr Rahul Goel
Chief Technical Officer & Joint CEO
Date : 29 September 2026

Sd/-
Mr Varun Bhardwaj
Chief Operating Officer & Joint CEO
Date : 29 September 2026

SECRETARIAL CERTIFICATION

In accordance with section 88(2)(e) of the Companies Act 71 of 2008, it is hereby certified that the company has lodged with the Registrar of companies all such returns as are required of a public company in terms of the Act and that such returns are true, correct and up to date.

Sd/-
W Mwase
Company secretary
29 September 2026



SNG Grant Thornton

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Noordwyk, Midrand
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Independent auditor's report
to the shareholder of GIC Re South Africa Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of GIC Re South Africa Limited (the company) set out on pages 20 to 102, which comprise the statement of financial position as at 31 March 2026; and the statement of profit or loss and other comprehensive income; the statement of changes in equity; and the statements of cash flows for the year then ended; and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of GIC Re South Africa Limited as at 31 March 2026, and its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures. Materiality is also used in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined certain quantitative thresholds for materiality for the financial statements as follows:

Final materiality	R46.7 million
How we determined it	3% of Insurance Revenue
Rationale for the materiality benchmark applied	We elected Insurance Revenue as the benchmark because, in our view, it is the benchmark against which the performance of the company is most likely to be measured by users when evaluating a non-life insurance orientated entity and is a generally accepted benchmark of primarily non-life insurance companies. We chose 3% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector and is further based on our professional judgement after consideration of qualitative factors that impact the company.

INDEPENDENT AUDITOR'S REPORT

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 of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<i>Valuation of IFRS 17 insurance contract assets, insurance contract liabilities, reinsurance contract assets and reinsurance contract liabilities</i> We considered the valuation of insurance contract assets, insurance contract liabilities, reinsurance contract assets and reinsurance contract liabilities in terms of IFRS 17 - Insurance Contracts to be a matter of most significance to our current year's audit due to complexity associated with the following: • Unobserved assumptions applied, in particular non-economic assumptions and the related high degree of estimation uncertainty relating to expected cashflows that are driven by these assumptions. • Actuarial methodology applied in the calculation of the Liability for Remaining Coverage (LRC) and the Liability for Incurred Claims (LIC), including techniques for measuring the Risk Adjustment (RA) for non-financial risk. The valuation of insurance contract assets, insurance contract liabilities, reinsurance contract assets and reinsurance contract liabilities is a key audit matter due to the complexity and the significant judgements and assumptions applied requiring specialist actuarial skills, which resulted in significant auditor attention.	We utilised our internal actuarial expertise to assist in performing the following audit procedures which included, amongst others: • We understood and assessed the design and implementation of management's controls over significant estimates and assumptions used in the valuation of insurance contracts assets, insurance contract liabilities, reinsurance contract assets and reinsurance contract liabilities, including model data inputs. Assumptions: • We evaluated and assessed whether the assumptions applied are appropriate based on our knowledge of the company, along with industry standards, regulatory requirements and the requirements of IFRS 17. • We reviewed and evaluated the results of management's experience analysis to assess whether this analysis justified the adopted assumptions. • We assessed the expense assumptions adopted by management with reference to the company's underlying expense base and the relevant functional cost analysis, including the split of attributable and non-attributable expenses required by IFRS 17. Actuarial methodology: • We obtained an understanding of management's process for developments to the core actuarial models. • We assessed the results of model reviews utilising our internal actuarial expertise as part of our independent model validation. • We evaluated the methodology, inputs and assumptions applied by management to model changes made during the year to determine that any model changes implemented over the year reflect correctly in the year-end balances. • We performed an independent assessment of the level of aggregation across material portfolios including an assessment of onerous groups. • We stratified the components of reserves modelled outside the core actuarial system and focused our assessment on those that present a higher risk of material misstatement. In terms of the year-end valuation results we: • Assessed the reasonableness of the different liability components (Best Estimate Liability (BEL), RA and Contractual Service Margin

INDEPENDENT AUDITOR'S REPORT

	(CSM), based on our understanding of the company and other supporting information, including an assessment of year-on-year movements and the impact of valuation basis changes. - Reviewed the actuarial methodology and calibration of the RA, including the expected release and changes at year-end. - Independently recalculated components of the CSM and Loss Component (LC) as disclosed in the financial statements with reference to the company's data model and IFRS 17 policy and methodology decisions, whilst performing reasonability tests on components that were not recalculated.
Based on the procedures as listed above, we did not identify any matters requiring further consideration.	

Emphasis of matter - Restatement of comparative information

We draw attention to Note 1.5 to the financial statements, which explains that the comparative information presented as at and for the year ended 31 March 2025 has been restated. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "GIC Re South Africa Limited Annual Financial Statements for the year ended 31 March 2026", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's reports 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.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that SNG Grant Thornton Inc has been the auditor of GIC Re South Africa Limited for 7 years.

Disclosure of fee-related matters

The total audit fees charged for the financial year ended 31 March 2026 amounted to R5,461,133. These fees relate solely to the statutory audit of the financial statements of the company.

SizweNtsalubaGobodo Grant Thornton Inc.

Pravesh Hiralall

SizweNtsalubaGobodo Grant Thornton Inc.

Director

**Registered
auditor**

30 September 2026

**152 14th Road, Noordwyk
Midrand, 1687**

REPORT OF THE AUDIT COMMITTEE

COMPOSITION

The Company's audit committee appointed to hold office until the conclusion of the 2026 shareholders' annual general meeting (AGM) comprises five independent non-executive directors. All the members were elected to the committee by the Company's shareholder at the AGM on 23 January 2026. The composition and qualifications of the members of the committee are listed below. The members possess the necessary experience and expertise to direct the committee in the execution of its duties.

Name	Appointed on	Qualifications	Position	Independency
F Roji-Nodolo	March 1, 2023	Chartered Accountant (SA), B Com Hons., Dip. Financial Planning	Chairman	Yes
S Bhikha	April 24, 2014	Chartered Accountant (SA), B Com Hons.	Member	Yes
J Bagg	April 24, 2014	Fellow member of the Actuarial Society of South Africa (FASSA), FIA, B.Sc.Maths and Applied Maths.	Member	Yes
N Sallie	June 1, 2022	MBA, MBL, PG in Executive Dev Programme, Dip. Financial Planning	Member	Yes
D Subbiah	November 19, 2025	BSc Actuarial Science, MBA, Chartered Enterprise Risk Actuary, Fellow of the Actuarial Society of South Africa, Fellow of the Institute of Actuaries (London), PG Diploma in General Management, Certificate in Investments	Member	Yes

MEETINGS

The audit committee held four scheduled meetings during the year under review. The required quorum was present at all the meetings.

ROLE AND MANDATE

The committee's main role is to assist the Board in fulfilling its oversight responsibilities, in particular with regard to the integrity of the Company's financial statements, effectiveness of the systems of internal control, and financial reporting. In addition, the committee is responsible for assessing the effectiveness of the internal audit function, the independence and effectiveness of the external auditors, while also considering and recommending the appointment of the external auditor. The Chairperson of the committee reports to the Board on its activities, all matters discussed, highlighting key issues requiring action and recommendations for resolution. The Audit committee works closely with the Risk committee, which reviews risk management and compliance initiatives and monitors the effectiveness of the risk management. The Chairperson of the Audit committee is a member of the Risk committee. This helps ensure that there is adequate communication between the two committees.

INTERNAL CONTROLS

The Audit committee is responsible for reviewing the effectiveness of systems for internal control.

The committee considered control issues identified from the various reports reviewed by the committee in the context of the overall effectiveness of internal controls. Where deficient controls or matters were raised, the committee reviewed the progress on remediation plans and were satisfied that any material impact on the annual financial statements had been appropriately mitigated by management, through manual controls and increased oversight where necessary. During the audit of the 2026 financial year, the Committee was informed of an error in the annual financial statements for the year ended 31 March 2025 relating to an overstatement of reinsurance contract assets. The error arose from a deficiency in the operation of controls over reinsurance contract assets reconciliations, which did not prevent or detect the misstatement in that year. The comparative figures have been restated in accordance with IAS 8, as set out in note 1.5 of the annual financial statements.

The Committee considered the root cause of the error and the corrective actions taken by management, which included additional reconciliation procedures. Other than the matter described above, nothing has come to the attention of the Committee to indicate a material breakdown in the functioning of the Company's internal financial controls during the year. Based on the information and explanations given by management, internal audit and the external auditor, the Committee is satisfied that the internal financial controls, as remediated, provide a reasonable basis for the preparation of the annual financial statements for the year ended 31 March 2026.

REPORT OF THE AUDIT COMMITTEE

INTERNAL AUDIT

During the year under review the Audit committee:

- Evaluated the independence, effectiveness and performance of the Internal audit function.
- Confirmed the appropriateness of the expertise, experience and resources of the internal auditor.
- Reviewed and approved the Internal Audit Charter and the annual consolidated internal audit plan, ensuring that material risk areas were included, and that the coverage of risks and business processes was adequate.
- Reviewed and discussed the internal audit reports, the issues identified and management's responsiveness to issues raised and agreed action plans.
- Ensured coordination and cooperation between internal audit and the risk management and compliance functions.

The Audit Committee is satisfied itself that the internal audit function is independent of the day to day operations of the Company and that it has delivered assurance in accordance with internal audit standards.

EXTERNAL AUDIT

During the year under review the Audit committee:

- Considered and recommended to the Board the appointment SizweNtsalubaGobodo Inc (with Pravesh Hirallall as designated registered auditor). The committee considered the latest IRBA inspection findings report in respect of the external auditor when assessing the suitability of the appointment of the audit firm and the designated audit partner.
- Approved the external auditor's 2026 annual plan and related scope of work.
- Monitored the effectiveness of the external auditor in terms of their audit quality, expertise and independence, as well as the execution of the audit plan.
- Approved the audit fees for the 2026 year under review.
- Reviewed the external auditor's findings and recommendations and ensured that matters raised were resolved appropriately.
- Ensured coordination and cooperation between the external and internal auditors.
- Met with the external audit team, without management being present, and was assured that there were no unresolved areas of disagreement with management.
- Confirmed that no reportable irregularities were identified and reported by the external auditor in terms of the Auditing Profession Act, 26 of 2005.

The Audit committee is satisfied with the appropriateness of the independence, expertise, experience and resources of the external auditor and the quality of the external audit.

FINANCIAL REPORTING AND ACCOUNTING PRACTICES

During the year under review the Audit committee:

- Reviewed critical matters as well as key audit matters identified by the external auditors and assessed the adequacy and appropriateness of management's responses and actions to ensure that these matters were appropriately addressed and resolved
- Reviewed and assessed the audited annual financial statements and found the controls and financial reporting processes underpinning its compilation to be appropriate and effective.
- Assessed and confirmed the appropriateness of the going concern assumption used in the annual financial statements.

The Audit committee is satisfied that it has executed its duties pursuant to section 94 of the Companies Act.

Having considered the Annual Financial Statements, including the restatement of the comparative information and the related disclosures, the Audit Committee recommended the Annual Financial Statements for the year ended 31 March 2026 to the Board of Directors for approval.

Sd/-

Fundiswa Roji-Nodolo

Chairperson of the audit committee

29 September 2026

DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the annual financial statements of GIC Re South Africa Ltd for the financial year ended 31 March 2026. The year under review has been both dynamic and challenging, and we are proud of the company's progress in strengthening its position as a trusted, truly African reinsurer.

Activities

GIC Re South Africa Limited is a 100% owned subsidiary of General Insurance Corporation of India (GIC Re) which is controlled by the Government of India by virtue of its 77.40% equity shareholding. GIC Re made its first African acquisition in April 2014, when it acquired the South African composite reinsurer Saxum Re Limited and renamed it GIC Re South Africa Limited. GIC Re South Africa Limited commenced the underwriting business on 1 January 2015. The Company underwrites business from the entire African continent following the expansion of its territorial scope to include Egypt and Libya from 1 January 2022.

GIC Re South Africa Limited's vision is to become a truly African Reinsurer. The core business philosophy includes reinsurance capacity development in Africa, application of state of art technology, mutually beneficial relationships, benchmarking reinsurance and service delivery mechanisms and a professional attitude.

Financial Results

Despite continued macroeconomic pressures, GIC Re South Africa delivered a resilient financial performance for FY 2025–26. Key financial highlights include:

- Insurance Revenue: ZAR1557 million
- Insurance Service Result: ZAR135 million
- Profit Before Tax: ZAR303 million
- Net Profit After Tax: ZAR233 million

The performance reflects prudent underwriting, enhanced portfolio diversification, and effective cost control.

The financial statements for the previous financial year ended 31 March 2025 have been restated to correct an error identified during the current financial year relating to outstanding recoveries from reinsurance arrangements. The error resulted in an overstatement of amounts recoverable from reinsurance arrangements and, consequently, an overstatement of the reported profit for the comparative period. The necessary adjustments have been made to the comparative financial information to appropriately reflect the amounts recoverable and the related impact on the financial results. The restatement enhances the reliability and consistency of the financial reporting and has been appropriately accounted for and disclosed in the notes to the financial statements in accordance with the applicable financial reporting requirements.

Financial Rating

During the year, GIC Re South Africa maintained a strong financial rating.

- S&P Global Ratings upgraded the financial strength and issuer credit rating of GIC Re South Africa Ltd. from 'BB+' to 'BBB-' with a "Stable" outlook. At the same time, S&P affirmed our South Africa national scale rating as 'zaAAA', recognizing the Company's robust capital adequacy, risk management framework, and strategic alignment with GIC Re India.
- GIC Re SA is supported by a parental guarantee from GIC of India, which holds an A-(Excellent) rating with a stable outlook from A.M. Best.

Solvency Ratio

The company maintained a healthy solvency ratio of 2.81 times as of 31.03.2026, well above the regulatory minimum requirement set by the Prudential Authority, reflecting strong capital management and underwriting discipline.

Enterprise Risk Management

Risk management remains integral to our operational and strategic planning. During the year, we continued strengthening our risk governance framework, with enhancements in reinsurance program structuring, catastrophe modelling, capital adequacy assessments through Risk Appetites, and stress testing. The Risk Management Committee met regularly to evaluate exposures and recommend mitigation strategies, in alignment with global best practices.

Audit and Compliance

The audit for the financial year 2025–26 was conducted by SizweNtsalubaGobodo Grant Thornton Inc, who issued their independent audit report on the Company's financial statements for the year ended 31 March 2026. The Internal Audit function, under the supervision of the Audit Committee, conducted regular reviews to ensure compliance with all applicable laws and internal policies.

DIRECTORS' REPORT

SizweNtsalubaGobodo Grant Thornton Inc. will continue in office in accordance with section 90(1) of the Companies Act, 71 of 2008, as amended (Companies Act), until the next AGM where they will be considered for re-appointment.

Training and Development

We believe that investing in people is the foundation of our growth. During the year, multiple training programs were conducted in areas such as underwriting, IFRS 17, compliance, and leadership development. GIC Re South Africa also supported staff participation in local and international reinsurance forums, fostering knowledge exchange and skill development.

Board of Directors and Key Managerial Personnel

As of 31 March 2026, the Board comprises experienced professionals with diverse expertise in insurance, finance, law, and governance:

- Chairperson- Mr. Jonathan Bagg
- Managing Director and CEO- Mr. Jetho V. Jhamnani
- Non-Executive Director- Mr. Narayanan Ramaswamy
- Non-Executive Director- Mr. Variar Balkrishna
- Non-Executive Director- Ms. Fundiswa Roji-Nodolo
- Non-Executive Director- Ms. Nazley Sallie
- Non-Executive Director- Mr. Sanjay R Bhikha
- Non-Executive Director- Ms. Deshni Subbiah
- Head of Risk Control and Compliance Function - Mr. John Symington
- Head of Internal Audit- Mr. George Williams
- Head of Actuarial Function- Ms. Christine van Heerden

The Company is supported by a dedicated leadership team in key positions, including Chief Operating Officer, Chief Financial Officer, Chief Compliance Officer, Chief Underwriting Officer, Chief Technology Officer and Chief Risk Manager.

Management Changes

There was a change in the composition of the management team as mentioned below.

- Mr. O P Prasad succeeded Mr. J Jhamnani as Managing Director and Chief Executive Officer effective July 20, 2026, following Mr. J Jhamnani's departure on May 31, 2026.

Committee and Membership

Members	Risk committee	Audit committee	Remuneration committee	Social and ethics and committee	Investment committee
Non-executive directors					
J Bagg	Y	Y	N	Y	Y
S Bhikha	Y	Y	Y	N	Y
N Sallie	Y	Y	Y	Y	N
F Roji-Nodolo	N	Y	Y	Y	Y
D Subbiah	Y	Y	N	N	N
V Balkrishna *	Y	N	Y	N	Y
N Ramaswamy **	N	N	N	Y	N
H Joshi #	Y	N	N	Y	N
Executive directors					
J Jhamnani ##	Y	N	N	Y	N

The following changes took place in the Company's Board of directors:

- H Joshi # - Appointed to the Board on 20 July 2026
- J Jhamnani ## - Resigned 31 May 2026
- V Balkrishna * - Resigned 18 July 2026
- N Ramaswamy ** - Resigned 30 September 2026

DIRECTORS' REPORT

Board Meetings

The Company held four (4) Board Meetings during the financial year 2025-26 as detailed below:

- 1.Date: 15th July 2025
- 2.Date: 16th Sept 2025
- 3.Date: 09th Dec 2025
- 4.Date: 12th March 2026

Related Parties

Related-party relationships exist between the Company and its parent. All material transactions have been disclosed. For related-party transactions and key management personnel, refer to note 17 of the annual financial statements. Details of directors' remuneration and their interest in the Company's shares appear in note 17 (transactions with directors and key management personnel) to the annual financial statements.

Portfolio Information

Refer to note 2 in the notes to the annual financial statements for the portfolio report.

Events After the Reporting Period

There have been no material changes in the affairs or financial position of the Company since the statement of financial position date.

Whistleblower Policy

The company has an effective Whistleblower Policy in place to encourage reporting of unethical behaviour, fraud, or violation of company policies. All reports are treated with strict confidentiality and investigated promptly. The Risk Committee oversees the implementation of this policy.

Special Resolutions Passed

The following special resolutions were passed by GIC Re South Africa Limited at the annual general meeting on 23 January 2026.

- None

Company Registration Number

1956/003037/06

Number Of Employees

The number of people employed by the Company at 31 March 2026 is 33 (2025: 32).

Company secretary

W Mwase is the Company secretary.

Registered office for Company secretary

First Floor, Block C, Riviera Road Office Park
No. 6-9 Riviera Road, Houghton - 2193

Acknowledgement

The Board expresses its sincere gratitude to all stakeholders including our clients, business partners, regulators, and employees for their continued trust and support. We also acknowledge the guidance and support extended by our parent company, GIC Re India, and the valuable contributions of our employees across all levels.

We remain committed to upholding the highest standards of governance, integrity, and service excellence as we continue our journey as a leading reinsurer in Africa.

For and on behalf of the Board

Sd/-

Chairperson

GIC Re South Africa Ltd.

MESSAGE FROM THE CHIEF OPERATING OFFICER

It gives me great pleasure to present the Annual Financial Statements of GIC Re South Africa for the financial year ended 31 March 2026. This year marks another significant milestone in the journey of GIC Re South Africa as a truly African reinsurer, rooted in the continent, responsive to its evolving risks, and resilient in the face of an increasingly complex operating environment.

Over the past year, GIC Re South Africa has further strengthened its position as a trusted reinsurance partner across the African continent. Our strategy continues to be guided by a deep understanding of local markets, regulatory environments, and regional risk profiles, enabling us to provide relevant and sustainable reinsurance solutions to our clients.

A notable achievement during the year was the upgrade of GIC Re South Africa's credit rating by Standard & Poor's from BB+ to BBB-. This important milestone reflects the strength of our balance sheet, prudent capital management, disciplined underwriting practices, and the continued unconditional support of our parent company, GIC Re India. The rating upgrade is a testament to the dedication and professionalism of our employees and our unwavering commitment to maintaining the highest standards of governance, risk management, and financial discipline.

As we look ahead, we remain cautiously optimistic about the opportunities within the African insurance and reinsurance markets. Insurance penetration across many African economies remains relatively low, presenting significant long-term growth potential. At the same time, emerging risks associated with climate change, cyber threats, geopolitical uncertainty, and economic volatility require continued vigilance, innovation, and adaptability.

Our strategic priorities remain focused on profitable growth, operational excellence, disciplined risk management, and delivering superior service to our clients. We will continue to leverage our technical expertise, strong relationships, and regional presence to support the development and resilience of the African insurance sector.

The 2025–26 financial year was comparatively benign from a major catastrophe-loss perspective, with no single event of the magnitude of the KwaZulu-Natal floods or Cyclone Belal experienced during prior periods. Nevertheless, the year continued to demonstrate the evolving nature of catastrophe risk across the African continent. Severe weather events, including flash floods, localised flooding, drought conditions, and other extreme weather events, continued to affect communities, businesses, and the insurance industry.

The flash floods experienced in Kenya during the year had a noticeable impact on the insurance industry and highlighted the potential for localised events to generate significant insured losses. Such events reinforce the importance of maintaining a forward-looking approach to catastrophe risk management, particularly as changing weather patterns may increase the frequency and severity of events that have historically been regarded as less frequent or geographically contained.

For GIC Re South Africa, the impact of these events on our portfolio remained limited, and we did not incur any material catastrophe losses during the year. This reflects our continued focus on prudent risk selection, portfolio diversification, effective exposure management, and disciplined underwriting practices. At the same time, we recognise that the absence of major losses in a particular year should not lead to complacency. We remain committed to closely monitoring emerging catastrophe exposures and climate-related risks across the markets in which we operate.

Despite ongoing macroeconomic pressures and the increasing frequency of natural catastrophe events globally, our performance during FY2025–26 reflects the strength of our underwriting framework and disciplined approach to risk management. The Company recorded insurance revenue of ZAR 1,557 million for the financial year, while the insurance service result increased by 30% to ZAR 135 million, compared to ZAR 104 million (restated) in FY2024–25. Profit before tax for the financial year amounted to ZAR 303 million, compared to ZAR 332 million (restated) in the previous year. The Company reported profit after tax of ZAR 233 million, compared to ZAR 245 million in FY2024–25.

I am also pleased to report that our investment portfolio delivered a satisfactory performance during the year. Investment income amounted to ZAR 271 million, contributing meaningfully to the Company's overall financial performance and supporting the strength of our balance sheet. The Company maintains a strong financial position, with a net worth of ZAR 2,375 million and total assets of ZAR 4,350 million as at 31 March 2026. The solvency ratio stood at 2.81 times as at that date, significantly above the regulatory minimum requirement of 1.00 times. This reflects the Company's continued focus on maintaining adequate capital, financial resilience and prudent risk management.

MESSAGE FROM THE CHIEF OPERATING OFFICER

As noted in the Directors' Report, the Company has restated certain comparative figures relating to FY2024–25 to reflect the correction of prior-period errors identified during the current financial year. The restatements have been appropriately disclosed in the financial statements to ensure transparency and compliance with applicable accounting standards.

Looking ahead, our focus will remain on deepening our pan-African presence and strengthening our position as a truly African reinsurer. We will continue to enhance client service, expand our technical capabilities, and innovate to address emerging risk landscapes, particularly within the agriculture, engineering, and climate-related risk sectors.

The passion and commitment of our employees, coupled with the strength of our partnerships across the continent, give us confidence in our ability to achieve sustainable growth and contribute meaningfully to Africa's insurance and reinsurance ecosystem.

On behalf of the Board and Management, I extend my sincere appreciation to our clients, brokers, business partners, regulators, shareholder, and employees for their continued trust, support, and commitment. Their contribution remains fundamental to our success.

As we enter the new financial year, we remain confident in our ability to navigate challenges, capitalise on emerging opportunities, and continue creating sustainable value for all our stakeholders.

Sd/-

Varun Bhardwaj

Chief Operating Officer

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW:

Global Economy

The global economy in 2025–26 demonstrated resilience despite a backdrop of elevated geopolitical tensions, trade policy uncertainty, and uneven growth across major economies. Global GDP growth remained relatively stable at approximately 3.3%, supported by continued expansion in emerging markets, moderating inflation, and a gradual easing of monetary policy in several jurisdictions. While inflationary pressures eased compared to prior years, policymakers remained cautious amid concerns regarding fiscal sustainability, supply chain disruptions, and geopolitical conflicts. Investment in technology, digital transformation, artificial intelligence, and the transition to renewable energy continued to underpin economic activity and productivity improvements. Financial markets generally remained stable, supported by resilient banking systems and prudent regulatory oversight.

