

ECHC Group

**ECHC Limited
Eucare Insurance PCC Limited**

**GROUP SOLVENCY AND FINANCIAL
CONDITION REPORT
31ST DECEMBER 2025**

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1.0 Summary

The ECHC Group is composed of ECHC Limited and Eucare Insurance PCC Limited and was incorporated on 8th October 2018.

The principal activity of ECHC Limited is to act as an insurance holding company, whilst Eucare Insurance PCC Limited carries on the business of insurance and is licensed as a protected cell company by Malta Financial Services Authority (“MFSA”) in accordance with the Companies Act (Cell Companies carrying on business of insurance) Regulations, 2010 (“the PCC Regulations”). At the time of writing, Eucare Insurance PCC Limited has one operating cell, namely NLCare Cell, along with its Core. This report covers the period from 1st January 2025 to 31st December 2025.

The following table outlines the key aspects and material changes up till 31st December 2025, including the business, performance, system of governance, risk profile, solvency valuations and capital management of the Group during the reporting year:

Business	<ul style="list-style-type: none"> - No changes in the Ultimate Beneficial Owners of the Group. - NLCare Cell remained the only operating cell of Eucare. No further cells were set up. - The composition of the portfolio of NLCare Cell remained similar to the previous year, with a slight decrease in premium.
Performance	<ul style="list-style-type: none"> - Insurance Revenue for underwriting year 2025 of €643,865,218 (2024: €672,840,981) - Insurance service result of €4,501,082 (2024: €(2,532,242)) - Result before tax of (€1,558,725) (2024: €(€7,750,046))
System of Governance	<ul style="list-style-type: none"> - Changes to Board members and Senior Management - Outsourcing of Actuarial Function
Risk Profile	<ul style="list-style-type: none"> - Analysis of risks, monitoring and controls are documented in the report.
Valuation for Solvency Purposes	<ul style="list-style-type: none"> - The Group reported the following Solvency II figures for the reporting period: <ul style="list-style-type: none"> - Assets: €198,051,209 (2024: €226,206,798) - Technical Provisions: €110,162,704 (2024: €126,944,788) - Other Liabilities: €70,556,488 (2024: €78,787,423) -
Capital Management	<ul style="list-style-type: none"> - Eligible own funds for SCR €25,456,419 (2024: €29,969,590)

	<ul style="list-style-type: none">- SCR (Standard Formula) €18,696,222 (2024: €23,007,057)- Eligible own funds for MCR €17,490,074 (2024: €21,594,407)- MCR (Standard Formula) €6,908,831 (2024: €10,379,382)
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Table 1: Group Key Aspects & Material Changes during reporting period

2.0 Business and Performance

2.1. Business

2.1.1. Name and Legal Form

The ECHC Group is constituted of ECHC Limited (“ECHC”) and Eucare Insurance PCC Limited (the “Company” or Eucare”).

ECHC is a private limited liability company incorporated in Malta on 8th October 2018 with registration number C88657. ECHC does not trade and was set up solely to hold the non-cellular shares of the Eucare Core, the cell shares of NLCare Cell .

Eucare is a private limited liability company incorporated in Malta on 8th October 2018 with registration number C88658 and constituted as a Protected Cell Company (“PCC”) in terms of the Companies Act (Cell Companies Carrying on Business of Insurance) Regulations. A PCC is a corporate structure in which a single legal entity is comprised of the Core and one or more Cells. The Cellular assets are segregated (ring fenced) one from the other and from the Core, whereas all Cells have recourse to the Core’s assets in the event that their own assets were to be exhausted.

Supervisory Authority

Eucare and the ECHC Group are supervised by the Malta Financial Services Authority (“MFSA”) The contact details are as follows:

Malta Financial Services Authority (MFSA)
 Triq l-Imdina, Zone 1
 Central Business District, Birkirkara
 CBD 1010
 Malta
 Tel: +356 2144 1155
 Website: www.mfsa.com.mt

External Auditors

The Group’s appointed external auditors are:

KPMG Malta
 Portico Building,
 Marina Street,
 Pieta’, PTA 9044
 Malta
 Website: www.kpmg.com/mt/en.html

Holders of Qualifying Holdings

The non-cellular (Core) shares of Eucare are 100% subscribed by ECHC Limited (Malta), which is wholly owned by ECSH B.V. (the Netherlands) and Quantum Leben AG (Liechtenstein). As at 31st December 2025, Eucare had set up one cell, namely NLCare Cell which was granted MFSA approval on 2nd November 2018. The Cell is ring-fenced from the Eucare “Core” but has the same direct shareholder as the Core. The ultimate qualifying shareholders of the Group are H.H. Laeven, Netherlands (62% interest), E.F.P. Hollander, Netherlands (19.9% interest), and H. Verhagen, Netherlands (11.2% interest). The chart below shows the position of Eucare within the Group.

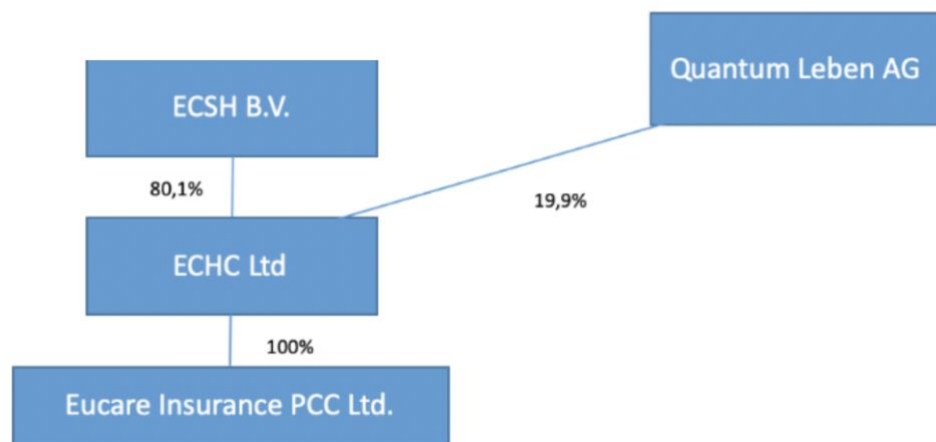


Figure 1: ECHC Group Shareholding Structure

Material Lines of Business and Material Geographical Areas

The Company was licensed on 2nd November 2018 to carry on business falling under:

- Class 1 – Accident;
- Class 2 – Sickness;
- Class 16 – Miscellaneous financial loss; and
- Class 18 – Assistance.

On 25th September 2025 the MFSA granted approval for Eucare to extend its authorization to include the following lines of business:

- Class 7 – Goods in Transit;
- Class 8 – Fire and Natural Forces;
- Class 9 – Other Damage to Property;
- Class 13 – General Liability; and
- Class 17 – Legal Expenses

This extension of authorisation formed part of the Company’s transition from operating in the Netherlands under the Freedom of Services (“FOS”) regime to a Freedom of Establishment (“FOE”) model through the establishment of a Dutch branch. Whilst the extension of authorisation was approved by the MFSA on 25th

September 2025, underwriting of the newly authorised classes could only commence once the branch establishment process had been completed and the relevant regulatory notifications had been finalised. Confirmation permitting the commencement of business under the FOE framework was received from the MFSA on 9th December 2025. However, the branch was not operational by 31st December 2025, as the remaining incorporation and registration formalities, including registration with the Dutch Chamber of Commerce, were completed after the reporting period. Consequently, no business was underwritten under the newly authorised classes during the 2025 reporting period.

Eucare carries on insurance business only through the NLCare Cell. No insurance business is underwritten through the Core. The NLCare Cell was established to offer health, sickness, income protection and personal accident insurance. As at 31 December 2025, Eucare's insurance risks remained predominantly related to health insurance and were located in the Netherlands.

Significant Events over the reporting period

During 2025, Eucare continued to exercise its right to provide non-life insurance services across multiple European markets, namely the Netherlands, Germany and Belgium, under the EU Freedom of Services regime.

During the reporting period, the Company also progressed its strategic expansion into the Netherlands by transitioning from the Freedom of Services regime to a Freedom of Establishment model through the establishment of a Dutch branch. This represented a significant milestone in the Company's long-term growth strategy. The branch became operational after the reporting period following completion of the remaining establishment formalities.

Up to 31st December 2024, Eucare also underwrote statutory group sickness and work accident insurance in France ("Statutaire" portfolio) under the Freedom of Services regime. Following sustained underperformance, it was decided not to renew this business from 1st January 2025. The portfolio has been placed into run-off, with all existing claims obligations continuing to be honoured and policyholders supported throughout the transition to alternative insurance arrangements.

2

2.2. Underwriting performance

The main operations of the Group emanate from the insurance undertaking, Eucare. During the financial year ended 31st December 2025, the Group generated an insurance revenue of €643,865,218 (2024: €672,840,981) as per the below tables:

Underwriting Year 2024				
Underwriting Performance by Line of Business	Health Insurance	Income Protection	Personal Accident	Total

Insurance Revenue	€ 631,297,222	€ 40,885,799	€657,960	€672,840,981
Insurance Service Expenses	€ (629,221,681)	€ (36,270,510)	€ (515,819)	€ (666,008,010)
Net Expenses from Reinsurance Contracts	€ (8,748,493)	€ (2,958,639)	€ (15,373)	€ (11,722,506)
Insurance Service Result	€ (6,672,952)	€ 1,656,650	€126,768	€(4,889,535)

Table 2: Underwriting Performance 2024

Underwriting Year 2025				
Underwriting Performance by Line of Business	Health Insurance	Income Protection	Personal Accident	Total
Insurance Revenue	€ 624,056,895	€ 19,318,836	€ 489,487	€ 643,865,218
Insurance Service Expenses	€ (613,019,041)	€ (20,678,924)	€ (435,446)	€ (634,133,411)
Net Expenses from Reinsurance Contracts	€ (10,802,082)	€ 2,629,845	€ (15,251)	€ (8,187,489)
Insurance Service Result	€ 235,771	€ 1,269,756	€38,791	€1,544,318

Table 3: Underwriting Performance 2025

The Premium written relating to the Dutch Basic Health Insurance Business is generally derived from two different sources, as explained in greater detail in section 4.1. The first source relates to premium payable directly from the policyholders and amounting to €254,363,259 (2024: €265,581,896) in 2025, whereas the second source relates to contributions received through the Dutch Health Insurance Risk Equalisation Fund amounting to €318,927,021 (2024: €307,655,544) in the same underwriting year.

Add-on products to the Basic Health Insurance Business were also sold throughout the reporting period, generating a premium of €59,310,755 (2024: €62,075,111).