African Economy

Africa's economic outlook strengthened during 2025–26, with continental GDP growth estimated at approximately 4.0% to 4.1%, positioning Africa among the fastest-growing regions globally. Growth was driven by ongoing structural reforms, improving macroeconomic stability, infrastructure development, increasing intra-African trade under the African Continental Free Trade Area (AfCFTA), and rising investment in key sectors, including energy, agriculture, and technology.

Despite the positive trajectory, several economies continued to face challenges arising from climate-related events, public debt pressures, geopolitical instability, and constrained fiscal space. Inflationary pressures moderated across many countries, although currency volatility and affordability concerns continued to affect households and businesses in certain markets. Nevertheless, Africa's long-term growth prospects remain favourable, supported by demographic trends, urbanisation, and expanding regional economic integration.

South Africa Economy

South Africa's economy recorded modest growth during FY2025–26, with real GDP growth estimated at approximately 1.1%, reflecting a gradual improvement from the previous year. Economic activity benefited from reduced electricity supply disruptions, stronger performance in the agricultural, financial services, and trade sectors, and ongoing structural reforms aimed at improving energy security and logistics efficiency. Notwithstanding these improvements, economic growth remained constrained by persistent infrastructure bottlenecks, subdued investment levels, high unemployment, and ongoing fiscal pressures. Inflation remained largely contained within the South African Reserve Bank's target range, supporting consumer spending and financial market stability. Continued collaboration between government and the private sector, together with reforms in energy, transport, and infrastructure, is expected to support improved economic performance over the medium term.

African Insurance and Reinsurance Sector Developments

The African insurance and reinsurance sector continued to evolve during the year under review, driven by regulatory reforms, changing risk landscapes, and increased demand for protection solutions. Key developments included:

- Continued implementation of IFRS 17 and advancement of risk-based capital and solvency frameworks across several jurisdictions.
- Ongoing regulatory initiatives aimed at strengthening local capacity through localisation policies, increased retention levels, and mandatory domestic reinsurance placements.
- Expansion of inclusive insurance solutions, particularly in the areas of agriculture, health, microinsurance, and digital insurance products.
- Growing demand for climate risk, catastrophe, and parametric insurance solutions in response to the increasing frequency and severity of natural disasters across the continent.
- Increased collaboration between insurers, reinsurers, regulators, and development institutions to improve market resilience and financial inclusion.

Insurance penetration across much of Africa remains relatively low compared to global averages, highlighting significant long-term growth opportunities. Markets such as South Africa, Kenya, Morocco, Egypt, and Nigeria continue to lead the continent in terms of premium volumes, market sophistication, and regulatory development.

Global Reinsurance Outlook (2025–26)

The global reinsurance sector remained focused on profitability, capital discipline, and sustainable underwriting practices during FY2025–26. While market conditions began to stabilise following several years of substantial rate hardening, reinsurers continued to exercise underwriting discipline amidst ongoing catastrophe losses, climate-related risks, and geopolitical uncertainty.

Key industry themes during the year included:

- Continued emphasis on underwriting profitability, technical pricing adequacy, and portfolio optimisation.
- Sustained demand for catastrophe, cyber, specialty, and climate-related reinsurance solutions.
- Increased utilisation of advanced analytics, artificial intelligence, catastrophe modelling, and data-driven underwriting techniques.
- Enhanced focus on capital management, risk diversification, and exposure monitoring across global portfolios.
- Greater scrutiny of underwriting quality, data integrity, and risk management frameworks, particularly in emerging and catastrophe-exposed markets.

African markets continued to attract interest from international reinsurers; however, underwriting appetite remained dependent on pricing adequacy, portfolio performance, and the availability of quality exposure data.

Strategic Response by GIC Re South Africa

Against this evolving economic and industry backdrop, GIC Re South Africa maintained its commitment to disciplined underwriting, prudent capital management, and sustainable growth. The Company continued to focus on strengthening its market position while supporting the development of insurance markets across Africa.

Key strategic initiatives undertaken during the year included:

- Strengthening relationships with insurers, brokers, and regulators across South Africa, the SADC region, and broader African markets.
- Enhancing technical capabilities in pricing, catastrophe modelling, portfolio optimisation, and exposure management through clearly defined underwriting capacities and risk appetites across all classes of business.
- Continuing investment in employee development, technical training, and knowledge-sharing initiatives aligned with international reinsurance best practices.
- Maintaining a balanced and diversified portfolio across product lines and geographic markets while prioritising sustainable profitability and long-term value creation.

GIC Re South Africa remains committed to its role as a trusted African reinsurer, providing capacity, technical expertise, and financial strength to support the sustainable growth and resilience of insurance markets across the continent.

Business Overview

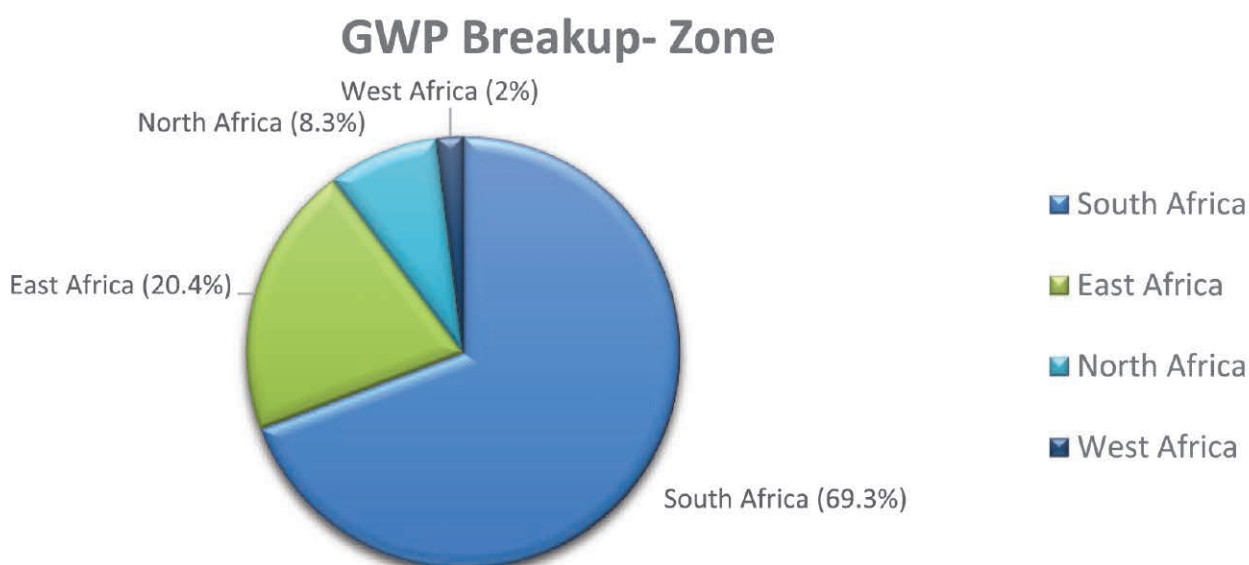
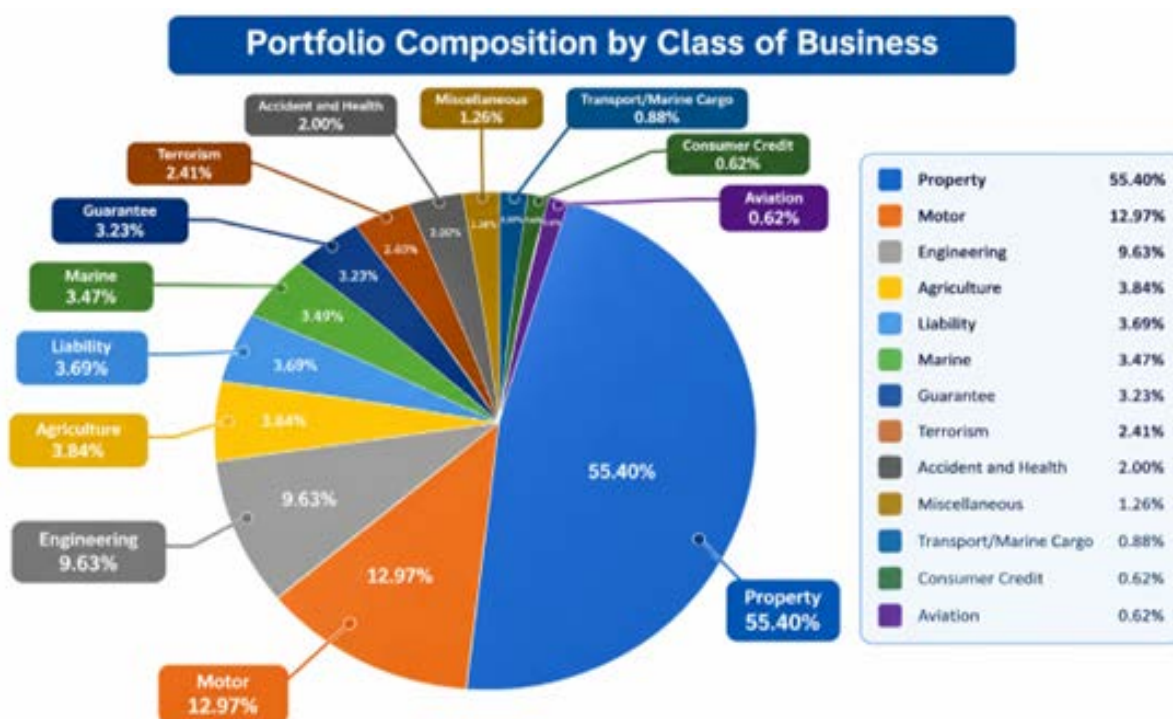
The global reinsurance sector is projected to remain stable in 2026 supported by record-high capital adequacy, robust capitalization levels & lower-than-expected catastrophe losses in recent past. Reinsurer's underwriting results have remained strong & resilient and global Reinsurance capital reached all time high of USD 790 billion as on 31 March 2026. Even so, the first quarter of 2026 started with soft market trend with notable reduction in reinsurance pricing visible across all lines. The widening gap between supply and demand has become the defining feature of the market: A buyer's market with increased pressure on relaxed pricing & terms & to be expected through 2027. South Africa remains the largest reinsurance market in Africa, and local reinsurers are expected to face the competition on supply of additional capacity across the globe with price pressure on Property CAT programs. There were significant risk-adjusted rate reductions in traditional lines while customized coverage & multi-year deals are on high demand. El Niño Means Fewer Predicted Hurricanes – conditions are expected to contribute to a lower hurricane activity in 2026, resulting in fewer storms and potentially more manageable catastrophe (CAT) losses.

The ongoing conflict in the Middle East had no direct impact on the Company during the year. While demand for Marine War and Political Violence and Terrorism (PVT) coverage remains strong, reinsurers continue to exercise caution, maintaining disciplined underwriting practices and carefully managing capacity. In South Africa, the Financial Sector Conduct Authority (FSCA) continues to enforce TCF (Treating Customers Fairly) principles, pressing all stakeholders to ensure transparent terms & accessible disclosures. The East African insurance sector is showing gradual growth despite macroeconomic and geopolitical challenges, driven by a rising demand for risk transfer solutions.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The localization theme is prevalent in the entire East African market. Regulators are increasingly initiating accreditation processes across several markets to benchmark securities with defined minimum rating, standards and principles. In 2025, the insurance penetration rate in East Africa was 1.5%, with Kenya leading at 2.25% , while Tanzania, Uganda, and Ethiopia had lower rates of 0.66%, 0.87%, and 0.3%, respectively. A skills shortage remains a challenge, emphasizing the need to attract talent. This presents both growth potential and challenges, necessitating innovation and enhanced customer engagement.

Artificial Intelligence (AI) evolves from experimentation to enterprise adoption and insurers are advancing with better decision making through better data analytics with AI. Those who pair stronger data and emerging AI-driven analytics with a willingness to embrace bespoke structures will be best positioned for future growth.



STATEMENT OF FINANCIAL POSITION

Figures in Rand	Notes	31 March 2026	31 March 2025 (Restated)
ASSETS			
Cash and cash equivalents	6.2	141 091 342	254 226 830
Other accounts receivable	6.1	4 040 258	4 031 850
Financial assets measured at FVTPL	5.2.1	1 505 431 747	1 269 498 127
Financial assets measured at AC	5.2.2	1 562 484 784	1 338 101 777
Insurance contract assets	4.4	115 923 756	99 249 738
Reinsurance contract assets	4.5	964 581 289	1 001 767 525
Property and equipment	9	2 155 110	3 279 245
Intangible asset	9	1 533 695	-
Current tax receivable	12.2	52 977 820	51 400 068
Total assets		4 350 219 801	4 021 555 160
LIABILITIES			
Insurance contract liabilities	4.4	1 603 370 277	1 695 630 017
Reinsurance contract liabilities	4.5	334 742 420	160 723 827
Other accounts payable	7.1	10 622 991	13 075 305
Lease liability	15	-	1 104 506
Deferred taxation	14	26 918 239	9 414 460
Total liabilities		1 975 653 927	1 879 948 116
EQUITY			
Share capital	10	1 427 577 155	1 142 061 725
Retained earnings		946 988 719	999 545 318
Total equity		2 374 565 874	2 141 607 043
TOTAL LIABILITIES AND EQUITY		4 350 219 801	4 021 555 160

¹ Comparative information was restated to reflect prior period errors identified during the current year. Refer to note 1.5 for additional information.

STATEMENT OF PROFIT OR LOSS

Figures in Rand	Note	31 March 2026	31 March 2025 (Restated)
Insurance revenue	4.1	1 557 316 640	1 710 660 357
Insurance service expenses	4.2.1	(877 455 423)	(1 060 830 413)
Income or expense from reinsurance contracts held	4.3.1	(544 347 799)	(545 823 061)
Allocation of premiums paid		(975 011 934)	(1 186 630 129)
Amounts recovered from reinsurance		430 664 135	640 807 067
Insurance service result		135 513 418	104 006 882
Interest income on AC instruments	5.9	103 151 817	119 727 607
Other interest income	5.9	92 288 621	95 871 304
Net gains on sale of financial assets measured at FVTPL	5.10	21 783 219	35 958 236
Net profit /(loss) on sale of financial assets measured at AC	5.10	7 155 723	1 196 045
Net unrealised profit /(loss) on financial assets measured at FVTPL	5.10	35 663 669	48 156 328
Decrease/(increase) in allowance for expected credit losses	5.11	2 238 769	2 626 414
Foreign exchange (losses)/ gains	5.9	(21 621 968)	(21 817 779)
Dividend income	5.9	39 114 965	13 141 402
Investment management services fees		(8 730 621)	(7 662 152)
Net investment income		271 044 194	287 197 404
Insurance finance expenses from insurance contracts issued	4.2.2	(138 019 407)	(164 607 482)
Finance income from reinsurance contracts held	4.3.2	68 220 618	142 829 392
Total insurance finance income or expenses		(69 798 789)	(21 778 090)
Net realised foreign exchange (losses)/gains on claims and premiums		(11 678 938)	(7 466 409)
Net insurance and investment result		325 079 885	361 959 787
Other operating expenses	8	(21 607 504)	(29 844 450)
Other income		27 652	201 739
Profit before tax		303 500 033	332 317 077
Taxation	13	(70 541 201)	(86 636 855)
Profit after tax		232 958 832	245 680 222

¹ Comparative information was restated to reflect prior period errors identified during the current year. Refer to note 1.5 for additional information.

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Notes	Share capital	Retained earnings	Total equity
Balance at 1 April 2024		1 142 061 725	753 865 096	1 895 926 821
Profit for the period (restated) ¹			245 680 222	245 680 222
Balance at 31 March 2025 (Restated)		1 142 061 725	999 545 318	2 141 607 043
Profit for the period			232 958 832	232 958 832
Issue of shares - capitalisation from retained earnings		285 515 430	(285 515 430)	-
Balance at 31 March 2026	10	1 427 577 155	946 988 719	2 374 565 874

¹ Comparative information was restated to reflect corrections identified during the current year. Refer to note 1.5 for additional information.

STATEMENT OF CASH FLOWS

Figures in Rand	Notes	31 March 2026	31 March 2025
Cash flows from operating activities			
Cash generated by /(utilised from) operations	12.1	125 269 075	(179 594 575)
Interest received	12.1	195 440 439	215 598 910
Interest paid	12.3	(42 326)	(113 577)
Dividends received	12.1	39 114 965	13 141 402
Tax paid	12.2	(54 615 176)	(95 433 914)
Acquisition of financial assets		(3 858 286 203)	(2 916 093 768)
Proceeds on disposal of financial assets		3 443 188 986	3 059 800 777
Net cash (outflow) / inflow from operating activities		(109 930 239)	97 305 256
Cash flows from investing activities			
Additions to property and equipment	9	(594 701)	(2 372 664)
Additions to intangible asset	9	(1 533 695)	-
Proceeds on sale of property and equipment	12	27 652	201 739
Net cash (outflow) from investing activities		(2 100 744)	(2 170 925)
Cash flows from financing activities			
Lease payments	15	(1 104 506)	(946 258)
Net cash outflow from financing activities		(1 104 506)	(946 258)
At the beginning of year		254 226 830	160 038 758
Net (decrease) / increase in cash and cash equivalents		(113 135 489)	94 188 073
At the end of year		141 091 341	254 226 831

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

1.1. STATEMENT OF COMPLIANCE

The annual financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB®) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC® Interpretations) and are in compliance with the Companies Act of South Africa, 71 of 2008.

1.2. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, modified by the revaluation of financial assets at fair value through profit or loss.

The annual financial statements have been prepared on a going concern basis. In adopting the going concern basis, the Board has reviewed the Company's ongoing commitments for the next 12 months and beyond. The Board's review included the Company's strategic plans and updated financial forecasts including capital position, liquidity and credit facilities, and investment portfolio. The Board believes that the Company is well placed to meet future capital requirements and liquidity demands. Based on this review, no material uncertainties, that would require disclosure, have been identified in relation to the ability of the Company to remain a going concern for at least the next 12 months, from the date of the approval of the annual financial statements.

All amounts in the financial statements are presented in South African rand, unless otherwise stated, and are rounded to the nearest rand.

1.3. STANDARDS EFFECTIVE IN 2026

The following amendments are effective for the period beginning on or after 1 January 2026:

The following amendment has been adopted without affecting the Company's previously reported financial results, disclosures or accounting policies. The item below is confirmed not to have had an impact on the Company's financial statements for the 2026 financial year-end.

Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates aims to clarify how an entity should assess whether a currency is exchangeable, how to determine the spot exchange rate when exchangeability is lacking and disclosure in the financial statements to enable the financial users to understand the impact of a currency not being exchangeable.

The implementation of the standard did not result in any material changes to the accounting policies or financial results for the current period.

1.4. STANDARDS NOT YET EFFECTIVE IN 2026

A number of new standards have been issued but not yet effective with earlier application permitted; the Company has not adopted the new standards in preparation of these financial statements.

- IFRS 18 Presentation and disclosure in financial statements;
- IFRS 19 Subsidiaries without public accountability: Disclosures.
- IFRS 9 - Amendments regarding the classification and measurement of financial instruments;
- Annual Improvements to IFRS Accounting Standards – Volume 11;
- IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7); and
- IFRS 20 Regulatory Assets and Regulatory Liabilities

Standards effective for annual periods beginning on or after 1 January 2027:

- IFRS 18 Presentation and disclosure in financial statements
- IFRS 19 Subsidiaries without public accountability: Disclosures.
- Amendments to IAS 21 Translation to a hyperinflationary presentation currency.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The Company is currently assessing the impact of these new accounting standards and amendments. See Note 21 for additional information.

1.5.RESTATEMENT OF FINANCIAL STATEMENTS

Computation error in outstanding Reinsurance (Retrocession) recoveries

During the finalisation of the Annual Financial Statements (AFS) for the year ended 31 March 2026, an error relating to outstanding reinsurance recoveries was identified in the previously approved financial statements for the year ended 31 March 2025. The error resulted in an overstatement of outstanding losses recoverable from reinsurance and consequently, an overstatement of the insurance service result and reported profit for the year ended 31 March 2025. Accordingly, the comparative financial information has been restated, resulting in a reduction in the previously reported profit for the prior financial year. The tax effect arising from the correction resulted in a corresponding reduction in the tax charge, thereby partially offsetting the impact of the restatement on profit after tax. The resulting adjustment has been appropriately reflected in the restated comparative financial information and disclosed below in tabular format.

Restatement of the statement of financial position

Liability for Incurred Claims(LIC) Asset under Reinsurance Contract Assets has been restated to reflect prior period errors identified during the current year.

Restatement of the statement of profit or loss

Amounts Recovered from Reinsurance under held has been restated to reflect prior period errors identified during the current year.

1.5.1.IMPACT OF RESTATEMENT ON INCOME OR EXPENSE FROM REINSURANCE CONTRACTS HELD AND REINSURANCE CONTRACT ASSETS FOR THE YEAR ENDED 31 MARCH 2025

The financial statements for the year ended 31 March 2025 have been restated to correct the errors explained above. The correction resulted in an adjustment to the previously reported income or expense from reinsurance contracts held and the carrying amount of reinsurance contract assets. The restatement also resulted in consequential adjustments to taxation, including current and deferred tax, and the corresponding impact on equity

These adjustments affected the measurement and recognition of the reinsurance contract assets and the related income or expense recognised in the statement of profit or loss. Accordingly, the comparative financial information for the year ended 31 March 2025 has been restated in accordance with the applicable requirements of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The impact of the restatement on the previously reported amounts is set out below:

Particulars	Financial Year ended 31 March 2025		
	Previously stated	Restated figures	Impact of Restatement
Income or (expense) from reinsurance contracts held	(430 830 137)	(545 823 061)	(114 992 924)
Taxation	(117 895 085)	(86 636 855)	31 258 230
Reinsurance contract assets	1 119 954 253	1 001 767 525	(118 186 728)
Current tax receivable	20 725 148	51 400 068	30 674 920
Deferred tax liability	(9 997 771)	(9 414 460)	583 311
Equity	(2 226 515 572)	(2 141 607 043)	84 908 529

1.6.STATEMENT OF CASH FLOWS

Cash flows from financial assets

On the initial application of IFRS 17 and IFRS 9, management considered its business model and concluded that cash flows from financial assets held to back insurance and reinsurance liabilities should be presented as operating activities consistent with the presentation of cash flows from insurance and reinsurance contracts in the statement of cash flows under operating activities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.7.SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

Insurance contracts – note 4.1:

- Unit of account;
- Premium allocation approach eligibility;
- Liability for incurred claims;
- Discount rates;
- Risk adjustment for non-financial risk; and
- Reinsurance commission treatment.

Financial instruments - note 5.1

- Classification of financial instruments; and
- Expected credit loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.1.INSURANCE CONTRACT PORTFOLIO REPORT - PROFIT OR LOSS

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

31 March 2026

Figures in Rand	Facultative Foreign	Facultative Local
Insurance revenue	99 303 212	42 341 077
CSM recognized for services provided	680 984	3 006
Change in risk adjustment for non-financial risk for risk expired	2 460	(3 114)
Expected insurance service expenses incurred:	14 824	(13 694)
Claims	12 864	(12 793)
Expenses	1 960	(901)
Recovery of insurance acquisition cash flows	26 760	230
Expected premium receipts allocation under the PAA	98 578 184	42 354 650
Insurance service expenses	(82 343 668)	(43 294 847)
Incurred insurance service expenses:	(41 043 464)	(30 098 128)
Claims	(39 870 413)	(40 234 797)
Expenses	(2 230 594)	(907 330)
Other movements related to current service	1 057 543	11 043 999
Amortisation of insurance acquisition cash flows	(15 124 684)	(4 994 415)
Changes that relate to past service:	(26 175 521)	(8 123 900)
Changes in estimates in LIC fulfilment cash flows	(9 159 407)	26 268 719
Experience adjustments in claims and other insurance service expenses in LIC	(17 016 113)	(34 392 618)
Changes that relate to future service:	-	(78 405)
Losses for the net outflow recognized on initial recognition	-	-
Losses and reversal of losses on onerous contracts – subsequent measurement	-	(78 405)
Insurance service result (excluding reinsurance contracts held)	16 959 544	(953 770)
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	(3 300 274)	(7 191 938)
Interest accreted on the carrying amount of the CSM	(80 234)	(744)
Interest accreted on present value cash flows	(2 752 855)	(5 463 985)
Interest accreted on risk adjustment	(467 185)	(1 727 209)
The effect of financial risk and changes in financial risk	457 088	(1 329 578)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	7 362 842	-
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	16	(8)
Total insurance finance income or expenses (excluding reinsurance contracts held)	4 519 673	(8 521 524)

Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
192 306 569	240 100 295	180 334 856	802 930 631	1 557 316 640
14 707 388	2 195 015	29 847 347	22 655 001	70 088 740
192 222	103 007	4 009 112	10 168 095	14 471 782
2 297 724	965 900	21 634 572	40 068 457	64 967 783
2 190 891	912 976	21 047 440	39 094 661	63 246 040
106 832	52 924	587 132	973 796	1 721 743
348 352	111 932	974 804	1 156 530	2 618 608
174 760 883	236 724 441	123 869 021	728 882 548	1 405 169 727
(109 102 694)	(62 258 416)	(199 132 904)	(381 322 895)	(877 455 423)
(70 750 944)	(111 408 394)	(167 211 275)	(666 661 108)	(1 087 173 313)
(66 991 356)	(105 833 522)	(164 142 915)	(650 920 828)	(1 067 993 831)
(3 737 498)	(4 593 934)	(8 000 980)	(20 975 636)	(40 445 971)
(22 089)	(980 938)	4 932 620	5 235 355	21 266 489
(17 292 609)	(22 820 611)	(7 956 918)	(19 225 025)	(87 414 261)
(21 050 461)	74 256 087	(18 246 757)	323 414 876	324 074 325
(37 997 667)	89 459 175	11 659 590	224 688 772	304 919 182
16 947 206	(15 203 088)	(29 906 347)	98 726 103	19 155 142
(8 680)	(2 285 499)	(5 717 954)	(18 851 637)	(26 942 174)
(41)	-	(12)	(3 903 568)	(3 903 621)
(8 640)	(2 285 499)	(5 717 941)	(14 948 069)	(23 038 553)
83 203 875	177 841 879	(18 798 047)	421 607 736	679 861 217
(14 425 416)	(21 021 485)	(25 632 035)	(100 668 629)	(172 239 776)
(1 883 033)	(276 361)	(3 703 186)	(3 178 640)	(9 122 197)
(11 577 808)	(18 754 761)	(18 534 920)	(77 298 851)	(134 383 179)
(964 575)	(1 990 362)	(3 393 929)	(20 191 139)	(28 734 400)
2 293 425	(4 847 612)	265 214	(29 236 343)	(32 397 808)
28 817 275	241 038	31 701 541	(1 508 394)	66 614 301
3 825	(931)	60	912	3 876
16 689 109	(25 628 990)	6 334 780	(131 412 454)	(138 019 407)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.1.INSURANCE CONTRACT PORTFOLIO REPORT - PROFIT OR LOSS

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

31 March 2025

Figures in Rand	Facultative Foreign	Facultative Local
Insurance revenue	82 577 907	141 887 326
CSM recognized for services provided	194 156	185
Change in risk adjustment for non-financial risk for risk expired	19 848	10 039
Expected insurance service expenses incurred:	119 235	32 470
Claims	103 899	31 516
Expenses	15 335	954
Recovery of insurance acquisition cash flows	4 062	(25 092)
Expected premium receipts allocation under the PAA	82 240 607	141 869 724
Insurance service expenses	(41 341 054)	10 231 728
Incurred insurance service expenses:	(23 472 190)	(22 349 484)
Claims	(22 169 847)	(21 289 193)
Expenses	(1 606 915)	(893 163)
Other movements related to current service	304 572	(167 127)
Amortisation of insurance acquisition cash flows	(15 625 140)	(3 585 777)
Changes that relate to past service:	(2 242 170)	36 192 721
Changes in estimates in LIC fulfilment cash flows	8 407 556	13 854 675
Experience adjustments in claims and other insurance service expenses in LIC	(10 649 726)	22 338 046
Changes that relate to future service:	(1 553)	(25 733)
Losses for the net outflow recognized on initial recognition	-	(1)
Losses and reversal of losses on onerous contracts – subsequent measurement	(1 553)	(25 732)
Insurance service result (excluding reinsurance contracts held)	41 236 854	152 119 055
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	(6 125 455)	(6 632 927)
Interest accreted on the carrying amount of the CSM	(279 830)	-
Interest accreted on present value cash flows	(5 844 994)	(6 628 553)
Interest accreted on risk adjustment	(631)	(4 373)
The effect of financial risk and changes in financial risk	683 562	(705 878)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	800 230	-
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	(588)	(2 440)
Total insurance finance income or expenses (excluding reinsurance contracts held)	(4 642 251)	(7 341 245)

Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
203 928 804	481 268 817	61 113 982	739 883 520	1 710 660 357
11 598 088	5 549 421	26 228 468	15 455 085	59 025 403
82 166	206 801	4 124 022	5 095 478	9 538 354
936 162	1 830 195	22 783 342	20 905 277	46 606 681
887 147	1 787 540	22 182 032	20 450 106	45 442 240
49 015	42 656	601 310	455 171	1 164 441
57 640	(152 238)	(40 796)	(2 440 822)	(2 597 246)
191 254 749	473 834 638	8 018 946	700 868 502	1 598 087 165
(114 529 208)	1 007 601	(157 209 600)	(758 989 880)	(1 060 830 413)
(59 805 638)	(23 714 605)	(123 121 261)	(635 111 279)	(887 574 456)
(59 681 952)	(23 922 743)	(126 187 528)	(641 317 992)	(894 569 255)
(3 819 905)	(4 362 863)	(4 631 874)	(18 147 333)	(33 462 054)
3 696 219	4 571 001	7 698 140	24 354 046	40 456 852
(20 685 153)	(28 246 869)	(4 882 986)	(12 012 000)	(85 037 924)
(34 033 282)	53 086 895	(20 254 521)	(94 029 542)	(61 279 900)
(80 136 315)	13 293 330	(158 836 203)	310 864 529	107 447 573
46 103 032	39 793 565	138 581 681	(404 894 071)	(168 727 473)
(5 136)	(117 820)	(8 950 832)	(17 837 059)	(26 938 133)
-	(76 165)	(951 429)	(5 577 040)	(6 604 635)
(5 136)	(41 655)	(7 999 402)	(12 260 019)	(20 333 497)
89 399 596	482 276 418	(96 095 618)	(19 106 360)	649 829 944
(26 373 569)	(25 721 427)	(19 111 650)	(92 746 153)	(176 711 180)
(2 715 216)	(575 540)	(3 505 837)	(1 639 102)	(8 715 525)
(23 644 568)	(25 105 104)	(15 485 773)	(90 341 042)	(167 050 034)
(13 786)	(40 783)	(120 040)	(766 008)	(945 621)
4 076 794	(1 887 246)	2 074 596	(5 797 218)	(1 555 391)
8 815 577	-	4 710 712	-	14 326 520
(10 183)	(30 944)	(117 048)	(506 227)	(667 431)
(13 491 381)	(27 639 617)	(12 443 390)	(99 049 599)	(164 607 482)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.2.INSURANCE CONTRACT PORTFOLIO REPORT - BALANCE SHEET

31 March 2026

Figures in Rand	Facultative Foreign	Facultative Local
Assets		
Insurance contract assets	3 360 414	36 664 286
Asset for remaining coverage:	7 163 626	100 972 050
Total estimates of present value of future cash flows:	-	-
Estimates of present value of future cash flows excluding accrual balance	-	-
Liability for remaining coverage of contracts measured under the PAA	7 163 626	100 972 050
Liability for incurred claims:	(3 803 212)	(64 307 764)
Estimates of present value of future cash flows	(3 292 634)	(51 677 521)
Risk adjustment for non-financial risk	(510 578)	(12 630 243)
Total Insurance contract assets	3 360 414	36 664 286
Liabilities		
Insurance contract liabilities	101 304 044	506 752
Liability for remaining coverage:	498 893	(352 475)
Total estimates of present value of future cash flows:	62 065	131 609
Estimates of present value of future cash flows excluding accrual balance	135 608	131 609
Extract of accrual balance	(73 543)	-
Risk adjustment for non-financial risk	(10 749)	(20 707)
Contractual service margin	(2 246 764)	(119 538)
Liability for remaining coverage of contracts measured under the PAA	2 694 342	(343 838)
Liability for incurred claims:	(101 802 937)	(154 278)
Estimates of present value of future cash flows	(85 686 378)	(115 838)
Risk adjustment for non-financial risk	(16 116 558)	(38 440)
Total Insurance contract liabilities	101 304 044	506 752

Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
7 684 633	16 858 866	10 547 738	40 807 820	115 923 756
11 568 555	30 862 688	32 102 492	93 306 234	275 975 646
-	-	-	-	67 883
-	-	-	-	67 883
11 568 555	30 862 688	32 102 492	93 306 234	275 975 646
(3 883 923)	(14 003 823)	(21 554 754)	(52 498 415)	(160 051 890)
(3 713 853)	(12 868 711)	(19 171 393)	(43 906 160)	(134 630 271)
(170 069)	(1 135 112)	(2 383 361)	(8 592 255)	(25 421 619)
7 684 633	16 858 866	10 547 738	40 807 820	115 923 756
311 368 689	44 983 619	397 336 172	747 871 000	1 603 370 277
46 820 005	197 287 057	(121 579 113)	269 850 831	392 525 198
6 111 333	(318 624)	823 501	13 285 419	20 095 303
1 217 133	1 054 801	2 457 890	(12 367)	4 984 674
4 894 200	(1 373 425)	(1 634 389)	13 297 786	15 110 629
(97 360)	(112 567)	(1 941 010)	(13 929 031)	(16 111 424)
(14 917 084)	(2 428 941)	(31 266 474)	(14 415 128)	(65 393 929)
55 723 115	200 147 189	(89 195 130)	284 909 571	453 935 249
(358 188 694)	(242 270 677)	(275 757 059)	(1 017 721 831)	(1 995 895 475)
(326 034 098)	(216 988 587)	(236 594 658)	(812 007 769)	(1 677 427 327)
(32 154 596)	(25 282 090)	(39 162 402)	(205 714 062)	(318 468 148)
311 368 689	44 983 619	397 336 172	747 871 000	1 603 370 277

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.2.INSURANCE CONTRACT PORTFOLIO REPORT - BALANCE SHEET

31 March 2025

Figures in Rand	Facultative Foreign	Facultative Local
Assets		
Insurance contract assets	364 810	24 600 866
Asset for remaining coverage:	516 995	98 936 525
Total estimates of present value of future cash flows:	-	67 883
Estimates of present value of future cash flows excluding accrual balance	-	67 883
Risk adjustment for non-financial risk	-	(6 955)
Contractual service margin	-	(7 361)
Liability for remaining coverage of contracts measured under the PAA	516 995	98 882 958
Liability for incurred claims:	(152 185)	(74 335 658)
Estimates of present value of future cash flows	(142 292)	(57 903 260)
Risk adjustment for non-financial risk	(9 893)	(16 432 399)
Total Insurance contract assets	364 810	24 600 866
Liabilities		
Insurance contract liabilities	77 033 607	751 543
Liability for remaining coverage:	6 833 582	(613 680)
Total estimates of present value of future cash flows:	744 861	-
Estimates of present value of future cash flows excluding accrual balance	76 915	-
Extract of accrual balance	667 946	-
Risk adjustment for non-financial risk	(2 312)	-
Contractual service margin	(1 620 788)	-
Liability for remaining coverage of contracts measured under the PAA	7 711 820	(613 680)
Liability for incurred claims:	(83 867 188)	(137 862)
Estimates of present value of future cash flows	(72 283 795)	(104 286)
Risk adjustment for non-financial risk	(11 583 394)	(33 577)
Total Insurance contract liabilities	77 033 607	751 543

Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
5 621 072	20 909 107	25 725 353	22 028 530	99 249 738
8 791 394	37 471 042	31 951 809	43 989 022	221 656 786
-	-	-	-	67 883
-	-	-	-	67 883
-	-	-	-	(6 955)
-	-	-	-	(7 361)
8 791 394	37 471 042	31 951 809	43 989 022	221 603 220
(3 170 322)	(16 561 935)	(6 226 456)	(21 960 492)	(122 407 048)
(2 986 064)	(15 229 472)	(5 641 688)	(18 107 150)	(100 009 926)
(184 258)	(1 332 463)	(584 768)	(3 853 342)	(22 397 123)
5 621 072	20 909 107	25 725 353	22 028 530	99 249 738
305 042 037	78 499 084	325 459 125	908 844 622	1 695 630 017
40 206 216	170 609 178	(45 146 291)	155 269 845	327 158 849
1 977 063	922 434	3 420 612	3 007 443	10 072 413
815 086	811 267	2 332 539	3 703 122	7 738 929
1 161 977	111 168	1 088 073	(695 679)	2 333 485
(59 028)	(57 940)	(1 377 089)	(8 121 723)	(9 618 092)
(21 752 452)	(2 569 730)	(40 874 276)	(33 694 417)	(100 511 664)
60 040 634	172 314 414	(6 315 538)	194 078 542	427 216 191
(345 248 253)	(249 108 262)	(280 312 834)	(1 064 114 466)	(2 022 788 866)
(319 242 626)	(226 535 363)	(236 880 926)	(856 052 619)	(1 711 099 614)
(26 005 628)	(22 572 898)	(43 431 909)	(208 061 847)	(311 689 252)
305 042 037	78 499 084	325 459 125	908 844 622	1 695 630 017

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.3.REINSURANCE CONTRACT PORTFOLIO REPORT - PROFIT OR LOSS

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

31 March 2026

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Income or expense from reinsurance contracts held	(12 117 972)	(5 706 329)	(96 948 470)	(429 575 028)	(544 347 798)
Allocation of the premiums paid	(12 439 817)	(22 155 318)	(310 917 421)	(629 499 378)	(975 011 934)
Allocation of the premiums paid_total	(12 439 817)	(22 155 318)	(310 917 421)	(629 499 378)	(975 011 933)
Amounts recovered from reinsurance:	321 845	16 448 988	213 968 951	199 924 351	430 664 135
Incurred insurance service expenses:	6 519 347	61 444 055	191 384 183	448 851 571	708 199 156
Claims	8 582 016	60 393 811	190 430 434	481 215 365	740 621 626
Other movements related to current service	(2 062 669)	1 050 244	953 749	(32 363 794)	(32 422 470)
Changes that relate to past service (changes in fulfilment cash flows re LIC):	(6 197 502)	(44 995 067)	22 584 768	(248 927 220)	(277 535 021)
Changes in estimates in LIC fulfilment cash flows	(6 197 502)	(5 115 149)	11 074 031	(254 008 400)	(254 247 021)
Experience adjustments in claims and other insurance service expenses in LIC	-	(39 879 918)	11 510 738	5 081 180	(23 288 000)
Income or expense from reinsurance contracts held	(12 117 972)	(5 706 329)	(96 948 470)	(429 575 028)	(544 347 798)
Finance income/(expenses) from reinsurance contracts held	(1 585 576)	31 406 546	(55 255 691)	93 655 339	68 220 618
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	303 869	22 831 656	20 045 121	75 626 980	118 807 626
Interest accreted on present value cash flows	263 206	18 954 781	16 892 511	62 326 629	98 437 128
Interest accreted on risk adjustment	40 663	3 876 875	3 152 609	13 300 351	20 370 499
The effect of financial risk and changes in financial risk	-	8 574 890	(2 713 243)	18 028 358	23 890 006
Foreign exchange differences on changes in the carrying amount of groups of reinsurance contracts	(1 889 445)	-	(72 587 569)	-	(74 477 014)
Total Finance income/(expenses) from reinsurance contracts held	(1 585 576)	31 406 546	(55 255 691)	93 655 339	68 220 618

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.3.REINSURANCE CONTRACT PORTFOLIO REPORT - PROFIT OR LOSS

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

31 March 2025 (Restated)

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Income or expense from reinsurance contracts held	(155 630 738)	58 229 389	400 018 312	(848 440 025)	(545 823 061)
Allocation of the premiums paid	(467 888)	(111 069 615)	200 499 527	(1 275 592 153)	(1 186 630 129)
Allocation of the premiums paid_total	(467 888)	(111 069 615)	200 499 527	(1 275 592 153)	(1 186 630 129)
Amounts recovered from reinsurance:	(155 162 850)	169 299 005	199 518 785	427 152 127	640 807 067
Incurred insurance service expenses:	(46 284 756)	115 732 087	148 549 169	428 797 886	646 794 386
Claims	(37 459 004)	122 039 824	152 287 175	464 244 855	701 112 850
Other movements related to current service	(8 825 752)	(6 307 738)	(3 738 006)	(35 446 969)	(54 318 464)
Changes that relate to past service (changes in fulfilment cash flows re LIC):	(108 878 094)	53 566 918	50 969 616	(1 645 758)	(5 987 318)
Changes in estimates in LIC fulfilment cash flows	(5 768 207)	(17 891 452)	222 820 834	(202 079 470)	(2 918 295)
Experience adjustments in claims and other insurance service expenses in LIC	(103 109 887)	71 458 370	(171 851 218)	200 433 711	(3 069 024)
Income or expense from reinsurance contracts held	(155 630 738)	58 229 389	400 018 312	(848 440 025)	(545 823 061)
Finance income/(expenses) from reinsurance contracts held	4 005 301	27 486 028	19 252 065	92 085 998	142 829 392
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	8 550 255	23 749 554	29 688 029	81 718 281	143 706 119
Interest accreted on present value cash flows	8 550 255	23 749 554	29 688 029	81 718 281	143 706 119
The effect of financial risk and changes in financial risk	-	3 736 474	(5 474 515)	10 367 718	8 629 676
Foreign exchange differences on changes in the carrying amount of groups of reinsurance contracts	(4 544 954)	-	(4 961 449)	-	(9 506 403)
Total Finance income/(expenses) from reinsurance contracts held	4 005 301	27 486 028	19 252 065	92 085 998	142 829 392

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.4.REINSURANCE CONTRACT PORTFOLIO REPORT - BALANCE SHEET

31 March 2026

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Assets					
Reinsurance contract assets	9 805 723	184 365 016	770 410 550	-	964 581 289
Asset for remaining coverage:	9 805 723	(127 566 005)	245 081 579	-	127 321 297
Liability for remaining coverage of contracts measured under the PAA	9 805 723	(127 566 005)	245 081 579	-	127 321 297
Liability for incurred claims:	-	311 931 020	525 328 971	-	837 259 992
Estimates of present value of future cash flows	-	257 200 287	436 931 571	-	694 131 859
Risk adjustment for non-financial risk	-	54 730 733	88 397 400	-	143 128 133
Total Reinsurance contract assets	9 805 723	184 365 016	770 410 550	-	964 581 289
Liabilities					
Reinsurance contract liabilities	-	-	-	(334 742 420)	(334 742 420)
Liability for remaining coverage:	-	-	-	(1 142 005 230)	(1 142 005 230)
Liability for remaining coverage of contracts measured under the PAA	-	-	-	(1 142 005 230)	(1 142 005 230)
Liability for incurred claims:	-	-	-	807 262 810	807 262 810
Estimates of present value of future cash flows	-	-	-	671 617 240	671 617 240
Risk adjustment for non-financial risk	-	-	-	135 645 571	135 645 571
Total Reinsurance contract liabilities	-	-	-	(334 742 420)	(334 742 420)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.4.REINSURANCE CONTRACT PORTFOLIO REPORT - BALANCE SHEET

31 March 2025 (Restated)

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Assets					
Reinsurance contract assets	11 713 905	191 199 887	798 853 733	-	1 001 767 525
Asset for remaining coverage:	11 713 905	(126 021 376)	276 911 847	-	162 604 375
Liability for remaining coverage of contracts measured under the PAA	11 713 905	(126 021 376)	276 911 847	-	162 604 375
Liability for incurred claims:	-	317 221 263	521 941 886	-	839 163 149
Estimates of present value of future cash flows	-	264 529 130	438 206 346	-	702 735 476
Risk adjustment for non-financial risk	-	52 692 134	83 735 540	-	136 427 674
Total Reinsurance contract assets	11 713 905	191 199 887	798 853 733	-	1 001 767 525
Liabilities					
Reinsurance contract liabilities	-	-	-	(160 723 827)	(160 723 827)
Liability for remaining coverage:	-	-	-	(1 094 047 275)	(1 094 047 275)
Liability for remaining coverage of contracts measured under the PAA	-	-	-	(1 094 047 275)	(1 094 047 275)
Liability for incurred claims:	-	-	-	933 323 447	933 323 447
Estimates of present value of future cash flows	-	-	-	783 298 158	783 298 158
Risk adjustment for non-financial risk	-	-	-	150 025 289	150 025 289
Total Reinsurance contract liabilities	-	-	-	(160 723 827)	(160 723 827)

3. RISK AND CAPITAL MANAGEMENT

3.1. Objective and framework

The Company is exposed to various insurance and financial risks. These risks cause uncertainty and therefore the challenge for management is to determine what level of uncertainty is acceptable for insurance business as it strives to enhance stakeholder value. Sound underwriting principles are applied when reinsurance contracts are underwritten. In order to ensure that each contract is comprehensively evaluated for underwriting and rating purposes, strict underwriting guidelines, agreed to with the parent Company, are followed. The underwriting guidelines stipulate the type of risks that could be underwritten, as well as the acceptable exposure per risk. The Company's principles are integrated with the management of financial risks associated with the Company's other classes of financial assets and liabilities not directly associated with insurance and reinsurance contracts.

The Company commenced its operations on 01 January 2015 and is underwriting non-life reinsurance business emanating from Sub-Saharan Africa. In the month of October 2017, the Company's territorial scope was widened to underwrite business from 5 North African Countries namely Algeria, Tunisia, Morocco, Sudan and South Sudan and from 01 January 2022, the territorial scope was further extended to write business from Egypt and Libya. As a result, the Company has been underwriting business from the entire Africa continent.

The Company has regarded its concentration in South Africa as a primary concern from the point of view of Primary peril & secondary peril exposures. To mitigate the underwriting risk, the Company has in place a 65% Whole Account Quota Share Treaty and whole account excess of loss treaty for the retained book with GIC of India, UK Branch. Further, based on its internal assessment and a catastrophe model sourced from a third party, the Company has calculated realistic disaster scenario in any one catastrophe with more than 1/250 years return period. As a matter of precaution, the Company has procured excess of loss protection from GIC of India, UK Branch, amounting to US\$ 40 million in excess of US\$ 2.5 million for the year ended 31 March 2026. For the previous year (2024–25), the protection was US\$ 48 million in excess of US\$ 1 million. These arrangements serve to safeguard the Company's capital in the event of a catastrophe loss.

The Company launched additional products in 2018 namely (1) Stand-alone Political Violence and Terrorism (PVT) and (2) Retakaful business. For the PVT business, the Company is closely monitoring its exposures and has retained this business to its net account. The Retakaful business is covered under the existing Whole Account Quota Share Treaty and the Whole Account Excess of Loss protection.

3.2. Risk assessment process

The Company's risk assessment process consists of risk identification, risk analysis, risk evaluation and risk management of those risks that are relevant to the Company's strategic objectives. Risks are identified from a strategic and operational perspective to create and maintain an integrated view of material risk exposures. Risk analysis provides an input to risk evaluation and informs decisions on how the risks need to be treated. Risk analysis involves consideration of the causes and sources of risk, their positive and negative consequences and the likelihood that those consequences may occur.

The Company analyses quantifiable risks in the following risk categories:

- Insurance risk (consisting of underwriting and reinsurance risk);
- Credit risk;
- Market risk; and
- Operational risk.

3.2.1. Insurance risk

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

- Underwriting risk; and
- Reinsurance (retrocessionaire) risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

3.RISK AND CAPITAL MANAGEMENT (CONT)

Underwriting risk

Insurance risk transferred by cedants to the Company relates the possibility that the insured events occur and the uncertainty of the amount or timing of the resulting claim. By the very nature of an insurance contract, this risk is random; however, it can be estimated with a certain level of reliability.

Underwriting risk results from fluctuations in the timing, frequency and severity of insured events. It includes the risk that premium provisions (liabilities for remaining coverage) turn out to be insufficient to compensate for expected future claims, that the claims provisions (liability for incurred claims) raised for both reported and unreported claims are inadequate, as well as the risk resulting from the volatility of expense payments.

The Company manages underwriting risk through its underwriting strategy and proactive claims handling. The underwriting strategy aims to ensure that the portfolio of insurance contracts issued is well diversified and reasonably priced. Claims costs are actively managed to ensure that the impact of factors such as the volatility of the Rand is adequately addressed. The Company also obtained third-party retrocession cover to reduce risks from single events or accumulations of risk that could have a significant impact on the current year's earnings or the Company's capital.

The reinsurance contracts underwritten by the Company comprise:

- Property reinsurance: contracts that indemnify against physical loss or damage and the financial consequences from a loss or damage to land and buildings.
- Transport reinsurance: contracts that indemnify against losses from the possession, use or ownership of a vessel, aircraft or other craft for the conveyance of persons or goods.
- Accident reinsurance: contracts that indemnify against losses from a variety of risks. These include:
 - » Motor;
 - » Personal accident and health;
 - » Guarantee;
 - » Liability;
 - » Engineering; and
 - » Miscellaneous.

The largest claims development uncertainty is concentrated in those classes that are classified as long tail. Long tail business is defined as reinsurance contracts under which claims are typically not settled within one year of the occurrence of the events giving rise to the claims. In long tail classes, there is still significant scope for future development, positive or negative, both in the number of claims, as well as the value of the claims.