Eucare also generated premium from Income Protection and Personal Accident insurance business in the Netherlands, amounting to €17,361,777 (2024: €10,793,979) and €485,357 (2024: €689,588) respectively.

During the financial year, Eucare, through NLCare Cell incurred €24,210,537 (2024: €31,796,943) worth of operating expenses directly attributable to acquisition and servicing of insurance contracts.

After taking into account the insurance service result of €4,501,082 (2024: €(2,532,242)), net financial result of €(1,491,423) (2024: €(2,674,207)), total investment income of €1,505,515 (2024: €2,193,464), and total administration and finance expenses of €6,073,901 (2024: €4,737,060), the Group reported a net loss before tax of €1,558,725 (2024: €7,750,046).

The shareholders' funds of the Group as at 31st December 2025 amounted to €17,709,005 (2024: €16,708,477) and comprises of share capital, capital contributions, other reserves and retained earnings. In addition, the Group has a subordinated Tier 2 and a subordinated Tier 3 loan agreement amounting to €7,000,000 and €3,000,000 respectively.

The QRTs containing an analysis of premiums, claims and expenses are attached to this document (refer to S.05.01.01.01 and S.05.02.01 in Appendix 2 for the Group and in Appendix 3 for Eucare).

2.3. Investment performance

The Company's investment strategy is to ensure capital preservation, maintain sufficient liquidity and to minimize exposure to credit risk, by investing in short-term Treasury Bills. As at 31st December 2025, the Group held €41,205,994 in Treasury Bills. The Group also held €6,405,832 (2024: €2,084,018) deposits at banks.

Throughout the reporting period, the Group earned €1,292,606 (2024: €326,260) in interest on investment from its investment portfolio.

Furthermore, during 2025, the Group incurred custody expenses amounting to €82,716 (2024: €47,129) and bank charges totalling €18,726 (2024: €1,927).

2.4. Performance of other activities

The administration expenses of the Group amounted to €5,250,250 (2024: €4,208,915) The material costs are shown in the table below:

Administration Expenses	2025	2024
Actuarial fees	€768,219	€534,804
Legal and professional fees	€812,596	€463,537
Directors fees	€784,965	€833,278
Wages & Salaries	€1,394,388	€1,281,235
Travelling and accommodation	€190,251	€113,752
IT support fees	€173,129	€196,566

Office expenses	€153,559	€17,580
Depreciation	€305,776	€356,994

Table 4: Administration Expenses

2.5. Any Other Information

There is no other material information to report.

3.0 System of Governance

3.1. General Information on the Systems of Governance

3.1.1. Structure of the Board, Committees & Key Functions

The holding company of the ECHC Group is governed by a board comprised of two directors. In view that ECHC is a non-trading holding company, the governance structure described below relates to its wholly owned subsidiary, Eucare.

Eucare is a licensed insurance undertaking and a public interest entity and as such adheres to the principles set out in the MFSA Corporate Governance Code (the MFSA Code) on a best-efforts basis, applying these proportionately in line with the Company's nature, size, complexity and risk profile. Eucare is also guided by the EIOPA Guidelines on Systems of Governance and other international models of best practice.

The Board holds ultimate responsibility for the sound and prudent management of Eucare and is accountable for establishing the strategic direction, governance framework, and risk culture, while ensuring compliance with regulatory and prudential requirements. The Board of Eucare has adopted the three lines model for its governance structure.

As at 31 December 2025, the Board of Directors of Eucare was composed of four members, namely an Independent Non-Executive Chairman, two Independent Non-Executive Directors and an Executive Director.

During the reporting period, changes were made to the composition of the Board of Directors. Mr James Portelli and Mr Alfred Lupi ceased to hold their positions as Executive Director and Independent Non-Executive Director, respectively. Following the necessary regulatory process, Ms Tanya Causon was proposed and subsequently approved by the MFSA for appointment to the Board.

In addition, Mr Stijn Verbeek was proposed for appointment as Executive Director. Approval from the MFSA was pending as at the reporting date and was subsequently granted after the end of the reporting period.

The Board considers that its composition provides an appropriate balance of skills, experience, independence and knowledge to enable it to discharge its responsibilities effectively and to ensure appropriate oversight, governance and constructive challenge in the decision-making process.

The members of the Board of Directors and the principal Board Committees as at 31 December 2025 were as follows:

- Mr Gerard Willem Johan Antvelink – Independent Non-Executive Chairman
- Mr Simon Anastasi – Executive Director
- Mr George McClennen – Independent Non-Executive Director
- Ms Tanya Causon – Independent Non-Executive Director

The Board has established an Audit Committee, a Risk Management & Compliance Committee and an Investment Committee, which operate under terms of reference set by the Board to assist it in discharging its responsibilities.

Changes were also made to the composition of the Board Committees during the same period. Mr George McClennen was appointed Chairman of the Audit Committee, replacing Mr Alfred Lupi, whilst Ms Tanya Causon was appointed Chairperson of the Risk Management & Compliance Committee, replacing Mr George McClennen.

As at 31 December 2025, the principal Board Committees were composed as follows:

- Audit Committee – Mr George McClennen (Chairman), Mr Gerard Willem Johan Antvelink and Ms Tanya Causon
- Risk Management & Compliance Committee – Ms Tanya Causon (Chairperson), Mr George McClennen, and Mr Simon Anastasi
- Investment Committee – Mr Gerard Willem Johan Antvelink (Chairman), Mr Simon Anastasi and Mr George McClennen

The following is an overview of the responsibilities assigned to each committee :

Audit Committee

The purpose of the Audit committee is to assist the Board in fulfilling adequate monitoring of the financial reporting process and the statutory audit of the annual and consolidated financial statements, whilst guaranteeing an effective internal quality control and risk management system. The Audit Committee is further assigned with the oversight responsibility relating to the integrity of any financial reporting, as well as ensuring the independence of the internal and external audit function.

Investment Committee

The purpose of the Investment Committee is to assist the Board in selecting an investment portfolio in line with the investment strategy of the Company. The Committee monitors the investment performance and reports directly to the Board. Activity reporting includes projections of cash flows, valuation of assets and liabilities, and the Company exposure to credit, market and liquidity risk.

Risk Management and Compliance Committee

The Risk Management and Compliance Committee is assigned with the role of assisting the Board in the identification and mitigation of risks within the Company. The main focus is to oversee the implementation of the risk management system of the Company, including the execution of the risk management strategy as established by the Board. Moreover, the Committee also assists the Board in implementing the regulatory compliance policy and effectively overseeing non-financial and financial compliance matters.

Key Functions

Eucare has established the four key functions as required by the Solvency II Directive, namely the Compliance, Risk Management, Internal Audit and Actuarial functions.

The Compliance, Risk Management and Actuarial Functions were performed in-house for the majority of 2025. Following the approval of the incoming Actuarial Function Holder by the Malta Financial Services Authority on 7th August 2025, the Company outsourced the Actuarial Function to a specialised third-party service provider.

Furthermore, following the promotion of the Risk Manager to the position of General Manager and the subsequent approval of this appointment by the Malta Financial Services Authority on 7th January 2025, the Company's Risk Officer was promoted to the role of Risk Manager and was subsequently approved by the Malta Financial Services Authority as Risk Management Function Holder on 13th January 2025.

Oversight of the outsourced Actuarial Function is exercised by the Chair of the Risk and Compliance Committee.

The Internal Audit Function remains outsourced to independent third-party service providers, thereby supporting the objectivity and independence of the assurance process. Oversight of the outsourced Internal Audit Function is exercised by the Chair of Audit Committee.

All Key Functions are granted the necessary authority and independence by the Board of Directors through the respective Board policies. Each function is allocated with the necessary resources to adequately perform the various duties and responsibilities. Each Key Function reports to the respective Board Committees and ultimately to the Board on a regular basis and at least on a quarterly basis.

3.1.2. Remuneration Policy

The Remuneration Policy provides for a remuneration structure that allows the Company to attract, reward and retain qualified executives and to provide and motivate existing and new personnel with a balanced and competitive remuneration structure that is focused on transparency, sustainable results and is aligned with the long-term strategy of the Company. Furthermore, as per the Remuneration policy remuneration may include both fixed and variable components however the fixed component represents a high proportion of the remuneration such that identified staff are not heavily dependent on the variable component. The Board has full discretion over the level of bonus payable and may determine that no bonus is paid if circumstances warrant such a decision.

The Remuneration Policy aims to promote the Company's long-term success and to motivate management to deliver strong and sustainable business performance aligned with the Company's purpose of helping people live longer, healthier, happier lives.

The policy seeks to establish adequate remuneration in accordance with regulatory remuneration requirements with particular focus on the role or position of work and

its performance and to act as a motivating and satisfying element to achieve the objectives set ensuring that no excessive risk-taking is incentivised, thereby promoting adherence to the risk appetite of the Company and its long-term strategic goals.. No individual would be permitted to be involved in any discussions or decisions that relate to their own remuneration.

Remuneration takes into consideration experience, knowledge, merit, professional skills and performance. The policy guarantees equality, irrespective of gender, race or ideology, and aims to be competitive with respect to the market and includes measures to avoid any conflicts of interest that may arise.

3.1.3. Material transactions with Shareholders & Board Members

In 2019, two sub-ordinated loan agreements of €7,000,000 and €3,000,000 in favour of NLCare Cell, classifying as Tier 2 and Tier 3 capital respectively, were entered into with one of Eucare's shareholders.

Moreover, in 2019 a capital contribution of €3,000,000, was made by ECHC, the Company's immediate parent company, to Eucare in respect of NLCare Cell.

Transactions carried out by the Board members relate to the directors' fees payable to each board member. In line with the Remuneration Policy, the fee payable to each director is commensurate to the roles and responsibilities assigned to each director. Independent Non-Executive Directors are remunerated on a fixed fee basis only, which is determined by the shareholders and based on experience, responsibilities and the level of time commitment.

3.2. Fit and Proper Policy

The Fit and Proper Policy establishes the fit and proper requirements which are applicable to the relevant personnel, namely all persons who effectively run the Company or perform key functions or are responsible for them when they are outsourced. Fit and proper requirements may also apply to any external personnel hired by third party service providers for the performance of certain functions for the Company.

The fitness requirements ensure that any appointed individual possesses the appropriate qualifications and an adequate level of knowledge and experience relevant to the function being performed. Propriety is satisfied through the person's good reputation, honesty, integrity and financial soundness. This is assessed through checks on criminal records, regulatory breaches, financial misconduct, disregard for conflicts of interest or any evidence of bankruptcy or behaviour that evidences a lack of integrity.