3.2.2 Credit risk

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

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

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

Under the terms of the retrocession agreements, Retrocessionnaire agree to reimburse the ceded amount in the event that a gross claim is paid. However, the Company remains liable to its cedants regardless of whether the Retrocessionnaire meets the obligations it has assumed. Consequently, the Company is exposed to credit risk.

The Company reinsures with GIC of India, UK (the branch of GIC Re India). GIC of India has been rated A- (Excellent) by A.M Best and AAA (Stable) by Care Edge ratings. GIC of India, UK Branch has provided a 65% whole account Quota Share Treaty and whole account Excess of Loss cover. Exposure to individual policyholders and groups of policyholders are monitored as part of the credit control process. Reputable financial institutions are used for investing and cash handling purposes. Except for amounts due from the Company's reinsurance contracts, none of the Company's financial assets exposed to credit risk are more than 365 days past due or impaired. The Company does not hold any collateral as security for these receivables.

3.RISK AND CAPITAL MANAGEMENT (CONT)

3.2.3.Market risk

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

- Equity and similar securities;
- Interest-bearing investments;
- Deposits and similar securities;
- Insurance contract assets;
- Reinsurance contract assets;
- Other accounts receivables; and
- Cash and cash equivalents.

3.2.3.1.Equity price risk

The Company is subject to price risk due to the impact that volatility in the market has on the value of its equity portfolios resulting in either a positive or negative effect on the net asset value of the Company. The Company has a well-defined investment strategy, including return objectives, asset allocation, portfolio construction and asset manager selection. The strategy has been translated into various specialist mandates which in turn have been outsourced mostly to Aylett Fund Managers. Further details are disclosed in note 5.4.

3.2.3.2.Currency risk

Foreign currency risk is the risk that the Company will be negatively impacted by changes in the level or volatility of currency exchange rates relative to the South African Rand. Further details are disclosed in note 5.7. The risk associated with foreign currency fluctuations is mitigated by maintaining separate ZAR, EUR and USD banking arrangements and transacting claims and premiums in the same currency as the cedant. This reduces exposure to foreign exchange movements arising from currency conversions.

3.2.4.Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet the commitments associated with its financial obligations as a result of assets not being available in a form that can immediately be converted into cash. The Company ensures that its solvency meets the regulatory requirements at all times by maintaining a high level of liquidity. The Company follows the regulatory provisions, in conjunction with prudential norms laid out by the Board of directors, with regard to the investment of its funds. The general investment strategy is to use cash as the default asset class. Equity exposure is maintained at lower levels. The Company maintains liquid assets which can be used for immediate cash flow requirements.

The Company performs a currency-wise asset and liability management exercise every quarter and any decision on conversion of currencies is taken in the Risk Committee.

For Rand, funds are invested in such a way as to offer maximum flexibility and high liquidity.

3.2.5.Operational risk

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

3.RISK AND CAPITAL MANAGEMENT (CONT)

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

3.3.Solvency and capital management

Capital adequacy risk is the risk that the Company is holding insufficient funds to cover material negative variations in actual future experience. The Company must maintain a capital balance that will be at least sufficient to meet obligations in the event of substantial deviations, such as a 1-in-200-year event, from the main risk assumptions affecting the Company's business.

The overall capital management objectives of the Company are:

- to comply with the requirements set by the Prudential Authority and the Financial Sector Conduct Authority (FSCA);
- to protect policyholders against adverse results that may affect the solvency of the Company and therefore its ability to meet its financial obligations;
- to retain sufficient capital to fund the strategic objectives of the Company; and
- to provide an adequate return for the shareholder and benefits for other various stakeholders. The material components to the capital management process are described in more detail below.

The Company is subject to insurance solvency regulations in the territory in which it issues insurance contracts and where it has complied with all the local solvency regulations. The Company has embedded in its processes, the necessary tests to ensure continuous and full compliance with such regulations.

The table below summarises the minimum required capital for the Company and the regulatory capital held. The current year is, in general, an estimate that is updated once calculations prepared for the regulators are final.

	2026	2025
Regulatory capital held	2.81	2.88
Minimum regulatory capital	1	1

3.4.Regulatory and compliance risk management

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

The Financial Sector Regulation Act, 2017 commenced on 1 April 2018 and established two regulatory authorities, the Financial Sector Conduct Authority (the FSCA), to regulate and supervise financial services providers and improve market conduct to ensure fair outcomes to financial clients, and the Prudential Authority (the PA) who is focussed on the financial soundness of the financial system and insurers. The Company submits quarterly and annual returns to the Prudential Authority (PA) in terms of the Insurance Act, 2017. The Company is required to at all times to maintain a minimum capital adequacy requirement as defined in the Insurance Act, 2017.

The Company, with the assistance of its consulting actuary, has addressed the capital needs under the Solvency Assessment and Management (SAM) regime (from July 2018) and has complied with the transitional reporting requirements as communicated by the Regulator.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

3. RISK AND CAPITAL MANAGEMENT (CONT)

3.5. Conduct risk

Conduct risk is the risk that an entity's behaviour may result in unfair treatment of its clients. These risks can manifest through insurance product design, sales process, various distributional channels adopted by the entity, conflicts of interest between distribution channels that may arise in the distribution of insurance products, remuneration strategies, handling of claims and/or complaints management.

As part of our risk management framework, the Chief Underwriting Officer (CUO) plays a critical role in monitoring conduct risk across the organisation. The CUO is responsible for escalating any matter identified to senior management for resolution. In cases where senior management requires additional support or guidance, the matter is further escalated to the Risk committee for thorough assessment and informed decision making. This multi-tiered approach ensures that conduct risk is identified, assessed and mitigated in a timely and effective manner.

4. INSURANCE AND REINSURANCE CONTRACTS

Insurance and reinsurance contract analysis

31 March 2026

Figures in Rand	Notes	Assets	Liabilities	Net
Premium allocation approach	4.4.1	115 923 756	(1 461 829 921)	(1 345 906 165)
General measurement model	4.4.3	-	(141 540 356)	(141 540 356)
Insurance contract assets/(liabilities)		115 923 756	(1 603 370 277)	(1 487 446 521)

31 March 2025 (Restated)

Figures in Rand	Notes	Assets	Liabilities	Net
Premium allocation approach	4.4.1	99 249 738	(1 525 174 355)	(1 425 924 617)
General measurement model	4.4.3	-	(170 455 662)	(170 455 662)
Insurance contract assets/(liabilities)		99 249 738	(1 695 630 017)	(1 596 380 279)

4. ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS

a)

Classification

The Company issues reinsurance contracts in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities. These contracts are deemed to transfer significant insurance risk to the entity, arising from the significant insurance risk accepted by cedants from the underlying insurance contracts issued by those entities.

Insurance and reinsurance contracts

A contract is classified as an insurance contract where one party (the issuer) provides insurance coverage by accepting significant insurance risk when agreeing with another party (the policyholder) to pay benefits if a specified uncertain future event (the insured event) adversely affects the policyholder or other beneficiary. Significant insurance risk is assessed on a contract level and exists where there is at least one scenario in which the insured event results both in significant additional payments and also in an overall loss to the Company on a present value basis. In the normal course of business, the Company uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss. The accounting model applied to these insurance contracts (including reinsurance contracts issued and/or held) for liability measurement purposes is the General Measurement Model (GMM) unless the Premium Allocation Approach (PAA) applies.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

Scope and Separation

Contracts entered into with the same or related counterparty and that are designed to achieve an overall commercial effect are considered a single contract for the purpose of assessing whether significant insurance risk was transferred to the Company.

The Company issues non-life reinsurance to other insurers. Non-life insurance products offered include:

- Motor;
- Property;
- Agriculture;
- Engineering;
- Marine;
- Aviation;
- Transport;
- Liability;
- Consumer Credit;
- Trade Credit;
- Guarantee;
- Accident & Health;
- Travel;
- Miscellaneous; and
- Political Violence and Terrorism (PVT).

The Company reinsures its business using a mixture of retrocession agreement types. The following reinsurance (retrocession) agreements were in place during the reporting period:

- Quota Share Treaty; and
- Excess of Loss Treaty.

The Company's reinsurance treaties, including all product features, meet the insurance risk transfer requirements and thus fall within the scope of IFRS 17 to be accounted for as reinsurance contracts. Likewise, all retrocession agreements are treated as reinsurance contracts held as defined by IFRS 17. The Company does not issue any contracts with direct participation features.

Separating components from insurance and reinsurance contracts

The Company assesses its non-life insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

Aggregation

IFRS 17 mandates that insurance contracts be aggregated into portfolios for measurement. Contracts in a portfolio are managed together and share similar risk profiles. The Company organises these portfolios at the class of insurance level. Each portfolio is further divided into groups based on whether contracts are:

- Onerous at initial recognition,
- Have no significant possibility of becoming onerous subsequently at initial recognition, and
- Remaining contracts.

For IFRS 17 profit recognition, contracts are aggregated into groups that include contracts issued or renewed in a particular financial year, using the same measurement approach and having similar expected profitability, divided by business line. Reinsurance treaties are assigned to groups based on business lines, while facultative reinsurance agreements are grouped by expected profitability, inception year, and risks covered. Contracts are assigned to a group at initial recognition and remain in that group until the contract boundary is reached. The premium allocation approach (PAA) is predominantly applied, with each cohort year's contracts assigned to a group due to their similar expected profitability. The general measurement model (GMM) is applied to the engineering portfolio.

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

A contract is considered onerous if the fulfilment cash flows at initial recognition result in a net outflow. The Company aims to grow a profitable and sustainable business and does not anticipate recognizing onerous contracts except in specific scenarios, such as:

- Relevant pricing decisions,
- Initial stages of new business acquisition where underlying contracts are onerous,
- Other strategic decisions by the Board.

For contracts measured under the PAA, if a product has been loss-making in the past, the profitability bucket for contracts with no significant possibility of becoming onerous is not used. Refer to the critical accounting estimates and judgments below.

b)Derecognition and modification

The Company derecognises a contract when the rights and obligations relating to the contract are extinguished, i.e. expired, discharged, or cancelled. The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, consistent with the criteria set out in the standard, or if the contract is transferred to a third party. Where terms are modified, a new contract on the modified terms is recognised. If a contract is transferred to a third party, then Company adjusts the contractual service margin of the group of insurance contracts from which the contract has been derecognised based on the difference between the change in the carrying amount of the group of insurance contracts resulting from the contract being derecognised and the premium charged by the third party. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows. For a contract measured under the PAA, the liability for remaining coverage of the group of insurance contracts is adjusted to reflect the amount refunded to the policyholder (or the premium that would have been received for a new contract in the case of a contract modification or the amount paid to a third party in the case of a transfer) other than for settlement of incurred claims.

Recognition

Groups of insurance contracts issued are initially recognised from the earliest of either the beginning of the coverage period, or the date when the first payment from the cedant is due or actually received, if there is no due date. Onerous contracts are recognised when the contract is accepted, if this is earlier than when the first premium is due, and the beginning of the coverage period. Insurance contracts acquired in a business combination, or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer. The Company recognises a group of reinsurance contracts held from their commencement or renewal date, except where:

- the group of reinsurance contracts relate to an onerous group of underlying insurance contracts, the recognition date is when the Company recognises the onerous group of underlying insurance contracts;
- the group of reinsurance contracts held provides proportionate coverage, the recognition date is not earlier than the date that any underlying insurance contract is initially recognised; or
- the first premium is due earlier than this in which case, this date is used.

Modification and derecognition

The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)

Or

- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract when a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

Contract boundaries

Contract Boundary of Insurance contracts

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

- the Company has the practical ability to reprice the risks of the cedant or change the level of benefits so that the price fully reflects those risks; or
- both of the following criteria are satisfied:
 - »the Company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
 - »the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

To determine the contract boundary, the Company considers:

- The specified coverage period,
- Termination rights allowing contract termination with notice,
- Clauses allowing review of premium rates and terms before the coverage period ends,
- Premium structure relative to risk exposure, and
- The presence of contractual options that might extend the coverage period.

c) Measurement

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

Initial measurement for contracts not measured under the premium allocation approach.

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

- the fulfilment cash flows related to service to be provided under the contract in future periods; and
- the contractual service margin (CSM).

Fulfilment Cash Flows

Cash flows within the contract boundary relate directly to the fulfilment of the contract, including discretionary payments to cedants, insurance acquisition cash flows, and other costs incurred in fulfilling contracts such as claims handling, maintenance, administration costs, recurring commissions, and taxes chargeable to cedants. These cash flows include both direct costs and an allocation of fixed and variable overheads. Fulfilment cash flows are unbiased, probability-weighted estimates of future cash flows, based on all reasonable and supportable information available at the reporting date, including historical data and current expectations. These cash flows are determined separately for insurance and reinsurance contracts and allocated to groups of insurance contracts for measurement. Fixed overheads that are directly attributable to the fulfilment of insurance contracts are allocated to groups of insurance contracts using systematic and rational allocation methods based on relevant cost drivers. The estimates reflect the Company's view of current conditions, consistent with observable market prices, and exclude future legislative changes until they are substantively enacted. An explicit risk adjustment for non-financial risk, representing the compensation for uncertainty, is estimated separately and forms part of the fulfilment cash flows.

Reinsurance contracts

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

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued which represents the unearned profit that the Company expects to recognise as it provides insurance contract services. If a group of insurance contracts is not onerous at initial recognition, the CSM is measured as the equal and opposite amount

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

of the net inflow resulting from the total of the fulfilment cash flows, any derecognised assets or liabilities for insurance acquisition or other cash flows paid before the recognition date. This results in no income or expenses arising on initial recognition. If a group of insurance contracts is onerous at initial recognition, the Company immediately recognises this net outflow in profit or loss. Following this, a loss component is created to represent these losses recognised in profit or loss, which determines the amounts that are subsequently presented in profit or loss as an increase or reversal of losses on onerous groups of insurance contracts. For reinsurance arrangements a loss recovery component is established when underlying onerous insurance contracts are recognised, which will offset the insurance losses for the portion of the contracts being reinsured. The loss recovery component is not established before the underlying onerous contracts are recognised.

Discount rates

The estimates of future cash flows are adjusted to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of future cash flows. The discount rates applied to the estimates of the future cash flows:

- reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;
- are consistent with observable current market prices (if any); and
- exclude the effect of factors that influence such observable market prices, but do not affect the future cash flows of the insurance contracts.

See additional information in the significant judgements disclosure note below.

Insurance contracts – initial measurement

Except for the engineering portfolio, the Company applies the premium allocation approach (PAA) to all insurance contracts that it issues and reinsurance contracts that it holds, as:

- The coverage period of each contract is one year or less, including insurance contract services arising from all premiums within the contract boundary, Or
- For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general measurement model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

- The length of the coverage period of the group of contracts

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- Minus any insurance acquisition cash flows at that date,
- Plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised. Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

Retrocession contracts held – initial measurement

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue. Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses. The Company calculates the loss-recovery component by 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 Company uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

Subsequent measurement for contracts measured under the premium allocation approach

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

- plus the premiums received in the period;
- minus insurance acquisition cash flows;
- plus any amounts relating to the amortisation of insurance acquisition cash flows;
- plus any adjustment to a finance component (refer below);
- minus the amount recognised as insurance revenue for services provided in that period.

The time value of money and the effect of financial risk are not allowed for when calculating the liability for remaining coverage except for when the time between receiving premiums and providing coverage is more than a year. The Company does not include discounting within its liabilities held for remaining coverage for PAA. The Company discounts its liabilities held for incurred claims (LIC).

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims.

The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company, and include an explicit adjustment for non-financial risk (the risk adjustment). The Company adjusts future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims.

Insurance acquisition cash flows are allocated on a straight-line basis to profit or loss (through insurance revenue).

d)Critical accounting estimates and judgements

i)PAA Eligibility

The Company applies an assessment hierarchy to test whether a group of insurance contracts or reinsurance (retrocession) contracts is eligible to be estimated using the PAA using four levels.

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

The sequential steps are only carried out until the test is successful. Where, after step iii, the test has still failed, the general measurement model (GMM) is applied. The Company only applies the PAA where it believes future annual testing of eligibility will produce a similar successful result. GIC Re may choose to move from test (i) down to step (iv) and not conduct the interim qualitative or quantitative tests. Criteria (i) of the assessment hierarchy above is met by all reinsurance contracts issued (aside from Engineering business) and retrocession agreements held by the Company, given that the coverage periods within the boundaries of the contract are 12 months or less. There was no need to perform any further assessment to determine the PAA eligibility of these contracts.

An assessment is performed, at least annually, by updating the fulfilment cash flows (best estimate and corresponding risk adjustment) under reasonably expected scenarios, which would affect cash flow variability. Relative materiality threshold will be defined for each portfolio based on ensuring that the combined absolute impact of all IFRS 17 groups with coverage periods longer than a year applying the PAA falls within an absolute measure of materiality for the entity for each future year.

ii) Level of aggregation

The split of profitable contracts between those with no significant possibility of becoming onerous and those with a significant probability of becoming onerous requires critical judgement. Any detailed profitability and profitability criteria assumptions will be reviewed annually prior to the end of annual financial reporting period. If new products are launched during the year, the premium rate setting assumptions will be used to incorporate the new product within the aggregation processes.

iii) Coverage units

The contractual service margin (CSM) under IFRS 17 represents the liability for expected future profits for the Company's reinsurance products and retrocession agreements measured under the general measurement model. This margin is released over the coverage period for each group of insurance contracts as services are provided, determined by the total sum assured or reinsured for each period. The coverage units are discounted using the discount rate applicable at the inception of the insurance contract group. Given the potential material impact of the time value of money on the CSM, the Company discounts these coverage units over the coverage term, ensuring the discount rate used is the one from the initial recognition of each group of contracts. The Company uses the same discount rate at each reporting period to discount the coverage units that is used to accrete the contractual service margin. Consequently, more weight is given to current period coverage units compared to those in future years, thus bringing the recognition of the contractual service margin forward.

iv) Discount rates

Discount rates have been determined by the Company using a bottom-up approach. In the bottom-up approach, the discount rate for each group of insurance contracts is determined by the liquid risk-free discount rate and a liquidity risk premium that is pertinent to the liquidity characteristics of the contracts. The liquid, risk-free discount rates are determined by government bond yield curves. A Liquidity Risk Premium (LRP) adjustment is applied to this curve in accordance with the liquidity characteristics of the products. Product liquidity characteristics have been classified into four buckets: Fully Liquid, Partially Liquid, Moderately Illiquid, and Fully Illiquid. The LRPs are determined by analysing the spreads of South African corporate bonds and market instruments. The spreads are compared to government bond yields of similar duration, as the instruments have varying liquidity, instrument type, and duration. New business written during the year is subject to the closing discount rates of the previous year. For claims that are anticipated to be settled within 12 months, IFRS 17 permits a policy decision regarding whether to modify the measurement to account for the time value of money and other financial risks. The Company does not incorporate discounting into its liabilities for remaining coverage when it employs the premium allocation approach, unless the application pertains to a group of onerous contracts. In this case, the same risk adjustment percentage is applied to both the liability for remaining coverage and incurred claims.

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Company generally determines the risk-free rates using the published SAM forward rates for South African business; and the European Insurance And Occupational Pensions Authority (EIOPA) published risk-free curves for foreign business. To reflect the liquidity characteristics of the insurance contracts, the risk-free yield curves are adjusted by an illiquidity premium. Illiquidity premiums are generally determined by calculating market spreads of other market instruments, against the risk-free rates and after allowing for credit risk. A factor of illiquidity premiums is applied to categories of products, determined by the cashflow and risk characteristics specific to that product:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Factor Applied to Illiquidity Premium	0	0.33	0.67	1
Category	Fully liquid	Partially liquid	Moderately illiquid	Illiquid
Line of business	Motor	Accident & Health	Liability	
	Agriculture	Property	Engineering	
	Aviation	Guarantee		
	Transport	Marine		
		Inwards		
		Reinsurance		
		PVT		
		RTK		
		MIS		

v) Confidence Level

The Company maintains a balanced business portfolio and manages capital under a comprehensive risk appetite framework, which is outlined in a risk appetite statement. The primary areas that have been identified are as follows

- Capital adequacy;
- Capital preservation;
- Capital utilisation;
- Credit rating;
- Balance of portfolio;
- Sustainable underwriting portfolio; and
- Sustainable human resources.

The solvency risk appetite statement requires that the Solvency Capital Requirement (SCR) be covered by the own funds by a minimum of 1.15 times (absolute minimum), with an ideal range of 1.50 to 1.75 times.

The Company is categorised as an overall risk averse entity due to its risk appetite. Capital coverage ratios must consistently exceed the regulatory minimum requirements, despite profit emergence being subject to variation in relation to the budget. As a result, the Board has determined to implement the risk adjustment at the 75th percentile confidence level which represents a reasonable balance for the Company.

vi) Risk-adjustment for non-financial risk

The risk adjustment for non-financial risk allows for the compensation required for being exposed to the insurance, lapse and expense risks contained within our business classes. A confidence level technique, calibrated to a 75th percentile confidence level of the risk, is used to determine the level of the risk adjustment required. The risk adjustment is converted into a margin for adverse deviation or factors on present value of cash flows which is a margin for adverse deviation technique is used. This margin was determined by calculating the ratio between the best estimate reserves and those at a 75th percentile, using stochastic methods applied to Cape Cod reserving. Where historic data credibility is insufficient and where industry data is unable to assist with the formulation of the standard deviation, the standard deviation will be set at a prudent level appropriate to the risks covered. We have used the 80th percentile for the reserving segments where we did not have sufficient data and had to use an alternative reserving segment as a proxy.

For reinsurance contracts held, the Risk Adjustment is based on the amount of risk transferred by the holder to the issuer of the contract (the retrocessionaire) which does not include the risk of reinsurer default which is allowed for within the cashflow estimates.

vii) Reinsurance commission treatment

Reinsurance commission, not contingent on claims, is accounted for by netting the commission off against premiums paid. This approach is applied where the claim experience is zero, and the commission received does not represent a cost of selling or acquisition.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.ACCOUNTING POLICY - INSURANCE AND REINSURANCE CONTRACTS (CONT)

Climate related risks

The impact of climate related risks has been considered and the impact (on insurance contract and reinsurance contract assets and liabilities) has been noted to be immaterial.

Insurance revenue

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

Insurance service expense

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

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

Insurance service expenses arise for the Company when the Company incurs costs related to fulfilling its obligations under the insurance contracts. These expenses are incurred in providing the insurance coverage and include various costs associated with claims processing, policy administration, underwriting, and other activities necessary for the management and servicing of the insurance contracts. For all products measured under the PAA, there is no material difference in the incidence of claims nor in the severity of claims over the full coverage period. A 365ths pattern of earning is applied.

Income or expenses from reinsurance contracts held

The Company's reinsurance (retrocession) agreement stipulates a fixed percentage commission on the retrocession premium, payable at the outset and not influenced by the claim experience during the coverage period. This commission is treated as a reduction of premiums rather than a contingent expense and is netted off from the retrocession premiums paid for the period.

The interest paid on retrocession reserve deposit is treated as in the same way of retrocession premium and is shown under the Allocation of Premiums paid.

In the statement of financial performance, the Company will separately present retrocession income and expenses:

- Reinsurance expenses will be consolidated into a single line item titled "Allocation of premiums paid."
- Reinsurance income will be reported as "Amounts recovered from reinsurance," with further details provided in the reconciliation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.1.INSURANCE REVENUE

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

31 March 2026

Figures in Rand	Facultative Foreign	Facultative Local	Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
Contracts not measured under the PAA							
CSM recognized for services provided	680 984	3 006	14 707 388	2 195 015	29 847 347	22 655 001	70 088 740
Change in risk adjustment for non-financial risk for risk expired	2 460	(3 114)	192 222	103 007	4 009 112	10 168 095	14 471 782
Expected insurance service expenses incurred:	14 824	(13 694)	2 297 724	965 900	21 634 572	40 068 457	64 967 783
Claims	12 864	(12 793)	2 190 891	912 976	21 047 440	39 094 661	63 246 040
Expenses	1 960	(901)	106 832	52 924	587 132	973 796	1 721 743
Recovery of insurance acquisition cash flows	26 760	230	348 352	111 932	974 804	1 156 530	2 618 608
Total Revenue from Contracts Not Measured Under PAA	725 027	(13 573)	17 545 686	3 375 855	56 465 835	74 048 083	152 146 913
Contracts Measured Under the PAA							
Expected premium receipts allocation under the PAA	98 578 184	42 354 650	174 760 883	236 724 441	123 869 021	728 882 548	1 405 169 727
Total Revenue from Contracts Measured Under PAA	98 578 184	42 354 650	174 760 883	236 724 441	123 869 021	728 882 548	1 405 169 727
Total Revenue from Insurance contracts	99 303 212	42 341 077	192 306 569	240 100 295	180 334 856	802 930 631	1 557 316 640

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.1.INSURANCE REVENUE

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

31 March 2025

Figures in Rand	Facultative Foreign	Facultative Local	Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
Contracts not measured under the PAA							
CSM recognized for services provided	194 156	185	11 598 088	5 549 421	26 228 468	15 455 085	59 025 403
Change in risk adjustment for non-financial risk for risk expired	19 848	10 039	82 166	206 801	4 124 022	5 095 478	9 538 354
Expected insurance service expenses incurred:	119 235	32 470	936 162	1 830 195	22 783 342	20 905 277	46 606 681
Claims	103 899	31 516	887 147	1 787 540	22 182 032	20 450 106	45 442 240
Expenses	15 335	954	49 015	42 656	601 310	455 171	1 164 441
Recovery of insurance acquisition cash flows	4 062	(25 092)	57 640	(152 238)	(40 796)	(2 440 822)	(2 597 246)
Total Revenue from Contracts Not Measured Under PAA	337 300	17 602	12 674 056	7 434 179	53 095 036	39 015 018	112 573 192
Contracts Measured Under the PAA							
Expected premium receipts allocation under the PAA	82 240 607	141 869 724	191 254 749	473 834 638	8 018 946	700 868 502	1 598 087 165
Total Revenue from Contracts Measured Under PAA	82 240 607	141 869 724	191 254 749	473 834 638	8 018 946	700 868 502	1 598 087 165
Total Revenue from Insurance contracts	82 577 907	141 887 326	203 928 804	481 268 817	61 113 982	739 883 520	1 710 660 357

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.2.1.INSURANCE SERVICE EXPENSES

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

31 March 2026

Figures in Rand	Facultative Foreign	Facultative Local	Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
Incurred insurance service expenses:	(41 043 464)	(30 098 128)	(70 750 944)	(111 408 394)	(167 211 275)	(666 661 108)	(1 087 173 313)
Claims	(39 870 413)	(40 234 797)	(66 991 356)	(105 833 522)	(164 142 915)	(650 920 828)	(1 067 993 831)
Expenses	(2 230 594)	(907 330)	(3 737 498)	(4 593 934)	(8 000 980)	(20 975 636)	(40 445 971)
Other movements related to current service	1 057 543	11 043 999	(22 089)	(980 938)	4 932 620	5 235 355	21 266 489
Amortisation of insurance acquisition cash flows	(15 124 684)	(4 994 415)	(17 292 609)	(22 820 611)	(7 956 918)	(19 225 025)	(87 414 261)
Changes that relate to past service:	(26 175 521)	(8 123 900)	(21 050 461)	74 256 087	(18 246 757)	323 414 876	324 074 325
Changes in estimates in LIC fulfilment cash flows	(9 159 407)	26 268 719	(37 997 667)	89 459 175	11 659 590	224 688 772	304 919 182
Experience adjustments in claims and other insurance service expenses in LIC	(17 016 113)	(34 392 618)	16 947 206	(15 203 088)	(29 906 347)	98 726 103	19 155 142
Changes that relate to future service:	-	(78 405)	(8 680)	(2 285 499)	(5 717 954)	(18 851 637)	(26 942 174)
Losses for the net outflow recognized on initial recognition	-	-	(41)	-	(12)	(3 903 568)	(3 903 621)
Losses and reversal of losses on onerous contracts – subsequent measurement	-	(78 405)	(8 640)	(2 285 499)	(5 717 941)	(14 948 069)	(23 038 553)
Total Insurance service expenses	(82 343 668)	(43 294 847)	(109 102 694)	(62 258 416)	(199 132 904)	(381 322 895)	(877 455 423)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.2.1.INSURANCE SERVICE EXPENSES

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

31 March 2025

Figures in Rand	Facultative Foreign	Facultative Local	Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
Incurred insurance service expenses:	(23 472 190)	(22 349 484)	(59 805 638)	(23 714 605)	(123 121 261)	(635 111 279)	(887 574 456)
Claims	(22 169 847)	(21 289 193)	(59 681 952)	(23 922 743)	(126 187 528)	(641 317 992)	(894 569 255)
Expenses	(1 606 915)	(893 163)	(3 819 905)	(4 362 863)	(4 631 874)	(18 147 333)	(33 462 054)
Other movements related to current service	304 572	(167 127)	3 696 219	4 571 001	7 698 140	24 354 046	40 456 852
Amortisation of insurance acquisition cash flows	(15 625 140)	(3 585 777)	(20 685 153)	(28 246 869)	(4 882 986)	(12 012 000)	(85 037 924)
Changes that relate to past service:	(2 242 170)	36 192 721	(34 033 282)	53 086 895	(20 254 521)	(94 029 542)	(61 279 900)
Changes in estimates in LIC fulfilment cash flows	8 407 556	13 854 675	(80 136 315)	13 293 330	(158 836 203)	310 864 529	107 447 573
Experience adjustments in claims and other insurance service expenses in LIC	(10 649 726)	22 338 046	46 103 032	39 793 565	138 581 681	(404 894 071)	(168 727 473)
Changes that relate to future service:	(1 553)	(25 733)	(5 136)	(117 820)	(8 950 832)	(17 837 059)	(26 938 133)
Losses for the net outflow recognized on initial recognition	-	(1)	-	(76 165)	(951 429)	(5 577 040)	(6 604 635)
Losses and reversal of losses on onerous contracts – subsequent measurement	(1 553)	(25 732)	(5 136)	(41 655)	(7 999 402)	(12 260 019)	(20 333 497)
Total Insurance service expenses	(41 341 054)	10 231 728	(114 529 208)	1 007 601	(157 209 600)	(758 989 880)	(1 060 830 413)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.2.2.INSURANCE FINANCE INCOME OR EXPENSES

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

31 March 2026

Figures in Rand	Facultative Foreign	Facultative Local	Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
Insurance finance income/(expenses) from insurance contracts issued							
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	(3 300 274)	(7 191 938)	(14 425 416)	(21 021 485)	(25 632 035)	(100 668 629)	(172 239 776)
Interest accreted on the carrying amount of the CSM	(80 234)	(744)	(1 883 033)	(276 361)	(3 703 186)	(3 178 640)	(9 122 197)
Interest accreted on present value cash flows	(2 752 855)	(5 463 985)	(11 577 808)	(18 754 761)	(18 534 920)	(77 298 851)	(134 383 179)
Interest accreted on risk adjustment	(467 185)	(1 727 209)	(964 575)	(1 990 362)	(3 393 929)	(20 191 139)	(28 734 400)
The effect of financial risk and changes in financial risk	457 088	(1 329 578)	2 293 425	(4 847 612)	265 214	(29 236 343)	(32 397 808)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	7 362 842	-	28 817 275	241 038	31 701 541	(1 508 394)	66 614 301
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	16	(8)	3 825	(931)	60	912	3 876
Total insurance finance income or expenses	4 519 673	(8 521 524)	16 689 109	(25 628 990)	6 334 780	(131 412 454)	(138 019 407)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.2.2.INSURANCE FINANCE INCOME OR EXPENSES

31 March 2025

Figures in Rand	Facultative Foreign	Facultative Local	Non Proportional Foreign	Non Proportional Local	Proportional Foreign	Proportional Local	Total
Insurance finance income/(expenses) from insurance contracts issued							
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	(6 125 455)	(6 632 927)	(26 373 569)	(25 721 427)	(19 111 650)	(92 746 153)	(176 711 180)
Interest accreted on the carrying amount of the CSM	(279 830)	-	(2 715 216)	(575 540)	(3 505 837)	(1 639 102)	(8 715 525)
Interest accreted on present value cash flows	(5 844 994)	(6 628 553)	(23 644 568)	(25 105 104)	(15 485 773)	(90 341 042)	(167 050 034)
Interest accreted on risk adjustment	(631)	(4 373)	(13 786)	(40 783)	(120 040)	(766 008)	(945 621)
The effect of financial risk and changes in financial risk	683 562	(705 878)	4 076 794	(1 887 246)	2 074 596	(5 797 218)	(1 555 391)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	800 230	-	8 815 577	-	4 710 712	-	14 326 520
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	(588)	(2 440)	(10 183)	(30 944)	(117 048)	(506 227)	(667 431)
Total insurance finance income or expenses	(4 642 251)	(7 341 245)	(13 491 381)	(27 639 617)	(12 443 390)	(99 049 599)	(164 607 482)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.3.1. INCOME OR EXPENSE FROM REINSURANCE CONTRACTS HELD

31 March 2026

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Income or expense from reinsurance contracts held	(12 117 972)	(5 706 329)	(96 948 470)	(429 575 028)	(544 347 799)
Allocation of the premiums paid	(12 439 817)	(22 155 318)	(310 917 421)	(629 499 378)	(975 011 934)
Allocation of the premiums paid_total	-	-	-	-	(975 011 934)
Amounts recovered from reinsurance:	321 845	16 448 988	213 968 951	199 924 351	430 664 135
Incurred insurance service expenses:	6 519 347	61 444 055	191 384 183	448 851 571	708 199 156
Claims	8 582 016	60 393 811	190 430 434	481 215 365	740 621 626
Other movements related to current service	(2 062 669)	1 050 244	953 749	(32 363 794)	(32 422 470)
Changes that relate to past service (changes in fulfilment cash flows re LIC):	(6 197 502)	(44 995 067)	22 584 768	(248 927 220)	(277 535 021)
Changes in estimates in LIC fulfilment cash flows	(6 197 502)	(5 115 149)	11 074 031	(254 008 400)	(254 247 021)
Experience adjustments in claims and other insurance service expenses in LIC	-	(39 879 918)	11 510 738	5 081 180	(23 288 000)
Total income or expense from reinsurance contracts held	(12 117 972)	(5 706 329)	(96 948 470)	(429 575 028)	(544 347 799)

4.3.2. REINSURANCE FINANCE INCOME OR EXPENSES

31 March 2026

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Finance income/(expenses) from reinsurance contracts held	(1 585 576)	31 406 546	(55 255 691)	93 655 339	68 220 618
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	303 869	22 831 656	20 045 121	75 626 980	118 807 626
Interest accreted on present value cash flows	263 206	18 954 781	16 892 511	62 326 629	98 437 128
Interest accreted on risk adjustment	40 663	3 876 875	3 152 609	13 300 351	20 370 499
The effect of financial risk and changes in financial risk	-	8 574 890	(2 713 243)	18 028 358	23 890 006
Foreign exchange differences on changes in the carrying amount of groups of reinsurance contracts	(1 889 445)	-	(72 587 569)	-	(74 477 014)
Total Finance income/(expenses) from reinsurance contracts held	(1 585 576)	31 406 546	(55 255 691)	93 655 339	68 220 618

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.3.1. INCOME OR EXPENSE FROM REINSURANCE CONTRACTS HELD

31 March 2025 (Restated)

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Income or expense from reinsurance contracts held	(155 630 738)	58 229 389	400 018 312	(848 440 025)	(545 823 061)
Allocation of the premiums paid	(467 888)	(111 069 615)	200 499 527	(1 275 592 153)	(1 186 630 129)
Allocation of the premiums paid_total					(1 186 630 129)
Amounts recovered from reinsurance:	(155 162 850)	169 299 005	199 518 785	427 152 127	640 807 067
Incurred insurance service expenses:	(46 284 756)	115 732 087	148 549 169	428 797 886	646 794 386
Claims	(37 459 004)	122 039 824	152 287 175	464 244 855	701 112 850
Other movements related to current service	(8 825 752)	(6 307 738)	(3 738 006)	(35 446 969)	(54 318 464)
Changes that relate to past service (changes in fulfilment cash flows re LIC):	(108 878 094)	53 566 918	50 969 616	(1 645 758)	(5 987 318)
Changes in estimates in LIC fulfilment cash flows	(5 768 207)	(17 891 452)	222 820 834	(202 079 470)	(2 918 295)
Experience adjustments in claims and other insurance service expenses in LIC	(103 109 887)	71 458 370	(171 851 218)	200 433 711	(3 069 024)
Total income or expense from reinsurance contracts held	(155 630 738)	58 229 389	400 018 312	(848 440 025)	(545 823 061)

4.3.2. REINSURANCE FINANCE INCOME OR EXPENSES

31 March 2025 (Restated)

Figures in Rand	Reinsurance Excess of Loss Foreign	Reinsurance Excess of Loss Local	Reinsurance Quota Share Foreign	Reinsurance Quota Share Local	Total
Finance income/(expenses) from reinsurance contracts held	4 005 301	27 486 028	19 252 065	92 085 998	142 829 392
The effect of time value of money and changes in the time value of money, based on the locked-in interest rates:	8 550 255	23 749 554	29 688 029	81 718 281	143 706 119
Interest accreted on present value cash flows	8 550 255	23 749 554	29 688 029	81 718 281	143 706 119
The effect of financial risk and changes in financial risk	-	3 736 474	(5 474 515)	10 367 718	8 629 676
Foreign exchange differences on changes in the carrying amount of groups of reinsurance contracts	(4 544 954)	-	(4 961 449)	-	(9 506 403)
Total income or expense from reinsurance contracts held	4 005 301	27 486 028	19 252 065	92 085 998	142 829 392

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.4.INSURANCE CONTRACT ASSETS AND LIABILITIES

Figures in Rand	Note Ref	31 March 2026			31 March 2025 (Restated)		
		Assets	Liabilities	Net	Assets	Liabilities	Net
Insurance Contract held							
PAA	4.1	115 923 756	(1 461 829 921)	(1 345 906 165)	99 249 738	(1 525 174 355)	(1 425 924 617)
GMM	4.2	-	(141 540 356)	(141 540 356)	-	(170 455 662)	(170 455 662)
Total		115 923 756	(1 603 370 277)	(1 487 446 521)	99 249 738	(1 695 630 017)	(1 596 380 279)
Reinsurance Contract held							
PAA	4.5	964 581 289	(334 742 420)	629 838 869	1 001 767 525	(160 723 827)	841 043 697
Total		964 581 289	(334 742 420)	629 838 869	1 001 767 525	(160 723 827)	841 043 697

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.4.1.PAA INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2026

Figures in Rand	Liabilities for Remaining Coverage	Liabilities for Incurred claims		Total
	Excluding Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Insurance contract assets	221 656 786	(100 009 926)	(22 397 123)	99 249 738
Opening Insurance contract liabilities	427 216 191	(1 651 883 058)	(300 507 488)	(1 525 174 355)
Net Opening balance	648 872 978	(1 751 892 984)	(322 904 611)	(1 425 924 617)
Insurance Revenue				
Post transition	1 405 169 727	-	-	1 405 169 727
Total Insurance revenue	1 405 169 727	-	-	1 405 169 727
Insurance Service Expenses				
Incurred insurance service expenses:	-	(928 094 268)	(133 775 931)	(1 061 870 199)
Claims	-	(890 363 253)	(147 321 549)	(1 037 684 802)
Expenses	-	(37 731 015)	-	(37 731 015)
Other movements related to current service	-	-	13 545 618	13 545 618
Amortisation of insurance acquisition cash flows	(84 795 654)	-	-	(84 795 654)
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	187 626 705	151 496 371	339 123 076
Total Insurance Service Expenses	(84 795 654)	(740 467 564)	17 720 440	(807 542 777)
Total Insurance Service result	1 320 374 073	(740 467 564)	17 720 440	597 626 949
Insurance Finance Income or Expense				
The effect of and changes of time value of money and financial risk	-	(148 322 066)	(32 351 338)	(180 673 405)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	4 032 677	49 153 492	6 291 040	59 477 209
Total Insurance Finance Income or Expense	4 032 677	(99 168 574)	(26 060 298)	(121 196 196)
Total Changes in the Statement of Financial Performance	1 324 406 750	(839 636 138)	(8 339 858)	476 430 754
Cash flows (Actual cashflows in the period)				
Premiums received	(1 330 412 881)	-	-	(1 330 412 881)
Claims and other insurance service expenses paid	-	846 956 531	-	846 956 531
Insurance acquisition cash flows	87 097 615	-	-	87 097 615
Total Cash flows	(1 243 315 266)	846 956 531	-	(396 358 735)
Net Closing balance	729 964 461	(1 744 572 591)	(331 244 469)	(1 345 852 598)
Closing Insurance contract assets	275 975 646	(134 630 271)	(25 421 619)	115 923 756
Closing Insurance contract liabilities	453 935 249	(1 609 942 319)	(305 822 850)	(1 461 829 921)
Net Closing balance	729 910 895	(1 744 572 591)	(331 244 469)	(1 345 906 165)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.4.1.PAA INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2025 (Restated)

Figures in Rand	Liabilities for Remaining Coverage	Liabilities for Incurred claims		Total
	Excluding Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Insurance contract assets	162 968 492	(54 545 348)	(8 109 039)	100 314 105
Opening Insurance contract liabilities	358 361 479	(1 767 009 340)	(289 422 736)	(1 698 070 597)
Net Opening balance	521 329 971	(1 821 554 688)	(297 531 774)	(1 597 756 491)
Insurance Revenue				
Post transition	1 598 087 165	-	-	1 598 087 165
Total Insurance revenue – All Transition Methods	1 598 087 165	-	-	1 598 087 165
Insurance Service Expenses				
Incurred insurance service expenses:	-	(796 714 193)	(60 765 041)	(857 479 235)
Claims	-	(765 398 788)	(97 825 355)	(863 224 143)
Expenses	-	(31 315 405)	-	(31 315 405)
Other movements related to current service	-	-	37 060 313	37 060 313
Amortisation of insurance acquisition cash flows	(87 635 170)	-	-	(87 635 170)
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	(102 736 063)	35 855 580	(66 880 483)
Total Insurance Service Expenses	(87 635 170)	(899 450 256)	(24 909 461)	(1 011 994 888)
Total Insurance Service result	1 510 451 995	(899 450 256)	(24 909 461)	586 092 277
Insurance Finance Income or Expense				
The effect of and changes of time value of money and financial risk	-	(167 219 842)	(2 381 554)	(169 601 396)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	(9 373 509)	18 123 892	1 918 179	10 668 562
Total Insurance Finance Income or Expense	(9 373 509)	(149 095 950)	(463 375)	(158 932 833)
Total Changes in the Statement of Financial Performance	1 501 078 486	(1 048 546 206)	(25 372 837)	427 159 444
Cash flows (Actual cashflows in the period)				
Premiums received	(1 465 728 398)	-	-	(1 465 728 398)
Claims and other insurance service expenses paid	-	1 118 207 910	-	1 118 207 910
Insurance acquisition cash flows	92 139 352	-	-	92 139 352
Total Cash flows	(1 373 589 046)	1 118 207 910	-	(255 381 136)
Net Closing balance	648 819 411	(1 751 892 984)	(322 904 611)	(1 425 978 184)
Closing Insurance contract assets	221 656 786	(100 009 926)	(22 397 123)	99 249 738
Closing Insurance contract liabilities	427 216 191	(1 651 883 058)	(300 507 488)	(1 525 174 355)
Net Closing balance	648 872 978	(1 751 892 984)	(322 904 611)	(1 425 924 617)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44.2.GMM INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY COMPONENT

31 March 2026

Figures in Rand	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
Opening insurance contract assets	67 883	(6 955)	(7 361)	53 567
Opening insurance contract liabilities	(49 144 143)	(20 799 855)	(100 511 664)	(170 455 662)
Net Opening balance	(49 076 259)	(20 806 811)	(100 519 025)	(170 402 095)
Changes that relate to current services	38 518 663	15 617 789	70 088 740	124 225 192
CSM recognized for services provided	-	-	70 088 740	70 088 740
Change in risk adjustment for non-financial risk for risk expired	-	15 617 789	-	15 617 789
Experience adjustments not related to future service	38 518 663	-	-	38 518 663
Changes that relate to future services	28 538 743	(24 107 469)	(31 373 447)	(26 942 174)
Contracts initially recognised in the year	10 910 930	(10 351 085)	(4 463 465)	(3 903 621)
Changes in estimates that adjust the CSM	52 783 680	(25 873 698)	(26 909 982)	(0)
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(35 155 867)	12 117 314	-	(23 038 553)
Changes that relate to past services	(18 628 160)	3 579 410	-	(15 048 751)
Changes in estimates in LIC fulfilment cash flows	1 431 552	(236 630)	-	1 194 923
Experience adjustments in claims and other insurance service expenses in LIC	(20 059 713)	3 816 039	-	(16 243 673)
Total Insurance Service result	48 429 245	(4 910 271)	38 715 293	82 234 267
Insurance Finance Income or Expense				
The effect of and changes of time value of money and financial risk	(11 316 939)	(3 521 167)	(9 122 197)	(23 960 303)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	1 123 565	481 526	5 532 001	7 137 092
Total Insurance Finance Income or Expense	(10 193 374)	(3 039 641)	(3 590 197)	(16 823 211)
Total Changes in the Statement of Financial Performance	(38 235 872)	7 949 912	(35 125 096)	(65 411 056)
Cash flows (Actual cashflows in the period)				
Premiums received	104 053 757	-	-	104 053 757
Claims and other insurance service expenses paid	(62 501 255)	-	-	(62 501 255)
Insurance acquisition cash flows	(5 003 185)	-	-	(5 003 185)
Total Cash flows	36 549 317	-	-	36 549 317
Net Closing balance	47 389 704	28 756 722	65 393 929	(141 540 356)
Closing Insurance contract assets	-	-	-	-
Closing Insurance contract liabilities	(47 389 704)	(28 756 722)	(65 393 929)	(141 540 356)
Net Closing balance	(47 389 704)	(28 756 722)	(65 393 929)	(141 540 356)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44.2.GMM INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY COMPONENT

31 March 2025

Figures in Rand	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial Risk	CSM	Total
Opening insurance contract assets	2 674 378	(7 673)	-	88 446
Opening insurance contract liabilities	(63 184 087)	(20 514 703)	(104 645 719)	(188 344 510)
Net Opening balance	(60 509 709)	(20 522 376)	(104 645 719)	(188 256 063)
Changes that relate to current services	16 306 650	9 743 163	59 025 403	85 075 217
CSM recognized for services provided	-	-	59 025 403	59 025 403
Change in risk adjustment for non-financial risk for risk expired	-	9 743 163	-	9 743 163
Experience adjustments not related to future service	16 306 650	-	-	16 306 650
Changes that relate to future services	29 405 225	(10 530 752)	(45 812 606)	(26 938 133)
Contracts initially recognised in the year	3 165 455	(8 720 654)	(1 049 436)	(6 604 635)
Changes in estimates that adjust the CSM	38 618 981	6 144 189	(44 763 169)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(12 379 210)	(7 954 287)	-	(20 333 497)
Changes that relate to past services	5 755 893	(155 310)	-	5 600 583
Changes in estimates in LIC fulfilment cash flows	8 472 896	(3 395 984)	-	5 076 913
Experience adjustments in claims and other insurance service expenses in LIC	(2 717 003)	3 240 674	-	523 670
Total Insurance Service result	51 467 768	(942 899)	13 212 798	63 737 667
Insurance Finance Income or Expense				
The effect of and changes of time value of money and financial risk	(1 080 979)	463 898	(8 715 525)	(9 332 606)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	1 255 711	194 566	2 207 680	3 657 957
Total Insurance Finance Income or Expense	174 732	658 464	(6 507 845)	(5 674 649)
Total Changes in the Statement of Financial Performance	(51 642 500)	284 435	(6 704 953)	(58 063 018)
Cash flows (Actual cashflows in the period)				
Premiums received	94 573 586	-	-	94 573 586
Claims and other insurance service expenses paid	(50 092 000)	-	-	(50 092 000)
Insurance acquisition cash flows	(4 272 536)	-	-	(4 272 536)
Total Cash flows	40 209 050			40 209 050
Net Closing balance	49 076 259	20 806 811	97 940 766	(170 402 095)
Closing Insurance contract assets	-	-	-	-
Closing Insurance contract liabilities	(49 144 143)	(20 799 855)	(100 511 664)	(170 455 662)
Net Closing balance	(49 144 143)	(20 799 855)	(100 511 664)	(170 455 662)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44.3.GMM INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2026

Figures in Rand	Liabilities for Remaining Coverage			Total
	Excluding loss component	Loss component	Liabilities for Incurred claims	
Opening insurance contract assets	97 761	(44 194)	-	53 567
Opening insurance contract liabilities	(75 338 068)	(24 719 275)	(70 398 320)	(170 455 662)
Net Opening balance	(75 240 307)	(24 763 469)	(70 398 320)	(170 402 095)
Insurance revenue – Post Transition	152 146 913			152 146 913
CSM recognized for services provided	70 088 740	-	-	70 088 740
Change in risk adjustment for non-financial risk for risk expired	14 471 782	-	-	14 471 782
Expected insurance service expenses incurred:	64 967 783	-	-	64 967 783
Claims	63 246 040	-	-	63 246 040
Expenses	1 721 743	-	-	1 721 743
Recovery of insurance acquisition cash flows	2 618 608	-	-	2 618 608
Total Insurance revenue	152 146 913	-	-	152 146 913
Insurance Service Expenses				
Incurred insurance service expenses:	-	27 337 186	(52 640 299)	(25 303 113)
Claims	-	26 752 819	(57 061 848)	(30 309 029)
Expenses	-	584 367	(3 299 323)	(2 714 956)
Other movements related to current service	-	-	7 720 871	7 720 871
Amortisation of insurance acquisition cash flows	(2 618 608)	-	-	(2 618 608)
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(15 048 751)	(15 048 751)
Changes that relate to future service	-	(26 942 174)	-	(26 942 174)
Losses for the net outflow recognized on initial recognition	-	(3 903 621)	-	(3 903 621)
Losses and reversal of losses on onerous contracts - subsequent measurement	-	(23 038 553)	-	(23 038 553)
Total Insurance Service Expenses	(2 618 608)	395 011	(67 689 050)	(69 912 646)
Total Insurance Service result	149 528 306	395 011	(67 689 050)	82 234 267
Insurance Finance Income or Expense				
The effect of and changes of time value of money and financial risk	(15 459 114)	(1 062 781)	(7 438 408)	(23 960 303)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	4 827 150	(584 275)	2 894 218	7 137 092

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44.3.GMM INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2026 (Cont.)