The Board's fitness is assessed on the basis of collective professional qualifications, knowledge and experience which must be adequate to enable sound and prudent management. To satisfy the fitness criteria, the Board should possess collective knowledge, competence and experience about, but not limited to, the following areas:

- Insurance and Financial markets
- Business strategy and Business Model
- Systems of Governance
- Financial and Actuarial Analysis
- Risk Management processes
- Regulatory Framework.

Moreover, the Company ensures that all relevant personnel retain personal, professional and business repute & integrity. Prior to appointment, individuals are subject to a comprehensive assessment of their fitness and propriety, which includes the review of curriculum vitae, qualifications, professional experience, references, due diligence checks, regulatory and criminal record declarations, and interviews where appropriate. The assessment considers the individual's competence, capability, integrity, honesty, financial soundness and reputation.

Following appointment, the Company conducts ongoing monitoring to ensure that individuals continue to satisfy Fit and Proper requirements, taking into account any relevant developments relating to professional conduct, regulatory matters, financial standing or criminal proceedings. In addition, the Company promotes continuous professional development through ongoing training and development initiatives to ensure that Board members, Key Function Holders and relevant personnel maintain the knowledge and skills necessary to discharge their responsibilities effectively.

3.3. Risk Management System including Own Risk & Solvency Assessment

3.3.1. Risk Management System

The Risk Management System is governed by the Risk Management Policy and a number of sub-policies. The Board annually reviews its Risk Management strategy and policies and oversees their implementation to ensure that identified key risks are properly assessed and managed.

The Risk Management System enables the Company to identify its risks and considers the impact and probability of each risk occurring. The mitigating actions required are then determined to align the risk exposure to the risk appetite established by the Board of Directors. These mitigating actions may take the form of management actions, internal controls and/or risk transfer mechanisms.

The establishment of an adequate Risk Management System which is proportionate to the nature, scale and complexity inherent to the business, supports the Company in ensuring it maintains sufficient capital to meet all existing and imminent business risks. The Risk Management System therefore aims to ensure the efficient management of capital resources, and the achievement of strategic goals in the interests of policyholders, shareholders, and other stakeholders and in full compliance with all applicable legislation and regulatory requirements.

The Risk Management System is integrated into the management, performance monitoring and assurance systems of the Company to ensure that all regulatory

requirements and technical and prudential monitoring are embedded in all elements of its work, partnerships and collaborations and existing service agreements.

The Risk Management System is defined in the Company's documented Risk Management Policies, Risk Appetite Statements & Tolerance Limits, and its Risk Register which is monitored on an ongoing basis and presented at each Board meeting, highlighting any risks falling outside the risk appetite of the Company. The risk appetite and risk limits and tolerances are determined in accordance with the risk profile of the Company.

The Risk Management Function is responsible to ensure that the Company achieves its strategic objectives in a secure manner. It is responsible for:

- Monitoring the general risk profile of Eucare as a whole;
- Reporting on risk exposures to the Committee and ultimately the Board;
- Identifying and assessing emerging risks; and
- Oversight of the ORSA process and production of the ORSA report.

Eucare has in place processes and procedures to enable it to identify, measure, mitigate, monitor, and report material risks it is exposed to. This enables early identification of factors whether internally or externally driven, which may prevent the Company from achieving its strategic objectives.

Regular risk identification and assessment exercises are carried out with the senior management and the various risk owners. All risks which are identified are documented within the risk register which is maintained by the Risk Management Function. Each separate risk is measured by assessing the inherent and residual impact and likelihood of a risk occurring, which provides a resultant inherent and residual risk score for each risk. This allows the Company to prioritise its risks and allow for effective monitoring in terms of focus and attention to be given to each individual risk.

The inherent risk score is determined through discussions with the risk owners, senior management, and ultimately the Board, and is based on various factors such as personal judgment stemming from experience and knowledge, past internal and external events, educational literature, articles and data and statistics available from the market, amongst others. The residual risk score also takes into consideration the mitigating actions and controls in place to address the risk.

3.3.2. Own Risk and Solvency Assessment (ORSA)

An important aspect of the Risk Management System is the Own Risk and Solvency Assessment ("ORSA"), which is articulated in the ORSA Policy. The ORSA is a continuous forward-looking process by which Eucare, through an internal self-assessment, can assess its present and prospective material risks and formulates its own required Economic Capital Requirements to mitigate these risks. The regulatory solvency capital needs of the EHC Group are determined by using the Standard Formula method of calculation without the use of any Undertaking Specific Parameters or Partial Internal Model. Through the ORSA exercise, Eucare considers risks that are not fully reflected in the standard formula, taking into consideration its specific risk profile and the Company's strategy. The ORSA assessment also

includes the consideration of changes to the own funds position that may occur in stressed situations. As a result, the ORSA process involves the performance of stress tests and scenario analysis to assess the resilience of the Group. An ORSA is carried out once annually and when there is a material change to the risk profile or upon the occurrence of a material event which may trigger a fresh ORSA.

The ORSA process is steered by the Board which considers and approves key inputs such as the base case scenario, financial projections, stress tests and sensitivity testing and scenario analysis. The ORSA is then executed by the risk management function with input from the Actuarial Function. An ORSA report is presented to the Board to consider and challenge the results of the assessment before final approval of the ORSA outputs and determination of any remedial actions required.

A breakdown of the solvency capital and eligible own funds is provided in Section 6.

3.3.3. Use of Internal Model

The Company carries out an appropriateness assessment of the Standard Formula on an annual basis prior to the commencement of the ORSA. The standard formula was deemed to be appropriate to calculate the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR) throughout the reporting period. Hence, no internal models were used for the reporting period.

3.4. Internal Control System

The Company has established an internal control system that is robust and appropriate for the nature, scale and complexity of the business and is founded on ethical behaviour and accountability of processes. It encompasses controls relating to key processes and aims to ensure compliance with current legislation as well as operational efficiency. The three lines model is embedded in the internal control system of the Company and includes the four eyes principle, financial reporting controls, authority limits, the risk appetite limits, operationally independent key functions and support provided by external firms as required. Additionally, there is ongoing monitoring, reviews and reporting. Management is responsible for first line processes, own the risks and are accountable for design and execution of the related controls, with the Compliance and Risk Management functions acting as the key second line functions, monitoring and challenging the first line. Internal and External audit form the third line with responsibility for all activities including any outsourced activities. Wherever outsourcing arrangements are entered into, the principles established by the Outsourcing Policy are followed as further explained in section 3.8 below.

The Company has also established a sound governance structure with clear roles and reporting lines and a number of board policies and procedures which provide guidance and support the internal control framework..

3.5. Compliance Function

Compliance is a second line key function within the Internal Control System and is performed by the Legal and Compliance Officer. The primary responsibilities and activities of the Compliance function are:

- to ensure compliance with applicable law and regulations;
- to advise senior management, committees and the Board on compliance matters; and
- to act as the main contact with regulatory authorities.

The Compliance function is responsible for the implementation of appropriate compliance policies to foster a sound compliance culture and ensure adherence to regulatory requirements. The Compliance function performs ongoing compliance monitoring in accordance with an annual Compliance Plan approved by the Board. Ongoing regulatory horizon scans are also performed and updates provided to the relevant executives and on a quarterly basis to the Board. Training requirements are also monitored to ensure fitness requirements are satisfied.

The Compliance Function is the key contact with the regulatory authorities for any licensing processes or notifications. The activities and processes of the compliance function are supported by the other key functions such as Internal Audit, Risk, and Actuarial. The compliance function reports to the Risk and Compliance Committee and the Board on a quarterly basis providing updates on the status and findings of the compliance monitoring plan.

3.6. Internal Audit Function

The Internal Audit function is outsourced to Mazars who report to the Audit Committee and ultimately the Board. The Internal Audit function has unrestricted access to the Company's records, physical properties, and personnel pertinent to the performance of any audit engagement.

The internal audit activity remains free from interference by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of a necessary independent and objective mental attitude.

The internal auditors have no direct operational responsibility or authority over any of the activities audited. Accordingly, they do not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment.

The internal audit function performs internal audit procedures addressing a number of risk areas, on an annual basis. This includes the review and testing of the processes and controls relevant to the Company's operations. In this respect, internal audits conducted to date have covered a number of key areas including, amongst others, claims management, underwriting, premium determination, governance, ICT risk management, incident management and regulatory compliance. These audits

resulted in a number of medium- and low-rated recommendations, together with the implementation of corresponding management actions.

The Internal Audit Plan for the forthcoming periods includes reviews covering DORA readiness, compliance, product oversight and governance (“POG”), finance, risk management and ORSA, oversight of MGAs and branch operations, as well as pricing, delegated authority and portfolio oversight across the Company’s lines of business.

3.7. Actuarial Function

The Actuarial Function was performed in-house until the approval of the incoming Actuarial Function Holder by the Malta Financial Services Authority on 7th August 2025. Following such approval, the Company outsourced the Actuarial Function to an external specialised service provider, Triple A - Risk Finance Certification B.V. This service provider was selected on the basis of its reputable standing, experience and knowledge of the Dutch health insurance market.

To ensure continuity and an orderly transfer of responsibilities, an overlap period was maintained between the outgoing and incoming Actuarial Function Holders from 7th August 2025 until 31st October 2025. During this period, the outgoing Actuarial Function Holder formally remained in office and worked alongside the incoming Actuarial Function Holder to facilitate the transfer of knowledge, documentation, ongoing workstreams and key actuarial matters.

The outgoing Actuarial Function Holder subsequently resigned from the Company with effect from 31st October 2025. The overlap period enabled a structured handover process and ensured a seamless transition of responsibilities, while maintaining the effective performance of the Actuarial Function throughout the transition.

The outsourced Actuarial Function remains subject to the oversight of the Non-Executive Director who chairs the Risk and Compliance Committee.

In accordance with Solvency II requirements the actuarial function is required to:

- Coordinate the calculation and validation of technical items under financial reporting and Solvency II standards, including technical provisions calculations;
- Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assess the sufficiency and quality of the data used in the calculation of technical provisions;
- Compare best estimates against experience;
- Inform the Board of the reliability and adequacy of the calculation of technical provisions;
- Oversee the calculation of technical provisions;
- Express an opinion on the overall underwriting policy;
- Express an opinion on the adequacy of reinsurance arrangements; and

- Contribute to the effective implementation of the risk management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements.

The actuarial function produces an annual written report for the Board describing its activities and the opinions described above.. The actuarial function also co-ordinates with the risk management function in the ORSA process, in particular in relation to stress testing, assessment of assumptions and solvency calculations.