Figures in Rand	Liabilities for Remaining Coverage			Total
	Excluding loss component	Loss component	Incurred claims	
Total Insurance Finance Income or Expense	(10 631 964)	(1 647 056)	(4 544 191)	(16 823 211)
Total Changes in the Statement of Financial Performance	138 896 341	(1 252 045)	(72 233 240)	65 411 056
Cash flows (Actual cashflows in the period)				
Premiums received	104 053 757	-	-	104 053 757
Claims and other insurance service expenses paid	-	-	(62 501 255)	(62 501 255)
Insurance acquisition cash flows	(5 003 185)	-	-	(5 003 185)
Total Cash flows	99 050 572	-	(62 501 255)	36 549 317
Net Closing balance	(35 394 537)	(26 015 513)	(80 130 305)	(141 540 356)
Closing Insurance contract assets	-	-	-	-
Closing Insurance contract liabilities	(35 394 537)	(26 015 513)	(80 130 305)	(141 540 356)
Net Closing balance	(35 394 537)	(26 015 513)	(80 130 305)	(141 540 356)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44.3.GMM INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2025

Figures in Rand	Liabilities for Remaining Coverage		Liabilities for		Total
	Excluding loss component	Loss component	Incurred claims		
Opening insurance contract assets	122 678	-	(34 231)		88 446
Opening insurance contract liabilities	(100 397 571)	(4 676 619)	(83 270 319)		(188 344 510)
Net Opening balance	(100 274 894)	(4 676 619)	(83 304 551)		(188 256 063)
Insurance revenue – Post Transition	112 573 192	-	-		112 573 192
CSM recognized for services provided	59 025 403	-	-		59 025 403
Change in risk adjustment for non-financial risk for risk expired	9 538 354	-	-		9 538 354
Expected insurance service expenses incurred:	46 606 681	-	-		46 606 681
Claims	45 442 240	-	-		45 442 240
Expenses	1 164 441	-	-		1 164 441
Recovery of insurance acquisition cash flows	(2 597 246)	-	-		(2 597 246)
Total Insurance revenue	112 573 192	-	-		112 573 192
Insurance Service Expenses					
Incurred insurance service expenses:					
Claims	-	7 772 440	(37 867 662)		(30 095 222)
Expenses	-	7 633 263	(38 978 375)		(31 345 112)
Other movements related to current service	-	139 177	(2 285 825)		(2 146 649)
Amortisation of insurance acquisition cash flows	-	-	3 396 539		3 396 539
Changes that relate to past service (changes in fulfilment cash flows re LIC)	2 597 246	-	-		2 597 246
Changes that relate to future service					
Losses for the net outflow recognized on initial recognition	-	(26 938 133)	-		(26 938 133)
Losses and reversal of losses on onerous contracts - subsequent measurement	-	(6 604 635)	-		(6 604 635)
Total Insurance Service Expenses	2 597 246	(19 165 693)	(32 267 079)		(48 835 525)
Total Insurance Service result	115 170 438	(19 165 693)	(32 267 079)		63 737 667
Insurance Finance Income or Expense					
The effect of and changes of time value of money and financial risk	(1 840 513)	(912 087)	(6 580 006)		(9 332 606)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	2 005 711	(9 070)	1 661 316		3 657 957

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

44.3.GMM INSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2025 (Cont.)

Figures in Rand	Liabilities for Remaining Coverage		Liabilities for		Total
	Excluding loss component	Loss component	Incurrd claims		
Total Insurance Finance Income or Expense	165 198	(921 157)	(4 918 690)		(5 674 649)
Total Changes in the Statement of Financial Performance	115 335 636	(20 086 850)	(37 185 769)		58 063 018
Cash flows (Actual cashflows in the period)					
Premiums received	(94 573 586)	-	-		(94 573 586)
Claims and other insurance service expenses paid	-	-	50 092 000		50 092 000
Insurance acquisition cash flows	4 272 536	-	-		4 272 536
Total Cash flows	(90 301 050)	-	50 092 000		(40 209 050)
Net Closing balance	(75 240 307)	(24 763 469)	(70 398 320)		(170 402 095)
Closing Insurance contract assets	97 761	(44 194)	-		53 567
Closing Insurance contract liabilities	(75 338 068)	(24 719 275)	(70 398 320)		(170 455 662)
Net Closing balance	(75 240 307)	(24 763 469)	(70 398 320)		(170 402 095)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.5.1.PAA REINSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2026

Figures in Rand	Remaining Coverage Component		Incurred Claims Component		Total
	Excluding Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
Opening reinsurance contract assets	162 604 375	702 735 476	136 427 674	1 001 767 525	
Opening reinsurance contract liabilities	(1 094 047 275)	783 298 158	150 025 289	(160 723 827)	
Net opening balance	(931 442 900)	1 486 033 634	286 452 963	841 043 697	
Allocation of the premiums paid:					
Post transition	(975 011 934)	-	-	(975 011 934)	
Total Allocation of premiums paid	(975 011 934)	-	-	(975 011 934)	
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	619 653 038	88 546 118	708 199 156	
Changes related to past service (changes related to incurred claims component)	-	(163 462 479)	(114 072 541)	(277 535 021)	
Total Amounts Recovered from Reinsurance	-	456 190 559	(25 526 423)	430 664 135	
Total Net Expenses from Reinsurance	(975 011 934)	456 190 559	(25 526 423)	(544 347 799)	
Insurance Finance Income or Expense					
The effect of and changes of time value of money and financial risk	-	118 182 638	24 514 994	142 697 632	
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	(31 838 442)	(35 970 742)	(6 667 830)	(74 477 014)	
Total Insurance Finance Income or Expense	(31 838 442)	82 211 896	17 847 164	68 220 618	
Total Changes in the Statement of Financial Performance	(1 006 850 376)	538 402 454	(7 679 259)	(476 127 181)	
Cash flows (Actual cashflows in the period)					
Premiums paid	923 609 343	-	-	923 609 343	
Amounts recovered	-	(658 686 990)	-	(658 686 990)	
Total cash flows	923 609 343	(658 686 990)		264 922 353	
Net Closing balance	(1 014 683 932)	1 365 749 098	278 773 704	629 838 869	
Closing reinsurance contract assets	127 321 297	694 131 859	143 128 133	964 581 289	
Closing reinsurance contract liabilities	(1 142 005 230)	671 617 240	135 645 571	(334 742 420)	
Net Closing balance	(1 014 683 932)	1 365 749 098	278 773 704	629 838 869	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.5.1.PAA REINSURANCE - MOVEMENT IN CARRYING AMOUNTS BY LRC AND LIC

31 March 2025

Figures in Rand	Remaining Coverage Component		Incurred Claims Component		Total
	Excluding Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
Opening reinsurance contract assets	(1 118 480 230)	1 697 079 080	281 608 743	860 207 593	
Net opening balance	(1 118 480 230)	1 697 079 080	281 608 743	860 207 593	
Allocation of the premiums paid:					
Post transition	(1 186 630 129)	-	-	(1 186 630 129)	
Total Allocation of premiums paid	(1 186 630 129)	-	-	(1 186 630 129)	
Amounts recovered from reinsurance					
Recoveries of incurred claims and other insurance service expense	-	612 567 434	34 226 952	646 794 386	
Changes related to past service (changes related to incurred claims component)	-	22 880 422	(28 867 740)	(5 987 318)	
Total Amounts Recovered from Reinsurance	-	635 447 856	5 359 211	640 807 067	
Total Net Expenses from Reinsurance	(1 186 630 129)	635 447 856	5 359 211	(545 823 061)	
Insurance Finance Income or Expense					
The effect of and changes of time value of money and financial risk	-	150 935 241	1 400 554	152 335 795	
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	10 475 381	(18 066 239)	(1 915 545)	(9 506 403)	
Total Insurance Finance Income or Expense	10 475 381	132 869 003	(514 992)	142 829 392	
Total Changes in the Statement of Financial Performance	(1 176 154 748)	768 316 859	4 844 220	(402 993 669)	
Cash flows (Actual cashflows in the period)					
Premiums paid	1 363 192 078	-	-	1 363 192 078	
Amounts recovered	-	(979 362 305)	-	(979 362 305)	
Total cash flows	1 363 192 078	(979 362 305)	-	383 829 773	
Net Closing balance	(931 442 900)	1 486 033 634	286 452 963	841 043 697	
Closing reinsurance contract assets	162 604 375	702 735 476	136 427 674	1 001 767 525	
Closing reinsurance contract liabilities	(1 094 047 275)	783 298 158	150 025 289	(160 723 827)	
Net Closing balance	(931 442 900)	1 486 033 634	286 452 963	841 043 697	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.6.INSURANCE BENEFITS AND CLAIMS

Claims development tables

The presentation of the claims development tables for the Company, is based on the actual date of the event that caused the claim (accident year basis). The claims development tables represent the development of actual claims paid for continuing operations.

Figures in Rand	Accident Year				
	2022 ZAR '000	2023 ZAR '000	2024 ZAR '000	2025 ZAR '000	2026 ZAR '000
Payment for new claims during initial accident year	177 287	425 884	256 340	270 160	160 432
Undiscounted reserves for new claims at the end of initial accident year	805 066	793 255	892 339	581 730	662 798
Best estimate P&L charge for new claims estimates	982 353	1 219 139	1 148 679	851 890	823 230
Claims paid for relevant accident year by year of payment					
2022	177 287				
2023	380 972	425 884			
2024	36 628	489 767	256 340		
2025	19 845	61 895	473 617	270 160	
2026	30 074	50 360	68 165	481 901	160 432
Best estimate liability (undiscounted) for relevant accident year	198 279	99 205	108 659	200 084	662 798
Latest estimate of aggregate claims cost for accident year	843 085	1 127 111	906 781	952 145	823 230
Surplus/(Deficit)*	139 268	92 028	241 898	(100 255)	-

*A deficit does not necessarily imply insufficient reserving as no adjustment has been made for inflation and the time value of money.

4.7.CONTRACTUAL SERVICE MARGIN (CSM) RUN-OFF

The table below sets out when the Company expects to recognise CSM in profit or loss in appropriate time bands:

31 March 2026

Figures in Rand	Less than 1 year	1 to 2 years	2 to 3 years	Total
Insurance contracts issued	46 948 299	13 951 951	4 493 679	65 393 929
Total	46 948 299	13 951 951	4 493 679	65 393 929

31 March 2025

Figures in Rand	Less than 1 year	1 to 2 years	2 to 3 years	Total
Insurance contracts issued	63 505 457	35 434 572	1 578 997	100 519 025
Total	63 505 457	35 434 572	1 578 997	100 519 025

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.1.FINANCIAL INSTRUMENTS

5.1.1.Initial recognition

The classification of financial instruments on initial recognition is based on the contractual terms and the Company's business model for managing the instruments described in Notes 5.1.2.1.1 and 5.1.2.1.2.

Financial instruments are initially recognised on trade date measured at the fair value. Except for financial assets recorded at FVTPL, transaction costs are added to this amount.

5.1.2.Measurement categories

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms. The categories include the following:

- Amortised cost, as explained in Note 5.1.2.1
- FVTPL, as explained in Note 5.1.2.2

5.1.2.1.Debt instruments measured at amortised cost

Debt instruments are held at amortised cost if both of the following conditions are met:

- The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

The details of these conditions are outlined below.

5.1.2.1.1.Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company holds financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Company considers the timing, amount and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximise return for the shareholder and future business development.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

The expected frequency, value and timing of asset sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

5.1.2.2.The SPPI test

As a second step of its classification process the Company assesses the contractual terms to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset on initial recognition and may change over the life of the financial asset. The most significant elements of interest within a debt arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.1.2.2. Financial assets measured at fair value through profit or loss

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition, or are mandatorily required to be measured at fair value under IFRS 9. This category includes debt instruments that would have not qualified for measurement under FVOCI and also those debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

5.1.3. Subsequent measurement

5.1.3.1. Debt instruments at amortised cost

After initial measurement, debt instruments are measured at amortised cost, using the effective interest (effective interest) method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest. ECLs are recognised in profit or loss when the loss allowance has been determined.

5.1.3.2. Financial assets at fair value through profit or loss

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit or loss. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate, as explained in Note 5.1.7. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss under investment income when the right to the payment has been established.

5.1.4. Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to the initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. No exceptional circumstances arose during the reporting period. Financial liabilities are not subsequently reclassified after initial classification.

5.1.5. Derecognition

5.1.5.1. Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired Or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

5.1.5.2. Derecognition due to substantial modification of terms and conditions

The Company derecognises a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognised as a derecognition gain or loss. In the case of debt instruments at amortised cost, the newly recognised loans are classified as Stage 1 for ECL measurement purposes.

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When assessing whether or not to derecognise an instrument, amongst others, the Company considers the following factors:

- Change in currency of the debt instrument
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition.

Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss.

5.16. Impairment of financial assets

The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the appropriate effective interest rate. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). The Company's debt instruments, which include fixed deposits and money market instruments, are graded BB and higher by various credit agencies. None of these instruments have experienced a significant increase in credit risk since the initial recognition and are therefore considered low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. Where the credit risk of any debt instrument deteriorates, the Company will sell the asset and purchase instruments meeting the required investment grade.

The Company assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at AC. The Company recognises a loss allowance for such losses at each reporting date. The measurement of the ECL reflects:

- a. an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- b. the time value of money; and
- c. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Note 5.11 provides more detail on how the ECL allowance is measured.

5.16.1. Calculation of ECLs

The Company calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at the appropriate effective interest. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the entity expects to receive. When estimating the ECLs the Company considers four scenarios (a base case, an upside, a mild downside and a more extreme downside).

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

- The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.
- 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, and accrued interest from missed payments.
- 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 Company would expect to receive. It is usually expressed as a percentage of the EAD.

Significant increase in credit risk

The Company considers a financial instrument to have experienced a SICR when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria

Thresholds have been established to determine whether the remaining Lifetime PD at the reporting date has increased significantly compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

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Qualitative criteria

For debt instruments securities, if the instrument meets one or more of the following criteria:

- significant increase in credit spread;
- significant adverse changes in business, financial and/or economic conditions in which the borrower operates;
- actual or expected forbearance or restructuring;
- actual or expected significant adverse change in operating results of the borrower; and
- significant change in collateral value (secured facilities only) that is expected to increase risk of default.

The assessment of a SICR incorporates forward-looking information and is performed at the borrower level and on a periodic basis. The criteria used to identify a SICR are monitored and reviewed periodically for appropriateness by the risk department.

Low credit risk debt instruments

The Company has used the low credit risk exemption for financial instruments when they meet the following conditions:

- the financial instrument has a low risk of default;
- the borrower is considered to have a strong capacity to meet its obligations in the near term; and
- the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

The Company defines low credit risk financial assets as financial assets that are “investment grade” at the reporting date, based on the Company’s credit grading policies. For such instruments, the SICR is not assessed, and the impairment allowance calculated using the 12M ECL, as long as the financial asset meets the criteria above.

Financial assets are written off either partially or entirety only when the Company has stopped pursuing the recovery. Probability of default is based on credit risk assessment with 45% loss given default for cedants. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements.

5.16.2. Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth
- Central Bank base rates

5.17. Significant judgements and estimates in applying IFRS 9

5.17.1. Classification of financial instruments

The Company exercised significant judgement in determining whether debt instruments are managed within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved through both collecting contractual cash flows and selling financial assets. In making this assessment, management considered the frequency, value and timing of historical sales, the reasons for such sales, liquidity requirements, portfolio rebalancing activities and the manner in which performance is monitored and reported to key management personnel. Based on this assessment, debt instruments are measured at amortised cost where they pass the SPPI test and where the entity has concluded that these debt instruments are held to collect contractual cash flows.

5.17.2. Expected credit loss

A number of significant judgements are required in applying the accounting requirements for measuring the ECL, such as:

- a. determining criteria for a significant increase in credit risk (SICR);
- b. choosing appropriate models and assumptions for the measurement of the ECL;
- c. establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated the ECL; and
- d. establishing groups of similar financial assets for the purposes of measuring the ECL. For more information, refer to note 5.11.

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5.1.8. Fair value measurement

5.1.8.1. Fair value hierarchy

The Company categorises a financial asset measured at fair value at the same level of fair value hierarchy as the lowest-level input that is significant to the entire measurement.

The Company ranks fair value measurements based on the type of inputs, as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equities, bonds and derivatives) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There were no transfers between Levels 1 and 2 for recurring fair value measurements during the current and prior years. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

5.1.8.2. Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments; and
- the fair value of the remaining financial instruments determined using discounted cash flow analysis.

The following financial assets are measured fair value through profit or loss:

Financial Asset	Fair value hierarchy	Significant inputs
Listed Equities	Level 1	Quoted share price from the stock exchange
Unlisted Equities	Level 3	Unobservable market price
Listed Government bonds	Level 1	Quoted bond price from the stock exchange
Negotiable Certificates of Deposits	Level 2	Observable market price
Promissory notes	Level 2	Observable market price

This note sets out the split of financial instruments by fair value hierarchy level, see note 5.3.

5.1.8.3. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, call accounts and other accounts receivable approximate the fair value.

5.1.8.4. Credit risk for financial instruments

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The credit risk arising from reinsurance contracts held is described in note 3.

5.1.8.5. Management of credit risk for financial instruments

The Company manages credit risk by setting credit risk limits within the risk appetite set by management through the Credit Risk Policy. Asset managers are to operate within these credit limits, and the risk department monitors whether credit limits are exceeded.

Credit limits are set for individual counterparties and geographical and industry concentrations. The Company's policy is to invest in high quality, liquid (i.e. investment grade) financial instruments. If credit risk deteriorates significantly, it is the Company's policy to sell these investments and to purchase high quality, liquid financial instruments in return. The Company does not use credit derivative instruments to manage credit risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.1.9. The effective interest method

Under IFRS 9, interest income is recorded using the effective interest method for all financial assets measured at amortised cost. The effective interest is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The effective interest (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on acquisition of the financial asset as well as fees and costs that are an integral part of the effective interest. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the debt instrument.

If expectations of a fixed rate financial asset's cash flows are revised for reasons other than credit risk, then changes to future contractual cash flows are discounted at the original effective interest with a consequential adjustment to the carrying amount. The difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the statement of financial position with a corresponding increase or decrease in interest income.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

5.2. FINANCIAL ASSETS

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

Figures in Rand	31 March 2026	31 March 2025
Listed equities	637 086 546	354 188 674
Preference shares	5 483 752	4 203 336
Government bonds - Fixed interest bonds	395 100 976	368 388 009
Negotiable Certificates of Deposits	42 505 309	542 718 108
Treasury bills	425 255 164	-
Total assets measured at FVTPL	1 505 431 747	1 269 498 127

5.2.2. Financial assets measured at amortised cost

Figures in Rand	31 March 2026	31 March 2025
Money market funds	156 505 583	195 861 271
Fixed deposit investments	1 405 979 200	1 142 240 506
Total assets measured at amortised cost	1 562 484 784	1 338 101 777
Financial assets	3 067 916 530	2 607 599 904

Risk management

Refer to the following notes for detail on risks relating to financial assets and the management thereof:

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE	5.3
EQUITY PRICE RISK	5.4
INTEREST RATE RISK	5.5
CREDIT RISK	5.6
LIQUIDITY RISK	5.8

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.3. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The table below analyses financial instruments, carried at fair value through profit or loss, by valuation method. The different levels have been defined in note 5.1.8:

31 March 2026

Figures in Rand	Level 1	Level 2	Level 3	Total
Financial assets				
Equities and debt securities				
Listed equities	637 086 546	-	-	637 086 546
Preference shares	5 483 752	-	-	5 483 752
Government bonds - Fixed interest bonds	395 100 976	-	-	395 100 976
Negotiable Certificates of Deposits	-	42 505 309	-	42 505 309
Treasury bills	-	425 255 164	-	425 255 164
Financial assets at fair value through profit or loss	1 037 671 274	467 760 473	-	1 505 431 747

31 March 2025

Figures in Rand	Level 1	Level 2	Level 3	Total
Financial assets				
Equities and debt securities				
Listed equities	354 188 674	-	-	354 188 674
Preference shares	4 203 336	-	-	4 203 336
Government bonds - Fixed interest bonds	368 388 009	-	-	368 388 009
Negotiable Certificates of Deposits	-	542 718 108	-	542 718 108
Financial assets at fair value through profit or loss	726 780 019	542 718 108	-	1 269 498 127

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from the stock exchange or pricing service, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the closing price. These instruments are included in level 1 and comprise mainly equity instruments classified as trading securities that are listed on the JSE.

Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant input required to fair value an instrument is observable, the instrument is included in level 2. Level 2 instruments comprise the following:

- interest-bearing investments and
- cash, deposits and similar securities

where the value is determined by using market observable input, e.g. JIBAR, prime rate, foreign currency rates, listed bond rates of similar instruments, without significant adjustments.

Level 3

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value level 3 financial instruments:

- Recent purchase price

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Accounting policy - Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When applicable, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair values of quoted investments are based on current stock exchange prices at the close of business on the statement of financial position date. If the market for a financial asset is not active or if it is unquoted, the Company establishes fair value by using valuation techniques. These include discounted cash flow analysis, recent arm's length transactions, premium/discount to net asset value and price-earnings techniques. The Company's main valuation techniques incorporate all factors that market participants would consider and make maximum use of observable market data.

5.4.EQUITY PRICE RISK

The Company is subject to price risk due to daily changes in the market values of its equity portfolio. The Company is not directly exposed to commodity price risk, but does have indirect commodity price exposure via various equity share holdings. Any change in valuation of these companies due to change in commodity prices will reflect in the change in share price of these companies.

The Company has the following investment instruments.

Direct listed equity & preference shares exposure	31 March 2026		31 March 2025	
	Number of shares	Market value R	Number of shares	Market value R
Listed equities				
AECI Limited	469 959	53 711 614	436 130	42 418 004
Bowler Metcalf Limited	1 778 357	25 554 990	1 675 577	23 290 520
British American Tobacco Plc	31 147	30 900 316	45 849	34 598 572
Curro Holdings Limited	-	-	2 168 379	18 214 384
Reinet Investments Sca	44 215	24 454 432	57 980	25 813 276
Southern Sun Limited	4 489 891	45 796 888	3 544 552	29 419 782
Spur Corp Limited	625 113	24 379 407	625 113	20 003 616
Tsogo Sun Limited	1 636 792	11 277 497	1 812 754	14 955 221
Other	11 284 604	421 011 402	6 435 643	145 475 300
Caxton and CTP Publishers and Printers Ltd	938 012	12 419 279	761 805	9 248 313
Hudaco Industries Limited	136 423	25 879 443	90 774	17 026 479
Netcare Limited	2 511 053	41 482 596	1 295 700	17 064 369
Transpaco Limited	824 580	33 065 658	299 580	10 934 670
Super Group Limited	1 559 231	26 569 296	1 025 063	28 701 764
Spar Group Limited	459 164	28 812 541	144 789	17 118 403
Remgro Limited	201 943	38 074 333	102 040	16 101 912
Anheuser-Busch Inbev	11 492	13 544 816	11 262	12 732 817
We Buy Cars Holdings Limited	981 432	39 060 994	277 600	11 692 512
Nutun Limited	2 427 030	2 839 625	2 427 030	4 854 060
Standard Bank Group Limited	139 820	42 568 199	-	-
Nedbank Group Limited	157 561	42 030 972	-	-
FirstRand Limited	462 060	39 801 848	-	-
Capitec Bank Holdings Limited	6 158	25 385 431	-	-

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The Company has the following investment instruments. (Cont.)