3.8. Outsourcing

The Company has implemented an Outsourcing Policy which ensures that there are systems and procedures in place for the acceptance of any outsourced service providers together with the ongoing monitoring of any function entrusted to an external entity. In particular, it defines the requirements for outsourcing of key, critical and important functions in accordance with relevant regulatory requirements. Notwithstanding the outsourcing of certain important activities, the Company remains fully responsible for discharging all its obligations. It must manage the outsourcing prudently. In particular, the risks associated with outsourcing shall be identified, analysed, assessed and adequately managed and monitored. The Outsourcing Policy establishes the process for assessing and appointing the service provider, identifying any risks posed by the outsourcing arrangement, the drafting of agreements to be entered into with such providers, subject to relevant regulatory requirements and the documentation of exit strategies in the event of sudden termination or failure of the service provider.

Outsourcing arrangements are subject to prior assessments of the capabilities, resources, reputation and financial standing of the service provider and monitored using established SLAs or KPIs, where relevant. The Outsourcing Policy also outlines the monitoring processes for the effective governance and oversight of such outsourcing arrangements. For each outsourced key/critical function, the Company allocates responsibility for oversight of the outsourced service provider by a person or Committee of the Company, to challenge and monitor their performance and ensure the desired standards are met.

As noted earlier in this report, the Company outsources two key functions: the Actuarial function and the Internal Audit function. Independent Non-Executive Directors who chair the Risk & Compliance Committee and the Audit Committee respectively monitor these two outsourcing arrangements. The persons appointed for the oversight roles are selected on the basis of their knowledge and expertise to be capable of posing challenge to the service provider.

The Company also had the following function outsourced during 2025:

- Finance & Regulatory Reporting function;
- Distribution function;
- Underwriting function;
- Claims Handling function
- Complaints Handling function; and
- IT function.

All outsourced service providers are in the EU. Details are shown in the table below:

Function	Category	Service Provider	Jurisdiction
Actuarial	Key Function	Triple A- Risk Finance Certification B.V	The Netherlands
Internal Audit	Key Function	KPMG Malta	Malta
Finance & Regulatory Reporting function	Critical and Important	2RS Elmo Insurance Managers Limited	Malta
Distribution, Underwriting, Claims Handling, Complaints Handling	Critical and Important	Various appointed MGAs	Netherlands or France
IT	Critical and Important	PTL Limited	Malta

Table 5: Outsourced Functions

During the reporting period, the Company brought the investment management function in-house following a revision of its investment strategy. The revised strategy is limited to investments in highly liquid, AAA-rated European treasury bills denominated in Euro, with maturities ranging from one to nine months and diversified across multiple issuers. Given the low-risk and straightforward nature of this investment portfolio, the Board determined that the investment management activities could be effectively performed using internal resources without the need for an outsourced investment manager. The revised strategy significantly reduces exposure to market, currency and concentration risks, while interest rate risk remains limited due to the short maturity profile of the investments and the short-tailed nature of the Company's insurance liabilities.

3.9. Any Other Information

The Company continuously monitors the effectiveness of its system of governance and performs reviews of the overall governance framework, including the effectiveness of specific functions, and considers them to be operating effectively and the system of governance to be adequate to the nature, scale and complexity of the Company's business. There is no further material information regarding the system of governance .

4.0 Risk Profile

Eucare maintains a risk register of all its risk universe. In view that Eucare is the operational company within the Group, the material risks that the Group is exposed to emanate from the activities of Eucare.

4.1. Underwriting Risk

The main risk of Eucare is underwriting risk. The insurance risk that Eucare was exposed to in 2025 related predominantly to health insurance located in the Netherlands, but also other smaller portfolios consisting of personal accident and income protection insurance. The health insurance system in the Netherlands mandates private health insurance cover for anyone who lives or works in the Netherlands. Insurers in the Netherlands have a duty to accept each health insurance proposal without any selection. The basic health insurance covers the mandatory health care requirements and is offered by Eucare through six different products.

Premiums for the basic health insurance are determined by the insurance market players. Nonetheless, the Dutch government determines the extent of coverage under the basic insurance package and the conditions applicable to the basic insurance package.

In addition, the Government determines the contributions from the Dutch Health Insurance Risk Equalisation Fund (“HIREF”) to insurers. The compensation paid through the risk equalisation fund is financed by employers, employees, and the Dutch Government. Payments by this HIREF fund depend on the risk profile and the portfolio of the health insurance company. In combination with the nominal premium, payments from this fund are expected to equalise the claims level for all insurers.

Therefore, in such a system with risk-compensation measures, the risk of a non-average portfolio of insured customers is limited. These risks cover, amongst others, age, gender, medical status, type of employment, socio-economic status, and geographic location, as well as an increase in the overall cost of health care.

Eucare also offers add-on health insurance products which provide policyholders with the opportunity to extend the cover provided by the basic health insurance, mainly through supplementary insurance and dental cover. Premiums for these insurance products are tailored to the cover offered. These insurance products are optional and are comparable, in nature and method, to non-Life insurance. The cover provided by these insurances is not tied to government stipulations and there is no obligation of acceptance and no risk equalisation system.

Furthermore, following MFSA approval on 25 September 2025, Eucare’s underwriting capabilities have broadened into the Property & Casualty (P&C) segment. This expansion leverages Eucare’s existing intermediary partnerships, particularly in the Netherlands, where it intends to initially distribute the new products through established channels. The new product lines will focus on retail and SME customers, offering coverage such as:

- Travel insurance, providing protection for trip cancellations, medical expenses, and other travel-related risks;
- Legal aid insurance, offering access to legal assistance across several key personal and professional areas; and
- Home and SME insurance, combining buildings, contents, and liability cover for individuals and small businesses.

This diversification is expected to enhance Eucare's revenue stability and improve its capacity to absorb potential shocks in the health segment. It also aligns with the Group's medium-term vision to strengthen its presence in European markets, expand product depth, and optimise capital allocation under Solvency II. Eucare will maintain its prudent reinsurance strategy across all portfolios, ensuring adequate protection against potential large individual and catastrophic losses, while preserving underwriting capacity to support strategic growth.

4.2. Market Risk

The Company's current investment strategy is to invest exclusively in AAA-rated European treasury bills. This approach significantly reduces exposure to market risk, defined as the risk of loss or adverse changes in investment value arising from fluctuations in financial market factors.

The focus on European treasury bills ensures that the Company is not exposed to currency risk, as all investments are denominated in EUR, eliminating any foreign exchange exposure. The Company also mitigates concentration risk by ensuring that treasury bills are sourced from different issuers and staggered across 1, 3, 6, and 9-month maturities to maintain liquidity and risk diversification.

While treasury bills are considered low-risk, the Company's investment portfolio remains subject to fluctuations in interest rates. The discounted value of future cash-flows of the Company's investment returns, but also the valuation of any balance sheet items with future cashflows, in particular the value of technical provisions of the Company is sensitive to a change in the rate at which those cash-flows are discounted. However, given the short maturity profile of the investments, and the nature of the Company's short-tailed insurance business, exposure to interest rate risk is deemed minimal.

Moreover, the Company has in place a number of investment parameters to ensure compliance with the risk appetite.

The selection of the investments of the Company is in line with the prudent person principle in that the counterparty default risk is monitored and controlled and reported to the Investment Committee of Eucare and the Board on a regular basis. Investment parameters are also in place to limit and/or prohibit any investment in low grade Treasury Bills.

In line with its Asset-Liability Management Policy, the Group identifies and assesses any mismatches between assets and liabilities, in particular in terms of maturity structure. The investment approach aims to balance liquidity needs with optimizing yield to maturity, ensuring sufficient funds are always available for operational and claims-related expenses. Decisions on assets and liabilities are coordinated in order to manage the exposure to the risk associated with the variation of their economic growth.

The Company only invests in assets whose risks it can properly identify, measure, monitor, control and report, in accordance with the prudent person principle and which meet its specific risk profile and approved risk appetite. All assets, in particular those required to cover the minimum capital requirements, and the solvency capital requirement are invested in a manner as to ensure the security, quality, liquidity and reasonable profitability of the portfolio as a whole.

In achieving a balanced asset and liability matching profile, the Company ensures to:

- (i) take into account the type of business carried out, in particular the nature, the amount and the duration of the expected claims payments, in such a way as to secure sufficiency, liquidity, security, quality, profitability and matching of Eucare's investments;
- (ii) diversify and spread the assets across different maturities to ensure rolling liquidity.
- (iii) properly monitor exposure to any single treasury bill issuer to avoid excessive concentration risk; and
- (iv) ensures that investments comply with policy parameters.

Specific controls are in place to verify a sound asset liability management position on a regular basis. Assets are valued and verified by the Finance Function and reported to the Board on a quarterly basis. Moreover, monthly management accounting and quarterly solvency capital requirement calculation are conducted to assess the Group position and to identify any potential asset liability mismatch immediately.

4.3. Credit Risk

Eucare holds cash deposits with banks and as part of its day-to-day insurance operations, it has receivables from debtors such as appointed intermediaries and government agencies. Credit terms are governed through the provisions set out within the MGA Agreement. Whilst settlement terms are generally aligned to the standard quarterly settlement cycle, enhanced credit monitoring measures have been implemented in relation to the exposure with Aevitae. In this regard, a monthly claims buffer replenishment process, together with the repayment of excess buffer amounts, is undertaken in order to ensure the timely management and monitoring of credit exposures and to maintain adequate liquidity and counterparty oversight. Moreover, the reinsurer's share of technical provisions and accrued profit commission due to the Company further exposes the Company to counterparty default risk. Albeit, the

Company has established its risk appetite and tolerance limits that ensure that all counterparties are reputable and, where possible, have a strong credit rating. The Company monitors the credit rating of its counterparties on a monthly basis. No material credit risk has been identified.

The credit risk is categorised between Type 1 and Type 2 in the counterparty default risk module of the Standard Formula. The class of type 1 exposures generally relate to exposures which may not be diversified and where the counterparty is likely to be rated such as reinsurers and banks. The type 2 exposures are exposures which are usually diversified and where the counterparty is likely to be unrated such as appointed intermediaries.

4.4. Liquidity Risk

The Company is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally insurance liabilities, creditors, and the subordinated loans. Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Company's obligations.

The Company monitors liquidity risk by means of cash flow forecasts on the basis of expected cash flows over a twelve-month period and ensures that no additional financing facilities are expected to be required over the coming year. The outcome is reported to the Management, the Investment Committee and the Board every quarter. The Company considers the liquidity risk to be limited in view of the matching of cash inflows and outflows from insurance and reinsurance transactions despite short-term timing mismatches.

In line with the Liquidity Risk Management Policy, the Company has identified a number of potential contingency measures should it be faced by a liquidity shortfall. The measures taken would depend on the nature and size of the liquidity shortfall. Furthermore, the Company has developed a Liquidity Contingency Plan outlining the measures to be implemented in the event of a temporary but material liquidity shortfall. The plan demonstrates how the Company would be able to effectively manage and navigate such a scenario through the application of the contingency measures identified therein, in particular through its highly liquid investment strategy and reinsurance contractual terms.

4.4.1. EPIFP

The Expected Profit Included in Future Premiums ('EPIFP') is defined as the expected present value of future cash flows which result from the inclusion in technical provisions of premiums relating to existing insurance and reinsurance contracts that are expected to be received in the future, but that may not be received for any reason, other than because the insured event has occurred, regardless of the legal or contractual rights of the policyholder to discontinue the policy.

Eucare is subject to a positive EPIFP for its homogeneous health risk groups, and also for the accident, sickness and disability insurance portfolios. The EPIFP for the reporting period amounts to €11,294,841 (2024: €15,515,278).

4.5. Operational Risk

Another risk considered by the Company, is Operational risk. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The Company's Operational Risk emanates from a number of elements, mainly related to People, IT, and Processes.

The Company relies on internal resources for certain operational activities, whilst outsourcing certain functions. The Company has a robust organisational structure with various support mechanisms which remove dependency on single individuals. Moreover, Eucare engages reputable third-party service providers for a number of services. Each contracted third party is duly assessed prior to being appointed especially where the services relate to critical and important functions of the Company. The service providers are assessed for their competence to perform the respective services in accordance with the Outsourcing policy. All outsourced activities are governed by service level agreements in accordance with regulatory requirements and are subject to ongoing monitoring of performance levels. All operational areas are subject to the four eyes principle whereby a process is never executed solely by one person but subject to review by senior management.

The processes and controls over operational risk, together with the measures defining risk appetite are reviewed regularly as part of the monitoring undertaken by the Risk Management & Compliance Committee and on a day-to-day basis by senior management.

The Company also has a business continuity plan which addresses all steps to be taken following a range of operational risks that may affect the Company. These include local and branch office and/or island wide catastrophes, IT failures, and emergencies at outsourced service providers, amongst others. The plan is tested and updated annually. The Company further ensures that appointed third party service providers also have their own Business Continuity Plan in place, which is tested and reviewed at least on an annual basis.

The company continued to enhance its ICT Operational resilience position, through a dedicated programme of works, during financial year 2025. This programme is delivering the introduction and continuous improvement of multiple and varied control layers, including the ICT Governance and Oversight structure, Third Party ICT Risk Management, employee awareness and training programmes on cybersecurity practices and the introduction of a new, ISO certified, ICT Managed services partner to support the implementation, maintenance and testing of the technical control infrastructure. This dedicated programme will continue through Financial Year 2026, following which it will enter into a continues improvement cycle. Finally, additional second line and internal audit reviews were applied to test for control effectiveness.

4.6. Other Material Risk

4.6.1. Intra-Group Transactions

As indicated under section 3.1.3, a capital contribution of €3,000,000 was made by ECHC to the NLCare Cell of Eucare, in order to guarantee the capacity for growth in line with the established strategy. This intra-group transaction does not constitute a loan, but is in the form of an irrevocable and gratuitous assignment with no obligation to repay the amount.

Moreover, ECHC may not offer any incentive for repayment. This capital contribution is unfettered, such that it does not give rise to a credit in favour of the contributor and is free from any servicing costs or charges. This transaction does not grant ECHC any rights or entitlements, such as any voting rights, profit participation or rights to participate in the distribution of the surplus assets of Eucare. Moreover, this capital contribution is free from encumbrances and is not connected with any other transaction. This intra-group transaction does not give rise to any conflict of interest, neither in the negotiation stage, nor in the foreseeable future. The features of this capital contribution satisfies the regulatory requirements to qualify as Tier 1 capital.

4.6.2. Reinsurance Risk

The reinsurance arrangements limit and control the Company's exposures to losses, reduce volatility and protect capital. The Company has a mix of proportional and non-proportional treaties which are in line with the reinsurance strategy agreed by the Board.

The Company is thus exposed to reinsurance risk emanating from reinsurance counterparties being unable to meet their contractual obligations. The Company also faces challenges in obtaining adequate reinsurance cover at an appropriate cost.

Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as a liability when due and expensed over the period of cover.

Reinsurance assets are assessed for impairment on a regular basis. If there is objective evidence that the reinsurance asset is impaired, the carrying amount of the reinsurance asset is reduced to its recoverable amount and that impairment loss is recognized in the profit and loss account.

4.6.3. Solvency Risk

Eucare has an obligation to maintain an adequate solvency position at all times; primarily in order to meet any regulatory capital requirements and to ensure the Company's ability to continue operating as a going concern. A Capital Management

Policy is in place and sets out target solvency ratios as set by the Board. The policy provides the direction to continuously oversee the solvency position of the Company, and to take the necessary timely steps in the event of any potential breach of the target solvency ratios, the SCR or the MCR being identified.

4.7. Any Other Information

4.7.1. Description of Material Risk Concentrations

4.7.1.1. Underwriting Risk

Eucare maintains an insurance portfolio primarily comprising health insurance business, complemented by smaller portfolios in personal accident, income protection, and life insurance. Following regulatory approval from the MFSA on 25 September 2025, the Group has commenced the expansion of its insurance portfolio to include additional lines of business, namely travel insurance, legal expenses insurance, home and SME insurance.

As explained under section 2.1.1, the location of the risks of Eucare's insurance portfolio is spread across the Netherlands, Germany, Belgium, and France. Although the location of risks is largely located within the Netherlands this is evenly spread across the country, ensuring an adequate geographical spread of risks within the country. This ensures that there is no concentration of risks within a small area and provides suitable geographical diversification within the portfolio.

The strategy of the Group is to diversify its portfolio both in terms of geographical spread and also across different lines of insurance business with the introduction of the new lines of business that received regulatory approval towards the end of 2025.

4.7.1.2. Counterparties

For the reporting year, bank accounts were held with three different banks thereby mitigating concentration risk.

Eucare, had more than one reinsurance counterparty protecting its portfolio but was still exposed to concentration risk due to a single reinsurance counterparty covering the majority of its portfolio. Subsequently, a material risk concentration arose from the exposure to the potential default of a reinsurer. Eucare ensures that all reinsurance counterparties are reputable with a strong credit rating, and procedures are in place to ensure that the credit ratings are monitored and reported on a monthly basis. Furthermore, the quarterly settlement terms embedded within the reinsurance agreements serve to reduce the duration and concentration of outstanding receivables, thereby mitigating counterparty default risk. Therefore the concentration risk is considered to be low as it is mitigated by the soundness of the reinsurer concerned and its credit rating which is aligned to the risk appetite of the Company and is monitored on an ongoing basis.

Given Eucare's strategy to operate through MGAs, the Group is also exposed to counterparty default risk in relation to its largest MGAs. This risk is mitigated through strict credit terms and monitoring of settlements.

4.7.2. Description of Risk Mitigating Techniques

4.7.2.1. Reinsurance

In assessing the suitability and appropriateness of the risk mitigating techniques adopted, the Company categorises its risks and assesses the inherent exposure to each. The appropriate risk mitigating factors are applied in order to manage and reduce the relevant exposure. The residual exposure of each risk is then assessed ensuring that all residual risks fall within the risk appetite of the Board.

The insurance underwriting risk is considered to be the main risk which Eucare is exposed to and reinsurance is the main risk mitigating technique used. Reinsurance agreements are negotiated with sound and reputable reinsurance companies. The appropriate reinsurance structure is identified following a risk assessment to determine an appropriate level of risk transfer in terms of the volume of business, the product line, the assessment of probable exposures, and the reinsurance market conditions. The reinsurance counterparties are monitored on a regular basis to ensure they continue to meet a minimum credit rating as set by the Board.

4.7.2.2. HIREF Provisions

Beyond the uncertainty inherent in insurance business, Eucare is also exposed to the uncertainty of variances in expected future income contributions receivable from the Dutch Health Insurance Risk Equalisation Fund ("HIREF") which are based on best estimate calculations. The Company has implemented a number of measures to mitigate these uncertainties. Given that the estimated receivables from the Dutch HIREF are based on best estimates of expected amounts, a provision is made for any potential variability. Estimates of the compensation from the Dutch HIREF are recalculated periodically throughout the year and the provision is adjusted accordingly.

4.7.2.3. Healthcare Procurement Price Agreements

Through a healthcare procurement company in the Netherlands, Eucare enters into price agreements with a large number of providers. This reduces the potential fluctuation in claims costs by pre-agreeing prices per treatment and therefore removing the uncertainty with regards to price movements during the year. This also protects the Company from inflation risk by eliminating any possible increase in claims costs throughout the year.

The Company also manages these risks through its underwriting strategy, which is intended to ensure that there is a sufficient volume of similar risks underwritten to enable it to better predict future claims over a wider risk base.

4.7.2.4. Product features

Exposures to potential large loss events affecting multiple insured persons is mitigated further through the application of deductibles on most of the insurance products,

4.7.2.5. Monitoring

Eucare maintains constant oversight of the performance of the portfolio written, with co-ordination between the different Heads of business, the Actuarial Function, the Finance Function and the Risk Management Function. This allows the Company to identify any negative developments and take timely remedial action, if necessary, in order to effectively manage risks.

4.7.3. Risk Sensitivity

As part of its Risk Management System, one of the main objectives of the Risk Management Function is to ensure that the Company is able to withstand any foreseeable and unforeseeable circumstances, whilst maintaining the target SCR cover. Consequently, as part of its ORSA, the Board established a number of different stress scenarios for the material risks of Eucare, including risks associated with both the core and its cell.

The ORSA results show that the Company satisfies its regulatory capital requirements and its internal target SCR cover at all times, even in stressed conditions.

5.0 Valuation for Solvency Purposes

The financial statements are prepared in accordance with International Financial Reporting Standards (hereinafter referred to as 'IFRS') as adopted by the EU and as modified by Article 174 of the Maltese Companies Act, (Cap 386) and in accordance with the requirements of the said Act and the requirements of the Maltese Insurance Business Act, 1998.

Article 75 of Directive 2009/138/EC of the European Parliament Council (hereinafter referred to as 'Solvency II Directive') and Articles 7 to 16 of Commission Delegated Regulation (EU) 2015/35 (hereinafter referred to as the 'Delegated Regulation') generally provide for undertakings to recognise and value assets and liabilities other than technical provisions in accordance with IFRS except where not consistent with the Solvency Directive. Where not consistent, other valuation principles or adjustments shall be applied.