Direct listed equity & preference shares exposure	31 March 2026		31 March 2025	
	Number of shares	Market value R	Number of shares	Market value R
PSG Financial Services Limited	165 165	4 408 254	-	-
Stor-age Property Reit Limited	303 480	5 068 116	-	-
Total listed equities		637 086 546		354 188 675
Preference share				
Goldrush Holdings Ltd	885 905	5 483 752	765 635	4 203 336
Total preference shares		5 483 752		4 203 336
Total listed equities and preference shares		642 570 298		358 392 011

The Company's equity investments are managed, and their performance evaluated, on a fair value basis in accordance with the Company's documented investment strategy. Investment mandates agreed with the portfolio managers aim to build value over the long term through capital appreciation and investment income, rather than through frequent purchases and sales for short-term gains. Information about the portfolio is provided internally to the Board and key management personnel on a fair value basis, and the portfolio managers' performance is measured against total return. Accordingly, the Company's equity investments are measured at fair value through profit or loss. Equity price risk arises from the negative effect that a fall in the market value of equities can have on the Company's net asset value. The Company's objective is to earn competitive relative returns by investing in a diverse portfolio of high-quality, liquid securities. Portfolio characteristics are analysed regularly and equity price risk is actively managed through a variety of modelling methods. The Company sets appropriate risk limits to ensure that no significant concentrations in individual companies arise. The Company's largest investment in any one company comprises 1.2% (2025: 1.0%) of total assets.

Sensitivity analysis on listed equities and similar securities

At 31 March 2026, the Company's listed equities and similar securities were recorded at their fair value of R642.6 million (2025: R358.4 million). A 10% decline or increase in each individual unit price would have the net effect of decreasing or increasing profit before taxation by R64 million (2025: R36 million). A 10% decline or increase in each individual unit price would have the net effect of decreasing or increasing profit after taxation by R47 million (2025: R26 million).

Sensitivity analysis on government bonds

At 31 March 2026, the Company's government bonds were recorded at their fair value of R395.1 million (2025: R368.4 million). A 10% decline or increase would have the net effect of decreasing or increasing profit before taxation by R39.5 million (2025: R36.8 million). A 10% decline or increase would have the net effect of decreasing or increasing profit after taxation by R28.8 million (2025: R26.9 million).

5.5. INTEREST RATE RISK - FINANCIAL ASSETS

Exposure to interest rate risk is monitored through several methods that include scenario testing and stress testing using measures such as duration. The bond returns are modelled based on the historic performance of the individual bonds held in the portfolio, and adjusted to reflect the current interest rates and inflation environment. The risk-free yield curve is utilised when modelling.

Sensitivity Analysis on Interest - Bearing Instruments

Interest-bearing instruments with a fixed rate give rise to fair value interest rate risk, while interest-bearing instruments with a floating rate give rise to cash flow interest rate risk. Cash balances are held in bank accounts earning interest at nominal rates. As such, these balances are not considered to be subject to significant interest rate risk and have therefore not been included in the sensitivity analysis. The following table provides an indication of the impact of a 1% change in interest rates on the net income before tax as well as the net comprehensive income of the Company. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

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Figures in Rand	31 March 2026		31 March 2025	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax				
Interest-bearing investments				
Government bonds - Fixed interest bonds	(3 951 010)	3 951 010	(3 683 880)	3 683 880
Structured transactions, investment funds and insurance liabilities				
Negotiable Certificates of Deposits	425 053	(425 053)	5 427 181	(5 427 181)
Money market funds	1 565 056	(1 565 056)	1 958 613	(1 958 613)
Fixed deposit investments	14 059 792	(14 059 792)	11 422 405	(11 422 405)
Treasury bills	4 252 552	(4 252 552)	-	-
Insurance contract liabilities (GMM)	1 415 404	(1 415 404)	1 704 557	(1 704 557)
Total	17 766 846	(17 766 846)	16 828 875	(16 828 875)

* These are fixed interest bonds. An increase in interest rates will result in reduction in the fair value recognised in the P&L

Effect of shareholder's equity				
Interest-bearing investments				
Government bonds - Fixed interest bonds	(2 884 237)	2 884 237	(2 689 232)	2 689 232
Structured transactions, investment funds and insurance liabilities				
Negotiable Certificates of Deposits	310 289	(310 289)	3 961 842	(3 961 842)
Money market funds	1 142 491	(1 142 491)	1 429 787	(1 429 787)
Fixed deposit investments	10 263 648	(10 263 648)	8 338 356	(8 338 356)
Treasury bills	3 104 363	(3 104 363)	-	-
Insurance contract liabilities (GMM)	1 033 245	(1 033 245)	1 244 326	(1 244 326)
Total	12 969 798	(12 969 798)	12 285 079	(12 285 079)

5.6.CREDIT RISK

The Company continuously monitors its exposure to its counterparties for financial statement as well as regulatory reporting purposes. It has therefore established a number of criteria in its risk appetite statement to monitor concentration risk and provide feedback to management and the risk committee on at least a quarterly basis.

The credit quality of the Company's counterparties are determined using rating agencies' assessments of the probability of default over a one-year time horizon. The underlying default probabilities are based on the credit migration models developed by S&P and Moody's, which incorporate up to 90 years' worth of credit default information. The probability of default assigned are based on the highest credit rating assigned by the various rating agencies.

Credit risk capital is held for exposure to risk-based assets such as bonds and bank deposits.

For concentration risk the Company uses the Solvency Assessment and Management (SAM) methodology. The calculation is performed in four steps:

- Determine the exposure by counterparty;
- Calculate the excess exposure above a specified threshold level;
- Apply a charge to this excess exposure; and
- Aggregate the individual charges to obtain an overall capital requirement for concentration risk.

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The Company seeks to avoid concentration of credit risk to the Company's of counterparties, business sectors, product types and geographical portfolios. The Company's financial instruments, except for its exposure to the four large South African banks, do not represent a concentration of credit risk. In terms of the Company's internal risk appetite framework no more than 15% of total portfolio assets are generally invested in any one of the four major South African banks. Accounts receivable is spread over a number of major companies and intermediary parties, clients and geographic areas. The Company assesses concentration risk for debt securities, money market instruments and cash collectively. The Company does not have concentrations in these instruments to any one company exceeding 15% of total debt securities, money market instruments or cash.

The following table provides information regarding the aggregated credit risk exposure for financial assets without taking into account collateral. The credit ratings provided in this table were determined as follows: Aylett (the Company's asset manager) provided management with reports generated from their credit system on a monthly basis, detailing all counterparty, duration and credit risk. These reports include international, national and internal ratings. Aylett, the Company's asset managers, also provides management with a conversion table that is then applied to standardise the ratings to standardised international long-term rates.

As can be seen from the table below, the majority of financial asset investments have remained in BB following the credit rating of BB for the South African government's issuer ratings by major credit rating agencies. Most issuers in South Africa will have their credit ratings capped at the sovereign credit rating, and therefore the rating BB represents the best available ratings within the South African investable universe. This still falls within the Company's documented risk appetite and does not pose a significant risk for the Company. It has had no significant impact on expected credit losses provided for.

31 March 2026		Credit rating					
Figures in Rand	AA	A	BBB	BB	BB- and lower	Not rated	Carrying value
Financial assets:							
Government bonds - Fixed interest bonds	-	-	-	395 100 976	-	-	395 100 976
Negotiable Certificates of Deposits	-	-	-	42 505 309	-	-	42 505 309
Treasury bills	-	-	-	425 255 164	-	-	425 255 164
Fixed deposit investments	-	-	-	1 405 979 200	-	-	1 405 979 200
Money Market	-	-	-	-	-	156 505 583	156 505 583
Cash, deposits and similar securities	-	12 571 130	-	128 520 212	-	-	141 091 342
Other accounts receivable	-	-	-	-	-	4 040 258	4 040 258
Total financial assets	-	12 571 130	-	2 397 360 861	-	160 545 842	2 570 477 833

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31 March 2025	Credit rating						
Figures in Rand	AA	A	BBB	BB	BB- and lower	Not rated	Carrying value
Financial assets:							
Government bonds - Fixed interest bonds	-	-	-	368 388 009	-	-	368 388 009
Negotiable Certificates of Deposits	-	-	-	542 718 108	-	-	542 718 108
Fixed deposit investments	-	-	-	1 142 240 506	-	-	1 142 240 506
Money Market	-	-	-	-	-	195 861 271	195 861 271
Cash, deposits and similar securities	-	12 579 092	-	241 647 738	-	-	254 226 830
Other accounts receivables	-	-	-	-	-	4 031 850	4 031 850
Total financial assets	-	12 579 092	-	2 294 994 361	-	199 893 119	2 507 466 574

5.7. CURRENCY RISK

The Company has two sources of currency risk:

- Operational currency risk – underwriting liabilities in currencies other than the currency of the primary environment in which the business units operate (non-functional currencies)
- Structured currency risk – investing in instruments denominated in a foreign currency.

The Company is exposed to foreign currency risk for transactions that are denominated in a currency other than Rand. Fluctuations in exchange rates impact on the value of government securities and corporate bonds and inhouse fixed deposits from the investment portfolio. The Company writes business in foreign currency and mitigates the operational currency risk by building foreign currency reserves in order to match USD and EUR liabilities with USD (US Dollar) and EUR (EURO) assets.

The Company monitors the level of foreign currency assets relative to foreign currency liabilities and foreign currency capital requirements.

Assets and liabilities denominated in foreign currencies included in the statement of financial position.

31 March 2026

Figures in Rand	Euro assets denominated in ZAR	USD assets denominated in ZAR	Total exposure
Cash, deposits and similar securities:			
- relating to fixed deposit investments	-	293 842 332	293 842 332
- foreign currency bank account	15 541 586	18 359 973	33 901 559
Foreign currency exposure	15 541 586	312 202 305	327 743 892
Exchange rates: (ZAR / EUR and ZAR / USD)			
Closing rate	0,051	0,059	
Average rate	0,060	0,052	

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31 March 2025

Figures in Rand	Euro assets denominated in ZAR	USD assets denominated in ZAR	Total exposure
Cash, deposits and similar securities:			
- relating to fixed deposit investments	368	206 638 587	206 638 955
- foreign currency bank account	20 788 860	92 118 315	112 907 175
Foreign currency exposure	20 789 228	298 756 902	319 546 130
Exchange rates: (ZAR / EUR and ZAR / USD)			
Closing rate	0,050	0,054	
Average rate	0,049	0,053	

31 March 2026	10% strengthening in rand/Euro	10% weakening in rand/Euro	10% strengthening in rand/USD	10% weakening in rand/USD
Impact on profit or loss	1 554 159	(1 554 159)	31 220 231	(31 220 231)
Impact on equity	1 134 536	(1 134 536)	22 790 768	(22 790 768)

31 March 2025	10% strengthening in rand/Euro	10% weakening in rand/Euro	10% strengthening in rand/USD	10% weakening in rand/USD
Impact on profit or loss	2 078 923	(2 078 923)	29 875 690	(29 875 690)
Impact on equity	1 517 614	(1 517 614)	21 809 254	(21 809 254)

Sensitivity analysis of insurance contracts denominated in foreign currency:

Figures in Rand	Net insurance balances as reported	5% strengthening of the rand impact on:			5% weakening of the rand impact on:		
		Net insurance balances	Profit or loss	Equity	Net insurance balances	Profit or loss	Equity
2026	(778 006 727)	(1 867 129)	(1 867 129)	(1 363 004)	1 960 485	1 960 485	1 431 154
Insurance contracts - PAA	(710 379 452)	(3 638 728)	(3 638 728)	(2 656 271)	3 820 664	3 820 664	2 789 085
Insurance contracts - GMM	(67 627 276)	1 771 599	1 771 599	1 293 267	(1 860 179)	(1 860 179)	(1 357 930)
2025 (Restated)	(844 162 704)	(4 559 910)	(4 559 910)	(3 328 734)	4 787 905	4 787 905	3 495 171
Insurance contracts - PAA	(714 012 969)	(7 973 240)	(7 973 240)	(5 820 465)	8 371 902	8 371 902	6 111 489
Insurance contracts - GMM	(130 149 735)	3 413 330	3 413 330	2 491 731	(3 583 997)	(3 583 997)	(2 616 318)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.8. LIQUIDITY RISK

The Company manages liquidity requirements by matching the duration of assets invested to corresponding liabilities. The net insurance liabilities are covered by cash and liquid interest-bearing instruments. The cash mandates include market risk limitations (average duration and maximum duration per instrument) to ensure adequate availability of liquid funds to meet the Company's payment obligations.

The Company's shareholder funds are invested in a combination of interest-bearing instruments, preference shares and listed equities. The listed equity portfolio is a well-diversified portfolio with highly liquid shares. The following table summarises the contractual repricing or maturity dates (whichever is earlier) for financial assets that are subject to fixed and variable interest rates.

The maturity analysis has been prepared using contractual undiscounted cash flows including both principal and contractual interest obligations. Insurance and reinsurance contract liabilities are presented based on expected payment dates arising from policyholder obligations and reinsurance arrangements while lease liabilities reflect contractual undiscounted cash flows in accordance with IFRS 16. Equity instruments (listed and unlisted) and money market funds are classified as "open-ended" since they have no fixed maturity dates but can be liquidated to meet funding requirements and insurance contract assets and reinsurance assets represent expected recoveries presented by expected settlement period. The Company does not expect that the cash flows included in the maturity analysis could occur significantly earlier.

31 March 2026

Figures in Rand	Within 1 year	1 - 5 years	More than 5 years	Open ended	Carrying value
Financial and insurance assets					
Equity securities					
Listed equities	-	-	-	637 086 546	637 086 546
Preference shares	-	-	-	5 483 752	5 483 752
Interest-bearing investments					
Government bonds - Fixed interest bonds	-	-	395 100 976	-	395 100 976
Negotiable Certificates of Deposits	42 505 309	-	-	-	42 505 309
Treasury bills	425 255 164	-	-	-	425 255 164
Fixed deposit investments	1 405 979 200	-	-	-	1 405 979 200
Money market funds	-	-	-	156 505 583	156 505 583
Cash, deposits and similar securities					
Cash and cash equivalents	141 091 342	-	-	-	141 091 342
Other accounts receivable	4 040 258	-	-	-	4 040 258
Insurance contracts					
Insurance contract assets	115 923 756	-	-	-	115 923 756
Reinsurance contract assets	964 581 289	-	-	-	964 581 289
Total financial and insurance assets	3 099 376 318	-	395 100 976	799 075 881	4 293 553 175
Insurance and reinsurance contract liabilities					
Insurance contract liabilities	(1 461 829 921)	(141 540 356)	-	-	(1 603 370 277)
Reinsurance contract liabilities	(334 742 420)	-	-	-	(334 742 420)
Other liabilities					
Other accounts payable	(10 622 991)	-	-	-	(10 622 991)
Lease liability	-	-	-	-	-
Insurance and other liabilities	(1 807 195 332)	(141 540 356)	-	-	(1 948 735 688)
Net (exposure) cover	1 292 180 986	(141 540 356)	395 100 976	799 075 881	2 344 817 487

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31 March 2025

Figures in Rand	Within 1 year	1 - 5 years	More than 5 years	Open ended	Carrying value
Financial and insurance assets					
Equity securities					
Listed equities	-	-	-	354 188 674	354 188 674
Preference shares	-	-	-	4 203 336	4 203 336
Interest-bearing investments					
Government bonds - Fixed interest bonds	-	-	368 388 009	-	368 388 009
Negotiable Certificates of Deposits	542 718 108	-	-	-	542 718 108
Fixed deposit investments	1 142 240 506	-	-	-	1 142 240 506
Money market funds	-	-	-	195 861 271	195 861 271
Cash, deposits and similar securities	254 226 830	-	-	-	254 226 830
Other accounts receivable	4 031 850	-	-	-	4 031 850
Insurance contracts					
Insurance contract assets	99 249 738	-	-	-	99 249 738
Reinsurance contract assets	1 001 767 525	-	-	-	1 001 767 525
Total financial and insurance assets	3 044 234 557	-	368 388 009	554 253 281	3 966 875 847
Insurance and reinsurance contract liabilities					
Insurance contract liabilities	(1 525 174 355)	(170 455 662)	-	-	(1 695 630 017)
Reinsurance contract liabilities	(160 723 827)	-	-	-	(160 723 827)
Other liabilities					
Other accounts payable	(13 075 305)	-	-	-	(13 075 305)
Lease liability	(1 104 506)	-	-	-	(1 104 506)
Insurance and other liabilities	(1 700 077 994)	(170 455 662)	-	-	(1 870 533 656)
Net (exposure) cover	1 344 156 563	(170 455 662)	368 388 009	554 253 281	2 096 342 191

5.9. INVESTMENT INCOME

Figures in Rand	31 March 2026	31 March 2025
Interest income derived from		
Financial assets measured at amortised cost	103 151 817	119 727 607
Other interest income (all instruments excluding fixed deposits)	92 288 621	95 871 304
Total	195 440 439	215 598 910
Other investment income		
Dividend income ¹	39 114 965	13 141 402

Foreign Exchange Differences

Figures in Rand	31 March 2026	31 March 2025
Financial assets at amortised cost	(12 398 392)	(19 837 925)
Bank balances denominated in foreign currencies	(9 223 576)	(1 979 854)
Total	(21 621 968)	(21 817 779)

¹ Dividend income for the Company includes dividends received from listed equity instruments

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.10.GAINS/(LOSSES) ON FINANCIAL ASSETS

Figures in Rand	31 March 2026	31 March 2025
Net realised gains/(losses) on financial assets		
Equities	21 783 219	35 958 236
Securities	7 155 723	1 196 045
	28 938 942	37 154 281
Gross unrealised gains/ (losses) on financial assets		
Listed equities	103 048 033	79 860 846
Preference shares	(6 330 672)	(6 887 528)
Bond	30 373 624	18 453 998
	127 090 985	91 427 316
Net unrealised profit/(loss) on financial assets measured at FVTPL	35 663 668	48 156 328

5.11.DECREASE/(INCREASE) IN ALLOWANCE FOR EXPECTED CREDIT LOSSES

Figures in Rand	31 March 2026	31 March 2025
	12- month expected credit losses	
Loss allowance at beginning of year	5 138 408	7 764 822
Financial assets that have been derecognised during the period	(3 985 902)	(7 276 848)
New financial assets purchased	1 852 423	3 985 902
Foreign exchange and other movements	(105 290)	664 532
Loss allowance at the end of the year	2 899 639	5 138 408
Financial assets measured at amortised cost		
Money market funds	1 047 216	1 152 506
Fixed deposit investments	1 852 423	3 985 902
Expected credit loss	2 899 639	5 138 408
ECL Movement	(2 238 769)	(2 626 414)

The Company's financial assets measured at amortised cost are all classified in stage 1. The ECL is measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. For all instruments, there was no significant increase in credit risk (SICR) since initial recognition.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.12.CATEGORISATION OF FINANCIAL INSTRUMENTS

31 March 2026	Note	Financial assets category				Financial liabilities	Non-financial instruments	Current / non - current distinction	
		Total	FVPL	Amortised cost	Amortised cost			Current assets and liabilities	Non - current assets and liabilities
Figures in Rand									
Financial Assets									
Cash And Cash Equivalents	6.2	141 091 342	-	141 091 342	-	-	-	141 091 342	-
Other Accounts Receivable	6.1	4 040 258	-	3 584 262	-	-	455 997	4 040 258	-
Investments	5.2.1	3 067 916 530	1 505 431 747	1 562 484 784	-	-	-	2 672 815 554	395 100 976
Listed equities	5.2.1	637 086 546	637 086 546	-	-	-	-	637 086 546	-
Preference shares	5.2.1	5 483 752	5 483 752	-	-	-	-	5 483 752	-
Government bonds - Listed fixed interest bonds	5.2.1	395 100 976	395 100 976	-	-	-	-	-	395 100 976
Negotiable Certificates of Deposits	5.2.1	42 505 309	42 505 309	-	-	-	-	42 505 309	-
Treasury bills	5.2.1	425 255 164	425 255 164	-	-	-	-	425 255 164	-
Fixed deposit investments	5.2.2	1 405 979 200	-	1 405 979 200	-	-	-	1 405 979 200	-
Money market funds	5.2.2	156 505 583	-	156 505 583	-	-	-	156 505 583	-
Total		3 213 048 131	1 505 431 747	1 707 160 387	-	-	455 997	2 817 947 154	395 100 976
Financial Liabilities									
Other Accounts Payable	7.1	10 622 991	-	-	5 271 910	-	5 351 081	10 622 991	-
Lease Liability	15	-	-	-	-	-	-	-	-
Total Liabilities		10 622 991	-	-	5 271 910	-	5 351 081	10 622 991	-

Fair value of financial assets and financial liabilities at amortised cost approximate carrying amount as these financial instruments will be receivable or payable within 12 months. Listed and money market instruments are disposable on demand, they do not have a maturity date for the purpose of determining current, non-current classification. Management liquidates money market instruments before listed equities and bonds.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5.12. CATEGORISATION OF FINANCIAL INSTRUMENTS

31 March 2025		Financial assets category				Financial liabilities	Non-financial instruments	Current / non - current distinction	
Note		Total	FVPL	Amortised cost	Amortised cost	Other	Current assets and liabilities	Non - current assets and liabilities	
Figures in Rand									
Financial Assets									
Cash And Cash Equivalents	6.2	254 226 830	-	254 226 830	-	-	254 226 830	-	-
Other Accounts Receivable	6.1	4 031 850	-	3 575 853	-	455 997	4 031 850	-	-
Investments									
Listed Equities	5.2.1	2 607 599 904	1 269 498 127	1 338 101 777	-	-	2 239 211 895	368 388 009	
Preference Shares	5.2.1	354 188 674	354 188 674	-	-	-	354 188 674	-	-
	5.2.1	4 203 336	4 203 336	-	-	-	4 203 336	-	-
Government Bonds - Listed Fixed Interest Bonds	5.2.1	368 388 009	368 388 009	-	-	-	-	368 388 009	
Negotiable Certificates Of Deposits	5.2.1	542 718 108	542 718 108	-	-	-	542 718 108	-	-
Fixed Deposit Investments	5.2.2	1 142 240 506	-	1 142 240 506	-	-	1 142 240 506	-	-
Money Market Funds	5.2.2	195 861 271	-	195 861 271	-	-	195 861 271	-	-
Total		2 865 858 584	1 269 498 127	1 595 904 460	-	455 997	2 497 470 575	368 388 009	
Financial Liabilities									
Other Accounts Payable	7.1	13 075 305	-	-	3 959 161	9 116 144	13 075 305	-	-
Lease Liability	15	1 104 506	-	-	-	1 104 506	1 104 506	-	-
Total Liabilities		14 179 811	-	-	3 959 161	10 220 650	14 179 811	-	-

Fair value of financial assets and financial liabilities at amortised cost approximate carrying amount as these financial instruments will be receivable or payable within 12 months. Listed and money market instruments are disposable on demand, they do not have a maturity date for the purpose of determining current, non-current classification. Management liquidates money market instruments before listed equities and bonds.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

6.1. OTHER ACCOUNTS RECEIVABLE

Figures in Rand	31 March 2026	31 March 2025
Sundry debtors	3 584 262	3 575 853
Sundry deposits	455 997	455 997
Total	4 040 258	4 031 850

‘It is unlikely that the Company will experience credit losses in respect of other receivables and as such no amounts have been provided for as the forward looking information considered was deemed to have an immaterial impact on the expected credit loss allowance.

6.2. CASH AND CASH EQUIVALENTS

Figures in Rand	31 March 2026	31 March 2025
Cash on call and on deposit	86 388 100	65 845 872
Cash at bank	54 703 208	188 380 924
NEDBANK	18 252 573	73 754 974
NEDBANK	2 546 292	1 712 486
NEDBANK - USD	7 023 309	85 650 985
NEDBANK - EURO	15 541 586	20 788 860
SBI - ZAR	46	46
SBI - USD	1 580 332	4 869 323
STANDARD BANK - USD	187 298	224 678
FNB ISLAMIC BANKING - USD	9 569 034	1 373 328
FNB ISLAMIC BANKING - ZAR	2 738	6 244
Cash on hand	34	34
Total	141 091 342	254 226 830

The carrying value of cash and cash equivalents approximates fair value. The full value is expected to be realised within 12 months. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Accounting policy - Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held on call with banks. Cash and cash equivalents are carried at amortised cost.

7.1. OTHER ACCOUNTS PAYABLE

Figures in Rand	31 March 2026	31 March 2025
VAT payable	1,176,857	6,863,147
Withholding tax on interest	921,876	-
Salary provisions	3,235,843	2,222,451
Creditors control	5,271,910	3,959,161
Expense accruals	16,506	30,546
Total	10,622,991	13,075,305

The carrying value of trade and other payables approximates fair value. All trade payables are expected to be settled within 12 months.