5.1. Valuation of Assets for solvency calculation

The following table shows a list of the assets on the Group's balance sheet as at 31st December 2025 in accordance with IFRS and their valuation as required by the Solvency II Directive and Delegated Regulation.

	IFRS (€)		Movement (€)		Solvency II (€)	
	2024	2025	2024	2025	2024	2025
Assets						
Intangible assets	376,941	222,070	(376,941)	(222,070)	-	-
Deferred Tax Asset	1,154,273	1,203,869	(198,216)	19,841	956,057	1,223,710
Property, Plant & Equipment	557,947	465,730	-	-	557,947	465,730
Investments (other than assets held for index-linked and unit-linked contracts)	65,748,329	45,205,709	-	(7,926)	65,748,329	45,197,783
Reinsurance recoverables	37,452,444	37,534,463	53,500,323	43,741,476	90,952,767	81,275,939
Insurance and intermediaries receivables	191,234	3,139,904	236,652	173,320	427,886	3,313,224
Receivables (trade, not insurance)	139,001	152,929	65,339,588	64,011,868	65,478,589	64,164,797
Cash and cash equivalents	2,084,018	2,407,316	1,207	(2,710)	2,085,225	2,410,026
Total assets	107,704,187	90,331,991	118,502,613	107,719,218	226,206,800	198,051,209

Table 6: Group Valuation of Assets

Kindly refer to Table 11 in Appendix 1 for the Solo valuation of assets of Eucare.

The Annual QRTs containing the Solvency II Balance Sheet is being attached to this document (refer to S.02.01.01 in Appendix 2 for the Group and SR.02.01.01 in Appendix 3 for Eucare).

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year.

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 Group does not have any other material off-balance assets not reported in the above templates.

The value of assets in the consolidated group accounts and Eucare accounts have been adjusted to conform to Solvency II Directives and Delegated Regulations, as outlined below.

Non-Financial Assets

Intangible Assets

The value of intangible assets comprises of development costs relating to online projects.

The value assigned to these assets under IFRS has been removed for the Solvency II Balance Sheet as the assets cannot be sold separately and the Group could not assign a market price as quoted in an active market for same or similar assets.

Deferred Tax Asset

Under Solvency II, deferred taxes are measured as the amounts reported on the IFRS balance sheet as adjusted by the tax impact on the difference between the values assigned to assets and liabilities for solvency purposes and their carrying amount as recognised in the financial statements.

Under IFRS, deferred tax is calculated on all temporary differences under the liability method using a principal tax rate of 5%

The movement from the IFRS balance sheet to the Solvency II balance sheet resulted in an increase in net assets which created a deferred tax asset. The deferred taxes have been classified as an asset in the Solvency II balance sheet.

Deferred taxes	(€)
Increase in assets	(107,672,990)
Increase in liabilities	108,069,817
Movement from IFRS to Solvency II	(396,827)
Movement in Deferred Tax	19,841

Table 7: Solvency II Deferred Tax Asset

The movement of €(396,827) (2024: (€3,964,329)) between IFRS equity and Solvency II own funds has resulted in a decrease in the deferred tax asset of €19,841 (2024: €198,216) from the IFRS balance sheet to the Solvency II balance Sheet, resulting in a deferred tax asset of €1,223,710 (2024: €956,057).

Refer to Table 14 in Appendix 1 for Eucare's Solvency II Deferred Tax Liability.

Property, Plant and Equipment

Property, plant and equipment comprising of right-to-use assets, computer equipment and office furniture, fixtures and fittings are initially recorded at cost. These fixed assets are stated at historical cost less depreciation, which is calculated on the straight-line basis. The carrying amounts at historical cost are deemed not to differ materially from the assets' fair value" at the balance sheet date in light of the nature of assets owned.

Financial Assets

The Group recognises a financial instrument in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Group commits to purchase or sell the assets.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the entity transfers the financial asset, and the transfer qualifies for derecognition. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Investments (other than assets held for index-linked and unit-linked contracts)

The Investment of the Group relates mainly to the investment portfolio of the NLCare Cell, which at the end of the reporting period, consisted of €41,205,994 European Treasury Bills.

The Group values its investment portfolio at fair value for solvency purposes. The portfolio consists of highly-rated debt securities (German government bonds and EU bonds) and deposits held at A-rated banks. All these assets are traded in highly liquid, active markets with readily observable market prices. Consequently, valuation is based on observed market prices at the reporting date, without requiring any adjustments. No alternative valuation models for inactive markets are applied, as all instruments in the portfolio are traded in active markets with sufficient liquidity and transparency.

Reinsurance recoverables

These relate to amounts recoverable from reinsurers net of premiums paid that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts.

Amounts recoverable from reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of the reinsurance contract.

The Group assesses its reinsurance assets for impairment on a regular basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the profit and loss account.

The difference in value from IFRS to Solvency II mainly relates to the risk adjustment amounting to €(4,917,029) which is nullified under Solvency II; the amount payable to the reinsurer from HIREF contributions and the current payable amounts (which were decreasing the value of IFRS17 reinsurance recoverables), amounting to €58,349,184 shifted to reinsurance payable under current liabilities in terms of Solvency II; and an adjustment to account for future business payable to the reinsurers amounted to €9,605,936.

Insurance and intermediaries receivables

Insurance and intermediaries receivables of the Group consist of amounts prepaid by NLCare Cell to appointed insurance intermediaries in order to provide them with a claims float, and related party receivables which are valued approximately to the fair value of the asset. At Group level, due to consolidation, any intra-group balances are eliminated.

As evidenced in Table 11 under Appendix 1, the insurance and intermediaries receivables of Eucare also includes receivables of the Core from intra-group related parties, which is not applicable at group level due to consolidation.

The difference in value from IFRS to Solvency II mainly relates to a receivable from CAK of € 139,744 (2024: € 131,967) and a loss adjustment which is applied at IFRS and removed for the SII balance, amounting to €26,387 (2024: €3,610).

Receivables (trade, not insurance)

The difference in the amount of receivable between the Group and Eucare relates to receivables from related parties, whereby any intra-group transactions are not considered (eliminated) at group level.

The difference between IFRS and Solvency II values relates to treatment of risk equalisation fund receivable for the Solvency II Balance sheet, which as explained below are reclassified for Solvency II purposes.

The adjustment mainly relates to the Best Estimate of the Risk Equalization Fund of €64,164,797 (2024: €65,478,589) which is reclassified from the claims reserve within technical provisions to the Receivables.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at face value. These related to bank balance held by the Group. The difference between the value of cash at bank as recognised under IFRS and the Solvency II Directive relates to € 2.710 which is the counterparty default adjustment taken into account in IFRS.

5.2. Valuation of Technical Provisions

The quality of the data used to determine the input for the calculation of the different components of the technical provision are assessed by the Actuarial Function. Checks are carried out in order to ensure that the relevant data is of sufficient quality.

The following table shows the change in technical provisions from the Group balance sheet as at 31st December 2025 in accordance with IFRS and their valuation as required by the Solvency II Directive and Delegated Regulation. Given that Eucare is the only insurance undertaking within the Group, the Technical Provisions of the Group and of Eucare are the same.

	IFRS (€)		Movement (€)		Solvency II (€)	
	2024	2025	2024	2025	2024	2025
Technical provisions						
Health (not similar to life techniques):						
Best estimate: premium provision	27,168	19,164	(14,398,573)	(10,232,066)	(14,371,405)	(10,212,902)
Best estimate: claim provision	66,199,271	41,176,192	66,284,051	64,291,613	132,483,322	105,467,805
Risk margin	4,976,190	4,187,056	(2,482,585)	(2,223,525)	2,493,605	1,963,531
Total NSLT Provisions	71,202,629	45,382,412	49,402,893	51,836,022	120,605,522	97,218,434
Health (similar to life techniques)						
Best estimate: premium provision	161,064	(63,273)	(1,409,405)	(1,062,162)	(1,248,341)	(1,125,435)
Best estimate: claim provision	7,346,032	13,277,957	63,429	240,736	7,409,461	13,518,693
Risk margin/ Risk adjustment	405,926	1,818,585	(227,781)	(1,267,574)	178,145	551,011

Total SLT Provisions	7,913,022	15,033,270	(1,573,757)	(2,089,001)	6,339,265	12,944,269
Total Technical Provisions		60,415,682	47,829,136	49,747,021	126,944,787	110,162,703

Table 8: Group Valuation of Technical Provisions

Kindly refer to Table 12 in Appendix 1 for the valuation of the Technical Provision of Eucare.

The Solo Annual QRTs containing information on the Non-Life Technical Provisions is being included in this document (refer to S.12.01.01 and S.17.01.01 in Appendix 3).

Below is a description of the bases and methods used for the valuation of the best estimate of liabilities (BEL) and the risk margin. There was no application of matching adjustment, volatility adjustment, transitional risk-free interest rate and transitional deductions. There were no material changes in the assumptions made in the calculations of the technical provisions over the valuation period.

Technical provisions

The technical provisions regarding health insurance, accident insurance and absenteeism have been determined in accordance with the Solvency II guidelines (Articles 75 to 86 of The Directive and Articles 17 to 61 of The Delegated Acts (Chapter III, Rules relating to technical provisions)).

The technical provisions calculations do not apply any matching adjustment or volatility adjustments. The technical provisions analysis is performed on health and income protection lines insurance. The business written in 2025 relates predominantly to the exposures in the Netherlands. All insurance contracts are denominated in Euro.

The difference in the amount of Technical Provisions between the Group (refer to table 3 above) and Eucare (refer to table 12 under Appendix 1) relates to an intra-group transaction amounting to €977,351, which is eliminated at group level.

The difference in value from IFRS to Solvency II mainly relates to the risk adjustment amounting to €(6,005,641) which is nullified under Solvency II; a reclassification of the HIREF cashflows from the Technical Provision to receivables (trade, not insurance) amounting to €64,164,797 under Solvency II; and an adjustment to account for future business amounting to €(10,837,853) which is removed at Solvency II. Moreover, under Solvency II, a risk margin of €2,514,542 is taken into account.

Other minor movements include the CAK amounts which are added to the Solvency II Technical provisions, the removal of the expenses which are applicable under IFRS17, the reduction of reserves to account for operational costs, and the difference in the discount effect between IFRS17 and Solvency II.

Valuation Differences between IFRS 17 (Premium Allocation Approach) and Solvency II

The valuation of insurance liabilities under IFRS 17 (Premium Allocation Approach) and Solvency II reflects different measurement objectives and methodologies:

Measurement objective and approach: IFRS 17 (Premium Allocation Approach) measures the amount the entity expects to pay for claims and expenses in relation to insurance contracts issued, simplified by allocating premiums over the coverage period. This approach applies to short-duration contracts and focuses on expected cashflows for the contractual coverage period. Solvency II measures the amount required to transfer all insurance obligations to a third party, reflecting broader financial solvency requirements and the cost of capital.

Risk adjustment versus risk margin: IFRS 17 (PAA) includes a Risk Adjustment for Non-Financial Risk of €(6,005,641), which reflects compensation for bearing uncertainty in non-financial assumptions (e.g., claims inflation). Solvency II does not recognize this component; instead, it incorporates a risk margin of €2,514,542 calculated using the cost-of-capital approach. The risk margin reflects the cost of holding capital to support insurance liabilities in the solvency context.

Treatment of future business variations: IFRS 17 (PAA) only takes into account existing business. Solvency II's Best Estimate Liability includes also future business amounting to €(10,837,853).

Classification of cash flows: A reclassification of HIREF cash flows from technical provisions to receivables (€64,164,797) reflects different frameworks. IFRS 17 (PAA) classifies these within insurance liabilities based on whether they relate to the coverage period. Solvency II requires reclassification as trade receivables under the Standard Formula, reflecting its different approach to solvency assessment.

Best estimate of liabilities

The Best Estimate liabilities comprise of the Premium Provision and Claim Provision.

The portfolio of Eucare is made up of the following lines:

Segmentation	
Line of Business	Homogeneous Risk Group
Health	Basic Insurance
Health	Supplementary Insurance
Health	Dental Insurance
Health	Main Insurance
Income Protection	Accident Insurance
Income Protection	Sickness Insurance
Income Protection	Disability Insurance

Income Protection	Work Accident
Income Protection	Ordinary Illness
Income Protection	Long Illness
Income Protection	Maternity/Paternity Leave

Table 9: Segmentation of Lines of Business

(i) Premium provisions

The premium Provision relates mainly to the future business, which takes into consideration future premium, claims, and other attributable costs.

Given the long-term nature of the disability insurance portfolio, the Technical Provision applicable under this health insurance cover is pursued on a similar technical basis to that of life insurance ('health SLT'), as illustrated in Table 3 above.

The premium provision consists of a number of components. The main components relate to the present value of the claims and premiums from future business, both in terms of premium paid by policyholders, and contributions receivable from the Dutch Health Insurance Risk Equalisation Fund. The premium provision includes also other components such as the operational costs, and the interest on loans.

Health Non-Similar to Life Techniques has a total provision of €(10,212,902) (2024: €(14,371,405)). This amount also includes €(43,496) (2024: €(104,469)) which relates to the business which remained in force by the end of 2025. Health Similar to Life Techniques has a premium provision of €(1,125,435) (2024: €(1,248,341)).

Most contract boundaries are annual, and the premium provisions take into consideration those which are still in force by the end of the year, and those that are expected to be renewed or incepted in the next underwriting year.

No lapse rates were assumed in the calculation of the premium provisions. Moreover, no simplifications were used.

(ii) Claims provision

The Company is able to estimate this provision by due observance of claims patterns in previous months and years and by considering different actuarial methodologies. Further to estimating the total net claims amount via the most appropriate extrapolation method, the ultimate cost also includes other additional reserves for medical expenses and other costs including ambulance transportation, acute mental healthcare and treatment received abroad. Historical data, information obtained from government agencies and assumptions are applied in the derivation of these reserves.

Claims provision is related to health and income protection products written in 2019, 2020, 2021, 2022, 2023, 2024 and 2025. Health Non-Similar to Life Techniques has a claims provision of €105,467,805 (2024: €132,483,322).

Health Similar to Life Techniques has a claims provision of €13,518,693 (2024: €7,409,461).

No simplifications were used in the calculation of the technical provisions.

(iii) Uncertainty associated with the amount of technical provisions

The claims provision as described under (ii) above are based on statistical estimates to capture incurred but not reported (IBNR) amounts. These estimates rely on data provided by a partnering intermediary, duly supplemented with management's knowledge of the market and independent actuarial advice.

Given the characteristics of the underlying products and the relatively small size of the portfolio, the estimation of IBNR is subject to a higher degree of uncertainty. This is further evidenced by the fact that, for the health portfolio, approximately 65% of expected claims have been reported to date, indicating that a material portion of claims is yet to emerge.

Notwithstanding the uncertainties, the directors believe that the estimated provision for incurred but not reported amounts as at 31st December 2025 is reasonable, having also considered actuarial advice.

As described in section 4.1, a risk mitigating mechanism, namely the HIREF, is in force in the Netherlands to reduce the uncertain exposure resulting from its system. The measurement of contributions due from the Dutch HIREF involves the assessment of future settlements, and is therefore dependent on various assumptions around, inter alia, the development of national healthcare costs, and the allocation of healthcare costs to Equalisation Fund budget parameters. The assumption considered to be key in this regard is that the health profile of the insured population at any point in time is assumed to be consistent with its historical health profile. This inherently introduces a degree of uncertainty, given that the process for final determination of the contributions from the fund is typically finalized over a period of four years. The outcome of the best estimate assessments have been included in the claims provision for underwriting year 2019, 2020, 2021, 2022, 2023, 2024, 2025 and the premium provision for the underwriting year 2026. Management considers the basis for the estimate to be reasonable, when also considering the involvement of actuarial expertise in the process.

Risk Margin

The Risk Margin has been calculated in line with articles 37 and 56 of The Delegated Acts. Eucare determines the Risk Margin on the Cost of Capital basis method per Homogeneous Risk Group.

The Risk Margin is conceptually equivalent to the costs of supplying eligible own funds and the SCR necessary to support insurance commitments during their entire period of validity and until they are definitively settled. The interest rate used in determining cost of supplying the amount of eligible own funds is known as the cost-of-capital rate. The Group uses the 6% rate set by Commission Delegated Regulation (EU) 2015/25.

The method for calculating risk margin is expressed as follows:

$$RM = CoC * \sum \frac{SCR_t}{(1 + r_{t+1})^{t+1}}$$

where:

- *CoC*: the cost of capital rate which is taken as 6%
- *SCR_t*: the solvency capital requirement after *t* years
- *r_{t+1}*: basic risk-free interest rate for maturity of t+1 years

There are a number of simplified methods to calculate risk margin:

- Level 1: explains how to approximate underwriting, counterparty default, and market risks.
- Level 2: this is based on the assumption that the future solvency capital requirement will be proportional to the "best estimate" of technical provisions during the year in question.
- Level 3: this consists of using the modified duration of liabilities to calculate the current and future solvency capital requirement in a single step.
- Level 4: calculates the risk margin as a percentage of the best estimate of technical provisions net of reinsurance.

The Group calculates the risk margin using the Level 1 simplification method.

The total Risk Margin comprises of Health Non-Similar to Life Techniques of €1,963,531 (2024: €2,493,605) and Health Similar to Life Techniques of €551,011 (2024: €178,146).

Net technical provisions

The reinsurer's share of Solvency II technical provisions was calculated based on the characteristics of the reinsurance program. Given that Eucare has in place a quota share reinsurance arrangement, the difference between the valuation of Reinsurance receivables amounts as per IFRS and Solvency II purposes, as illustrated in Table 1 under section 5.1 and Table 11 in Appendix 1, is driven by the same differences for gross technical provisions explained above.

5.3. Valuation of Other Liabilities

The following table shows the difference in other liabilities from the Group balance sheet as at 31st December 2025 in accordance with IFRS and their valuation as required by the Solvency II Directive and Delegated Regulation.

	IFRS (€)		Movement (€)		Solvency II (€)	
	2024	2025	2024	2025	2024	2025
Other Liabilities						
Deferred tax liabilities	-	-	-	-	-	-
Financial Liabilities other than debts owed to credit institutions	418,984	350,364	-	-	418,984	350,364
Reinsurance payables	8	-	66,907,367	58,349,184	66,907,375	58,349,184
Insurance & Intermediaries Payables	1,009,774	300,582	-	-	1,009,774	300,582
Payables (trade, not insurance)	451,292	1,556,358	(2)	-	451,290	1,556,358
Subordinated liabilities	10,000,000	10,000,000	-	-	10,000,000	10,000,000
Total Other Liabilities	11,880,058	12,207,305	66,907,365	58,349,184	78,787,423	70,556,488

Table 10: Group Valuation of Other Liabilities

Kindly refer to Table 13 in Appendix 1 for Eucare's valuation of other liabilities.

The Annual QRTs containing the Solvency II Balance Sheet is being attached to this document (refer to S.02.01.01 in Appendix 2 for the Group and SR.02.01.01 in Appendix 3 for Eucare).

The Group does not have any other material off-balance liabilities not reported in the above templates.

The consolidated IFRS value of other liabilities have been used with some adjustments, in accordance with EIOPA Technical Specifications, as outlined below.

Financial Liabilities other than debts owed to credit institutions

The financial liabilities other than debts owed to credit institutions related to leased liabilities incurred by the Group. These are recognised as FL other than debts owed to credit institutions for both SII and IFRS per the table above.

Reinsurance payables

The reinsurance payables represent the outstanding balance payable to the reinsurer as at period end, arising on business written during 2025. This amount is taken into account in the reinsurance contract assets under IFRS.

Insurance & Intermediaries Payables

Insurance and intermediaries payable of the Group relate to amounts owed by NLCare Cell to appointed insurance intermediaries in order to settle any claims due.

Payables (trade, not insurance)

Payables (trade, not insurance) consists of accruals and other payables which are stated at their nominal value, and are consistent in the IFRS financial statements and the Solvency II balance sheet.

Subordinated liabilities

The Group has subordinated liabilities amounting to €10,000,000. There were no differences between the valuation of these liabilities in the IFRS financial statements and the Solvency II balance sheet.

5.4. Alternative Methods for Valuation

The Group does not use any alternative methods for the calculation of its assets, technical provisions or the arising liabilities.

5.5. Any Other Information

There is no further material information to report.

6.0 Capital Management

The capital management policy of the Group aims to establish standards for the efficient management and effective deployment of capital so as to ensure that the needs of the business, the regulatory requirements and the return on capital expectations of the shareholders are balanced.

Under the Solvency II framework, the Group is required to clearly identify its Own Funds which are composed of Basic Own Funds and Ancillary Own Funds as referred to in Article 88 and 89 of the Solvency II Directive respectively and the Insurance Business Act. The Own Funds must be classified into three tiers according to their characteristics with Tier 1 capital being the highest quality form of capital.