Accounting policy - Trade and other payables

Trade and other payables, including accruals, are recognised when the Company has a present obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits from the Company. Trade and other payables are carried at amortised cost.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7.2. OTHER INTEREST EXPENSE

Figures in Rand	31 March 2026	31 March 2025
Interest expense		
– lease liabilities	42 326	113 577
Total	42 326	113 577

Accounting policy - Finance costs

Finance costs are recognised using the effective-interest method.

8. EXPENSES BY NATURE

Figures in Rand	31 March 2026			31 March 2025		
	Non-attributable expenses	IFRS 17 attributable expenses	Total	Non-attributable expenses	IFRS 17 attributable expenses	Total
Depreciation	271 459	494 229	765 688	169 106	302 809	471 914
External auditors' remuneration	1 474 506	3 986 627	5 461 133	1 487 376	4 021 424	5 508 800
Internal auditors' remuneration	257 301	1 172 151	1 429 452	255 770	809 937	1 065 707
Software and computer expenses	210 993	2 238 207	2 449 199	224 179	1 915 484	2 139 663
Directors fees	1 800 238	1 150 972	2 951 210	1 490 407	1 321 681	2 812 088
Insurance costs	369 054	509 646	878 700	258 264	479 633	737 898
Membership fees	-	1 386 620	1 386 620	-	1 167 424	1 167 424
Utilities	284 398	497 644	782 042	291 586	488 628	780 214
Employee costs - salaries and bonuses	7 035 908	22 280 375	29 316 283	4 964 049	16 618 773	21 582 822
Staff amenities	1 784 162	4 798 033	6 582 195	1 435 219	3 661 517	5 096 736
Tariffs	-	1 502 819	1 502 819	-	1 608 102	1 608 102
Consulting fees	985 514	6 522 847	7 508 361	364 000	5 966 845	6 330 844
Other expenses	6 480 083	1 269 788	7 749 870	18 156 276	1 511 461	19 667 737
Lease expense	653 888	980 833	1 634 721	748 219	1 076 705	1 824 924
Total	21 607 504	48 790 790	70 398 295	29 844 450	40 950 423	70 794 872

* Depreciation of lease is grouped with the lease expenses.

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

Accounting policy - Low value leases

Leases relating to low value assets, which consist of office furniture and equipment, are expensed on a straight-line basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Accounting policy - Expenses

The cash flows within the contract boundary include an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts. Such overheads are allocated to groups of contracts using methods that are systematic and rational, and are consistently applied to all costs that have similar characteristics.

The Company's expenses are largely considered to be directly attributable to insurance contracts. These costs are those that are incurred as a result of being an insurance company and those incurred to write, renew or service its insurance contracts. Directly attributable costs are allocated down to a group of insurance contract level in a way that reflects the relative benefit that each group receives from the expense incurred. The Company has chosen to amortize its insurance acquisition cash flows for groups measured under the premium allocation approach using the brokerage runoff pattern. The liability for expenses incurred that are yet to be settled is held within the liability for remaining coverage.

Key sources of estimation uncertainty - Expenses

Operating expenses assumptions reflect the projected costs of maintaining and fulfilling active policies and the related fixed and variable overheads. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate. An increase in the expected level of expenses will reduce future expected profits of the Company.

9. PROPERTY AND EQUIPMENT

Property and equipment consists of owned and leased assets that do not meet the definition of investment property.

31 March 2026

Figures in Rand	Equipment	Furniture	Motor vehicles	Right-of-use asset	Total
Cost					
At 1 April 2025	3 032 120	960 460	4 292 600	2 859 444	11 144 624
Additions	578 341	16 360	-	-	594 701
Disposals	-	-	-	-	-
At 31 March 2026	3 610 460	976 820	4 292 600	2 859 444	11 739 324
Accumulated Depreciation					
At 1 April 2025	(2 561 391)	(894 264)	(2 503 427)	(1 906 296)	(7 865 378)
Charge for the year	(363 244)	(15 597)	(386 848)	(953 148)	(1 718 836)
Scrapped assets	-	-	-	-	-
At 31 March 2026	(2 924 635)	(909 861)	(2 890 276)	(2 859 444)	(9 584 215)
Net book value at 31 March 2026	685 826	66 960	1 402 324	-	2 155 110

31 March 2025

Figures in Rand	Equipment	Furniture	Motor vehicles	Right-of-use asset	Total
Cost					
At 1 April 2024	2 672 059	882 097	3 058 260	2 859 444	9 471 860
Additions	360 061	78 363	1 934 240	-	2 372 664
Disposals	-	-	(699 900)	-	(699 900)
At 31 March 2025	3 032 120	960 460	4 292 600	2 859 444	11 144 624
Accumulated Depreciation					
At 1 April 2024	(2 352 411)	(887 954)	(2 946 702)	(953 148)	(7 140 216)
Charge for the year	(208 980)	(6 310)	(256 625)	(953 148)	(1 425 062)
Scrapped assets	-	-	699 900	-	699 900
At 31 March 2025	(2 561 391)	(894 264)	(2 503 427)	(1 906 296)	(7 865 378)
Net book value at 31 March 2025	470 729	66 196	1 789 172	953 148	3 279 245

Note: The depreciation charges reflected in this note are IFRS 17 attributable and non-attributable expenses.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

INTANGIBLE ASSET

An intangible asset is an identifiable non-monetary asset without physical substance.

31 March 2026

Figures in Rand	Computer Software	Total
Cost		
At 1 April 2025	-	-
Additions	1 533 695	1 533 695
Disposals	-	-
At 31 March 2026	1 533 695	1 533 695
Accumulated Amortisation		
At 1 April 2025	-	-
Charge for the year	-	-
Scrapped assets	-	-
At 31 March 2026	-	-
Net book value at 31 March 2026	1 533 695	1 533 695

31 March 2025

Figures in Rand	Computer Software	Total
Cost		
At 1 April 2024	-	-
Additions	-	-
Disposals	-	-
At 31 March 2025	-	-
Accumulated Amortisation		
At 1 April 2024	-	-
Charge for the year	-	-
Scrapped assets	-	-
At 31 March 2025	-	-
Net book value at 31 March 2025	-	-

Accounting policy - Property and equipment

Equipment, furniture and motor vehicles are stated at cost less accumulated depreciation and impairment charges. Depreciation is calculated on the difference between the cost and residual value of the asset and is charged to the statement of comprehensive income over the estimated useful life of each significant part of an item of equipment, using the straight-line basis.

Estimated useful lives are as follows:

Equipment

Office equipment	6 years
Computer equipment	3 years
EDP equipment	3 years
Furniture	6 years
Motor vehicles	5 years

The estimated useful lives are reviewed on an annual basis.

The assets' residual values and useful lives are reviewed at each statement of financial position date and adjusted if appropriate. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets and are included in profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits from the existing asset will flow to the Company.

Accounting policy - Right-of-use assets

Agreements where the counterparty retains control of the underlying asset are classified as leases. The Company leases office building. Leases other than short term leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest, the incremental borrowing rate, on the remaining balance of the liability for each period. The right-of-use asset is subsequently depreciated using the straight-line method over the shorter of the useful life of the underlying asset or the period of the lease term. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Short term leases with a term shorter than 12 months are accounted for as operating leases.

Right of use asset is depreciated over the use period as follows:

Right of use of buildings 3 years

Assets and liabilities arising from a lease are initially measured on a discounted value basis. Right-of- use asset comprise of:

- the amount of the initial measurement of the lease liability, as described in note 15;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the lessee

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment.

Computer Software

Computer software is recognised at cost less amortisation and impairment charges. Computer software packages acquired are initially recognised at cost. Cost associated with maintaining computer software programmes are recognised as an expense when incurred. Costs that are directly attributable to the development and testing of identifiable and unique software products are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use it;
- there is an ability to use the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives, which do not exceed 5 years.

Computer software is amortised over its estimated useful life as follows:

Computer software 5 years

The estimated useful life is reviewed on an annual basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

10.SHARE CAPITAL

31 March 2026

Authorised

1 500 000 000 ordinary shares of no par value

Issued	Number of shares	Stated capital
At beginning of the year	571 030 862	1 142 061 725
Issued during the year	76 137 448	285 515 430
At end of the year	647 168 310	1 427 577 155

31 March 2025

Authorised

1 500 000 000 ordinary shares of no par value

Issued	Number of shares	Stated capital
At beginning of the year	571 030 862	1 142 061 725
Issued during the year	-	-
At end of the year	571 030 862	1 142 061 725

GIC Re South Africa Limited is 100% owned by General Insurance Corporation of India. Shares are classified as equity shares and there is no obligation to transfer cash or other assets. The unissued shares are under the control of the directors.

Non-cash transaction

During the year the Company issued 76,137,448 ordinary shares by way of a capitalisation issue, funded by a transfer of R285,515,430 from retained earnings to share capital. As no cash was received or paid, the transaction has been excluded from the statement of cash flows in accordance with IAS 7.43.

Accounting policy - Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

11.EMPLOYEE BENEFIT EXPENSE

Figures in Rand	31 March 2026	31 March 2025
Salary	25 133 485	19 669 378
Leave pay	1 016 104	(1 789 167)
Medical aid	2 135 480	1 977 249
Overtime	1 780	4 078
Pension	632 902	775 481
UIF	138 994	627 606
Skills levy	257 539	85 862
Bonus	-	232 334
Total	29 316 283	21 582 822

Accounting policy - Employee benefits

a) Leave pay

Employee entitlements to annual leave and long-service leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the statement of financial position date.

b) Bonus

Employees are entitled to Christmas bonus as per the Company's human resource policy

c) Medical Aid

Employees are covered under Medical Aid Plan.

d) Short term employee benefits

Short term employee benefits are those benefits which are expected to settle before twelve months after the end of annual reporting period during which employee services are rendered, but do not include termination benefits. The undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in an accounting period is recognised in that period. The expected cost of short-term compensated absences is recognised as the employees render service that increases their entitlement or, in the case of non-accumulating absences, when the absences occur, and includes any additional amounts an entity expects to pay as a result of unused entitlements at the end of the period. Short term employee benefits are recognised as an expense in profit or loss when incurred.

12.Notes To The Statement Of Cash Flows

12.1.Cash generated / (utilised) by operations

Figures in Rand	31 March 2026	31 March 2025 (Restated)
Profit before taxation	303 500 033	332 317 077
Adjustments for:		
– depreciation of property and equipment	1 718 836	1 425 062
– unrealised gains	(35 663 669)	(48 156 328)
– foreign exchange loss	21 621 968	21 817 779
– unrealised profit on disposal of financial assets measured at FVTPL	(21 783 219)	(35 958 236)
– unrealised profit on disposal of financial assets measured at AC	(7 155 723)	(1 196 045)
– unrealised profit on disposal of fixed assets	(27 652)	(201 739)
– decrease in allowance for expected credit losses	(2 238 769)	(2 626 414)
– interest income	(195 440 439)	(215 598 910)
– dividends received	(39 114 965)	(13 141 402)
– interest paid	42 326	113 577
– other non cash items	-	-
Cash utilised by operations before working capital changes	(278 041 305)	(293 522 656)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Cash generated / (utilised) by operations (Cont.)

Figures in Rand	31 March 2026	31 March 2025
Change in other accounts receivable	(8 409)	1 626 595
Change in insurance contract assets	(16 674 018)	1 264 175
Change in reinsurance contract assets	37 186 236	(141 686 095)
Change in insurance contract liabilities	(92 259 740)	(190 775 337)
Change in reinsurance contract liabilities	174 018 592	160 723 827
Change in other accounts payable	(2 452 314)	(49 542 161)
Changes in working capital and operating assets and liabilities	99 810 347	(218 388 996)
Cash generated from / (utilised by) operations	125 269 075	(179 594 575)

12.2. Taxation Paid

Figures in Rand	31 March 2026	31 March 2025
Opening current tax payable/receivable	51 400 068	20 156 416
Tax charge	(53 037 423)	(64 190 262)
Balance at the end of the year	52 977 820	51 400 068
Tax (paid)/received	(54 615 176)	(95 433 914)

12.3. Interest Paid

Figures in Rand	31 March 2026	31 March 2025
Interest paid on lease liability	42 326	46 567
Total	42 326	46 567

The Company classifies the cash flows from the acquisition and disposal of financial assets as operating cash flows, as the purchases are funded from the net cash flows associated with the origination of insurance contracts and the payment of claims incurred for insurance contracts, which are treated under operating activities.

13. Income Tax Expenses

Figures in Rand	31 March 2026	31 March 2025 (Restated)
South African normal taxation Current year		
– charge for the year	53 037 423	64 190 262
Prior year overprovision	-	-
Income taxation for the year	53 037 423	64 190 262
Deferred taxation	17 503 778	22 446 593
Prior year under provision	-	-
Deferred taxation for the year	17 503 778	22 446 593
Total taxation as per the statement of comprehensive income	70 541 201	86 636 855
Reconciliation of taxation rate (%)	27,00%	27,00%
Adjusted for		
– Disallowable expenses	0,54%	1,32%
– Exempt income ¹	-5,42%	-3,98%
– Investment results (capital gains)	1,12%	1,73%
– Previous year's under/(overprovision)	0,00%	0,00%
Effective rate (%)	23,24%	26,07%

¹ Exempt income consists mainly of dividends received.

Disallowable expenses consist of penalties, expenses attributable to dividend income and unrealised gains correction.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Accounting policy – Income tax

The tax expense for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised directly in equity.

a) Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

b) Withholding tax on dividends

Withholding taxes are measured at the amount expected to be paid to the relevant tax authorities in the country from which dividend income originates. The tax rates and tax laws used to compute the amount are those that are enacted when the dividend was declared.

14.DEFERRED TAX

Figures in Rand	31 March 2026	31 March 2025 (Restated)
The amounts are as follows:		
Deferred tax assets	1 578 434	10 483 355
Deferred tax liabilities	(28 496 673)	(19 897 815)
Total net deferred tax (liability)/asset	(26 918 239)	(9 414 460)
<i>Deferred tax is made up as follows:</i>		
Lease liabilities	-	(257 350)
Unrealised appreciation of investments	(28 496 673)	(19 640 465)
Provisions and accruals	1 578 434	1 183 373
IFRS 17 transition	-	9 001 765
Right-of-use assets	-	298 217
Net deferred tax (liability)/asset	(26 918 239)	(9 414 460)
<i>Movement of deferred tax</i>		
Balance as at 1 April	(9 414 460)	13 032 131
Charge to the statement of comprehensive income	(17 503 779)	(22 446 591)
Right-of-use assets	(298 217)	(811 056)
Unrealised appreciation of investments	(8 856 208)	(11 961 938)
Provisions and accruals	395 061	(1 484 748)
IFRS 17 transition	(9 001 765)	(9 001 766)
Lease liabilities	257 350	812 917
Balance as at 31 March	(26 918 239)	(9 414 460)

Accounting policy – Deferred tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle the balances on a net basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

15. LEASE LIABILITY

Lease payments represent rentals payable by the Company for office premises. The lease has been negotiated for a term of three years from April 2023 and escalates at 8% per annum.

Figures in Rand	31 March 2026	31 March 2025
Minimum lease payments due		
- within one year	-	1 146 832
- in one year to two years	-	-
Total undiscounted lease liability	-	1 146 832
less: future finance charges	-	(42 326)
Present value of minimum lease payments	-	1 104 506
Reconciliation of lease liability		
Opening balance	1 104 506	2 050 764
Lease liability recognised during the period	-	-
Finance charges	42 326	113 576
Lease payments	(1 146 832)	(1 059 834)
Present value of minimum lease payments	-	1 104 506

Accounting policy - Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has not elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component. Lease payments represent rentals payable by the Company for office. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The right of use of the asset is included in property and equipment.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The threshold of these assets is R75 000.

16. OTHER COMPANY INFORMATION

Dividends

No dividends were paid during the year (2025: Nil).

Going concern

The Company is regulated by the Prudential Authority (PA) and continues to comply with the applicable regulatory requirements issued by the PA. The Company has been rated by S&P Global Ratings since its inception and continues to maintain its external credit rating. GIC Re South Africa Limited is a wholly owned subsidiary of General Insurance Corporation of India (GIC Re) and benefits from an unconditional parental guarantee provided by its parent company. The Company has no borrowings, including from its parent company. The Company maintained a Solvency Capital Requirement (SCR) ratio of 2.81 times as at 31 March 2026, significantly above the regulatory minimum requirement of 1 time, reflecting its strong capital position and financial resilience. Considering the above facts, the directors believe that the Company will be a going concern in future.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

17. RELATED-PARTY TRANSACTIONS

17.1. Identity of related parties

The current holding company is General Insurance Corporation of India (GIC Re India) which is controlled by the Government of India (holding 77.40% equity share). The holding company acquired 100% of the shares of GIC Re South Africa Limited on 24 April 2014.

The following transactions were entered with the holding company during the period covered under the report: (These are reported in terms of IFRS 4 as the Consolidated Reporting of the Parent Company is under IFRS 4):

Figures in Rand	31 March 2026	31 March 2025
Statement of Profit or loss effects:		
Retroceded premiums	39 494 941	57 699 730
Retroceded claims	56 861 725	22 602 245
Retroceded commission	642 872	793 936
Interest paid on reserve deposits	8 622 431	10 372 434
	105 621 969	91 468 345
Statement of financial position effects:		
Retroceded outstanding claims	365 604 457	566 028 918
Retroceded reserve deposit	184 055 402	200 137 942
	549 659 860	766 166 860

The following transactions were entered with the GIC Re London Branch during the period covered under the report:

Figures in Rand	31 March 2026	31 March 2025
Statement of Profit or loss effects:		
Retroceded premiums	1 191 164 456	984 892 039
Retroceded claims	389 366 502	229 640 836
Retroceded commission	345 052 465	227 527 734
	1 925 583 423	1 442 060 609
Statement of financial position effects:		
Retroceded outstanding claims	225 342 489	127 441 106
	225 342 489	127 441 106

17.2. Transactions with Directors & Key Management Personnel

Non-Executive Directors' fees, of the Company, is set out below.

Non-executive directors	Designation	31 March 2026	31 March 2025
S Bhikha	Non-Executive Director	749 061	754 867
J Bagg	Non-Executive Director	695 556	713 391
N Sallie	Non-Executive Director	543 961	680 210
F Roji	Non-Executive Director	713 391	663 620
D Subbiah	Non-Executive Director	249 241	-
		2 951 210	2 812 088

None of the Non-executive Directors have an interest in the Company's share capital.

The remuneration of executive directors of the Company is set out below:

31 March 2026

Executive directors	Designation	Basic Remuneration	Medical Benefits	Other allowances	Total
J Jhamnani	MD & CEO ¹	583 239	137 160	2 243 698	2 964 097

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31 March 2025

Executive directors	Designation	Basic Remuneration	Medical Benefits	Other allowances	Total
J Jhamnani	MD & CEO ¹	354 042	96 108	841 707	1 291 857
S Karmarkar	MD & CEO ²	89 924	38 850	627 482	756 256

¹Appointed on 08 August 2024, resigned 31 May 2026

²Resigned on 20 May 2024

The remuneration of Key Management Personnel of the Company, is set out below :

31 March 2026

Name	Designation	Basic Remuneration	Medical Benefits	Other allowances	Total
W Mwase	Public Officer & Company Secretary	726 000	33 948	30 492	790 440
V Bhardwaj	Chief Operating Officer	559 686	300 540	2 053 209	2 913 435
N Suthar	Chief Risk Officer & Manager Admin	538 236	300 540	2 146 548	2 985 324
A Chinyamunzore ^	Chief Technical Accounts Officer	357 500	17 777	10 353	385 630
D Panja	Chief Underwriting Officer	516 738	300 540	2 047 344	2 864 621
R Goel	Chief Technology Officer & Manager HR	530 567	300 540	1 728 347	2 559 455
S Palat	Chief Finance Officer	519 853	326 760	1 777 414	2 624 027

31 March 2025

Name	Designation	Basic Remuneration	Medical Benefits	Other allowances	Total
W Mwase	Public Officer & Company Secretary	579 000	54 821	178 429	812 250
V Bhardwaj	Chief Operating Officer	643 292	255 027	1 636 468	2 534 787
N Suthar	Chief Risk Officer & Manager Admin	638 906	278 310	1 537 735	2 454 951
A Chinyamunzore	Chief Technical Accounts Officer	465 500	49 266	154 193	668 959
D Panja	Chief Underwriting Officer	586 549	258 404	1 159 584	2 004 537
R Goel	Chief Technology Officer & Manager HR	691 828	278 310	1 454 903	2 425 041
S Palat*	Chief Finance Officer	473 395	253 498	1 564 024	2 290 917

^ Resigned on 30th September 2025

* Added to South Africa payroll on 16th May 2024

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

18. CONTINGENCIES AND UNCERTAINTIES

Contracts with third parties

The Company does not have any other obligations not disclosed in these financial statements.

Litigation, disputes and investigations

The Company does not have any other litigations disputes or investigations not disclosed in these financial statements.

19. COMMITMENTS

The Company does not have any other commitments not disclosed in these financial statements.

20. EVENTS AFTER THE REPORTING PERIOD

New Lease Agreement

The previous lease agreement expired on 31 March 2026. Subsequent to the reporting date, the entity entered into a new lease agreement commencing on 1 April 2026 for a period of three years. The new lease agreement relates to the same building previously occupied by the Company and the Company will continue to operate from the existing premises. The new lease agreement is considered a non-adjusting event after the reporting period and accordingly, no adjustment has been made to the amounts recognised in the financial statements

Resignation of MD and CEO

Mr Jetho Jhamnani, Managing Director and CEO of the Company, resigned with effect from 31 May 2026 upon his repatriation to the Parent Company

21. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

a. Standards, amendments and interpretations effective in 2025 and 2026

The following amendments to published standards are mandatory for the Company's accounting periods beginning on or after 1 January 2025:

Standard	Effective date	Impact
Amendments to IAS 21 The effects of changes in foreign exchange rates on lack of exchangeability	Annual periods beginning on or after 1 January 2025 (Published August 2023)	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The implementation of the standard did not result in any material changes to the accounting policies or financial results for the current period.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

b. Interpretation and amendments to published standards that are not yet effective and have not been early adopted by the Company

Standard	Effective date	Impact
IFRS 18 - Presentation and Disclosure in Financial Statements	Annual periods beginning on or after 1 January 2027 (Published May 2024)	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. Management is assessing the impact.
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after 1 January 2027 (Published May 2024)	IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. Management is assessing the impact.
Amendments to IAS 21 Translation to a hyperinflationary presentation currency.	Annual periods beginning on or after 1 January 2027 (Published November 2025)	The IAS 21 amendment addresses translation from a non-hyperinflationary functional currency to a hyperinflationary presentation currency, generally using the closing exchange rate. Management is assessing the impact.
Annual Improvements to IFRS Accounting Standards – Volume 11	Annual periods beginning on or after 1 January 2026 (Published May 2024)	The publication is a collection of amendments to IFRS Accounting Standards discussed by the IASB during the current project cycle for annual improvements. Management is assessing the impact.
IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	Annual periods beginning on or after 1 January 2026 (Published May 2024)	The amendment focuses on how to apply the own-use exception to physical Power Purchase Arrangements in which the underlying nonfinancial item cannot be stored economically; and is required to either be consumed or sold within a short time as determined by the market structure in which the item is bought and sold. Management is assessing the impact.
IFRS 9 - Amendments regarding the classification and measurement of financial instruments	Annual periods beginning on or after 1 January 2026 (Published May 2024)	The Phase 2 amendments address issues that arise from the implementation of the reform of an interest rate benchmark, including the replacement of one benchmark with an alternative one. Management is assessing the impact.
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	Annual periods beginning on or after 1 January 2026 (Published May 2024)	The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments. Management is assessing the impact.
IFRS 20 Regulatory Assets and Regulatory Liabilities	Annual periods beginning on or after 1 January 2029 (Published May 2026)	IFRS 20 sets out requirements for recognising and measuring regulatory assets, regulatory liabilities, regulatory income and regulatory expense for companies subject to rate regulation. Management is assessing the impact.

ADMINISTRATION

Non-Executive Directors

J. Bagg
S Bhikha
N Sallie
F Roji-Nodolo
D Subbiah
N Ramaswamy
V Balkrishna

Chief Operating Officer

V Bhardwaj

Chief Technical Officer

R Goel

Company Secretary

Wilson Mwase

GIC Re Head Office And Registered Address

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Registration number 1956/003037/06

GIC Re South Africa Limited is a reinsurer licensed to conduct non-life insurance business

This image shows a full page of blank, lined paper. It features approximately 30 horizontal blue lines spaced evenly across the page, typical of standard notebook paper. The lines are thin and light blue, set against a plain white background. There are no margins, text, or other markings on the page.