For the purposes of calculating group solvency, the Group applies Method 1 (Accounting Consolidation-Based Method) as prescribed under Article 230 of the Solvency II Directive. Under this method, group own funds and the Solvency Capital Requirement are determined on the basis of the consolidated accounts of the Group.

The eligibility of the basic own fund items in relation to compliance with the Minimum Capital Requirement (“MCR”) and the Solvency Capital Requirement (“SCR”) is subject to quantitative limits for restricted Tier 1 items and Tier 2 and Tier 3 basic own fund items. The Group ensures that it holds sufficient Eligible Basic Own Funds to cover the absolute floor of the MCR and the required SCR on an on-going basis.

During 2025, there have not been any material changes to the objectives, policies, and processes used to manage the Group’s own funds. The Group prepares annual financial forecasts covering a three-year rolling period. No material changes to the planning time horizon were made during the reporting period.

6.1. Own Funds

6.1.1. Capital Structure

The following table shows the amount and quality of own funds in each tier at the end of this reporting year at the group level:

Own Funds as at	31 Dec 24		31 Dec 25	
	Available (€)	Eligible (€)	Available (€)	Eligible (€)
Tier 1 Basic Own Funds (Unrestricted)				
Share capital	10,614,732	10,614,732	13,114,732	13,114,732
Share Premium	6,887,668	6,887,668	6,887,668	6,887,668
Capital Contribution	3,000,000	3,000,000	3,000,000	3,000,000
Reconciliation reserve	(983,867)	(983,867)	(6,894,092)	(6,894,092)
Tier 2 Basic Own Funds				
Subordinated loan	7,000,000	7,000,000	7,000,000	7,000,000

Tier 3 Basic Own Funds				
Subordinated loan	3,000,000	2,495,002	3,000,000	1,124,401
Deferred Tax Asset	956,057	956,057	1,223,710	1,223,710
Ancillary Own Funds	-	-	-	-
Total Own Funds	30,474,590	29,969,592	27,332,018	25,456,419

Table 11: Group Available & Eligible Own Funds

As illustrated above, as at 31st December 2025, the eligible and available own funds of the Group is made up of issued and paid-up ordinary share capital, including related share premium, subordinated liabilities, capital contribution, deferred tax assets, and a reconciliation reserve.

The Group's shareholders' funds for the financial year ended 31st December 2025, amounted to €17,709,005 (2024: €16,708,477).

The main difference between the equity as shown under IFRS and own funds of the Group under Solvency II mainly relates to the value of the subordinated loans of €10,000,000 which are classified as long-term liabilities under IFRS. Moreover, differences also arise in the valuation of technical provisions under Solvency II, impacting the valuation of insurance and intermediaries receivables, reinsurance receivables, and insurance payables, as explained in Section 5 above.

Capital contributions may, from time to time, be provided by shareholders to the Group. This is not a loan, but an unconditional transfer of funds, classified as an undistributable reserve. In 2019, a capital contribution in cash of €3,000,000 was made to the Group by its immediate parent company.

The reconciliation reserve of the Group represents the consolidated IFRS retained earnings together with IFRS other reserves less and the resultant variance in Own Funds emanating from valuation differences between the Solvency II and the IFRS Balance Sheet.

This gives rise to an element of volatility, which is however mitigated through the Group's asset-liability management. Such valuation differences are considered to be an unrealized gain/loss in valuation and on that basis the Group recognises this movement net of deferred taxation.

The subordinated liabilities comprise two loan agreements entered into by the NLCare Cell of Eucare. Both subordinated loans are owed to the immediate parent company. The €7,000,000 loan was entered into in 2019, and is repayable after 10 years, with an option to repay after a minimum of five years. The €3,000,000 loan was renewed in 2024 and is repayable after five years. Both loans are repayable by 31st December, 2029.

The changes in the Group's own funds during the reporting period are primarily attributable to a decrease in the reconciliation reserve, driven by variances in the IFRS and Solvency II valuations of the Group's assets and liabilities. In addition, the decrease in own funds was further driven by the losses reported over the year.

None of the Group's basic own funds are subject to transitional arrangements. Moreover, no deductions are applied to the Group's own funds.

Refer to Tables 15-20 in Appendix 1 for the own funds composition of ECHC and Eucare (in a combined format), Eucare Core and NLCare Cell.

The Group and Solo Annual QRTs containing the own funds are appended to this document (refer to S.23.01.04 in Appendix 2 and S.23.01.01 in Appendix 3).

The Capital Management Policy of the Group aims to maintain sufficient eligible own funds to cover the expected net retained risk exposure and the minimum capital levels in accordance with insurance regulations at all times and that it maintains an appropriate level of capital under all market conditions.

To ensure that an appropriate level of capital is maintained above the regulatory capital requirements, in line with the board approved risk appetite, the Board has established an internal target SCR cover of 130% for the Core and for the NLCare Cell of Eucare .

The Company monitors the Core and Cell capital requirements on a regular basis. Any potential shortfall in the capital requirements would trigger the recovery actions as indicated within the Capital Management Policy of the Company. These include a number of possible actions, depending on the type and extent of variance, such as de-risking, additional capital injections, and/or a reduction or cancellation of any planned dividends.

No changes to the capital structure may be effected without the prior approval of the Board and the Shareholders and the regulator. Payment of dividends will be at the Directors' discretion depending upon the financial performance of the Company and distributable profits available. No dividends have been distributed to date.

6.1.2. Eligible Own Funds to Cover SCR and Minimum Consolidated Group SCR

The SCR and Minimum Consolidated Group SCR cover of the Group is illustrated below:

Group SCR and MCR cover as at	31 Dec 24 (€)	31 Dec 25 (€)
Total Available Own Funds	30,474,590	27,332,018
Total Eligible own funds to meet SCR	29,969,592	25,456,419
Tier 1 Eligible Own Funds	19,518,531	16,108,308
Tier 2 Eligible Own Funds	7,000,000	7,000,000
Tier 3 Eligible Own Funds	3,451,059	2,348,111
SCR	23,007,057	18,696,222
SCR cover:	130%	136%

Total Eligible own funds to meet Minimum Consolidated Group SCR	21,594,407	17,490,074
Tier 1 Eligible Own Funds	19,518,533	16,108,308
Tier 2 Eligible Own Funds	2,075,876	1,381,766
Minimum Consolidated Group SCR	10,379,382	6,908,831
Minimum Consolidated Group SCR cover:	208%	253%

Table 12: Group SCR and Minimum Consolidated Group SCR Cover

As shown above, as at 31st December 2025, the Group's available own funds amounted to €27,332,018 (2024: €30,474,590), of which €25,456,419 are eligible to cover the Group SCR of €18,696,222 (2024: €23,007,057). The Group's eligible own funds covers both the minimum consolidated Group SCR by 253% (2024: 208%) and the SCR by 136% (2024: 130%) calculated using the standard formula.

Refer to Table 21 and 22 in Appendix 1 for the Eligible Own Funds to cover the SCR and MCR of Eucare (in a combined format), of Eucare Core and of NLCare Cell. Appendix 1 also includes Table 23 which illustrates the adjustment relating to the Ring-Fenced Funds of the PCC structure and Table 24 which explains the difference in shareholders' funds of Eucare.

In accordance with Article 82 of the Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/13/EC, as far as compliance with the Solvency Capital Requirement (SCR) is concerned, the eligible amounts of Tier 2 and Tier 3 within the Core and respective cells shall be subject to all of the following quantitative limits:

- the eligible amount of Tier 1 items shall be at least one half of the Solvency Capital Requirement;
- the eligible amount of Tier 3 shall not exceed 15% of the Solvency Capital Requirement;
- the sum of the eligible amounts of Tier 2 and Tier 3 items shall not exceed 50% of the Solvency Capital Requirement.

Moreover, in accordance with Article 98 of the Solvency II Directive, the eligible amount of Tier 2 and Tier 3 items shall be subject to the following quantitative limits:

- the proportion of Tier 1 items in the eligible own funds shall be higher than one third of the total amount of eligible own funds; and
- the eligible amount of Tier 3 items shall be less than one third of the total amount of eligible own funds.

Based on these criteria, the tier 2 and tier 3 eligible own funds to meet SCR amount to €7,000,000 (2024: €7,000,000) and €2,348,111 (2024: €3,451,059) respectively, as evidenced in Table 7.

In addition to the above, as far as compliance with the Minimum Consolidated Group SCR is concerned, Tier 3 is not considered as an eligible own fund item, whilst Tier 2 shall be subject to all of the following quantitative limits:

- the eligible amount of Tier 1 items shall be at least 80% of the Minimum Capital Requirement;
- the eligible amounts of Tier 2 items shall not exceed 20% of the Minimum Capital Requirements.

Moreover, in line with Article 98 of the Solvency II Directive, quantitative limits are also applied to the Tier 2 eligible own funds to cover the Minimum Consolidated Group SCR, such that the proportion of Tier 1 eligible own funds shall be higher than one half of the total amount of eligible basic own funds.

The Group's tier 2 eligible own funds to meet the Minimum Consolidated Group SCR amounts to €1,381,766 (2024: €2,075,876).

No additional solvency ratios other than the ones included in the Annual QRT template S.23.01.04 in Appendix 2 were disclosed by the Group.

6.1.3. Differences in Shareholders' Funds

The Group's shareholders' funds for the financial year ended 31st December 2025, amounted to €17,709,005 (2024: €16,708,478). The differences between IFRS and Solvency II valuation of assets and liabilities amounts to €376,986 (2024: €3,766,102). The movement in capital is being reconciled below:

Own funds reconciliation	(€)	(€)
Shareholders' funds under IFRS		17,709,005
Difference in valuation:		
Assets	107,719,218	
Gross technical provisions	(49,747,021)	
Other liabilities	(58,322,796)	
Difference in reserves between IFRS and Solvency II		(376,986)
Subordinated loans		10,000,000
Total basic Own Funds SolvencyII		27,332,018

Table 13: Group Own Funds Reconciliation

6.2. Solvency Capital Requirement (SCR) and Minimum Consolidated Group SCR

As mentioned in section 3.3.3, the Group opted for the standard formula to calculate the SCR as the assumptions underlying the standard formula are considered to be reflective of the Group's risk profile. The Group does not make use of any undertaking-specific parameters and capital add-ons in the calculation of the Group's SCR and Minimum Consolidated Group SCR. The Group doesn't make use of any simplifications to calculate its SCR.

The SCR and Minimum Consolidated Group SCR as at 31st December 2025 calculated using the Standard Formula are being shown in the following tables:

SCR	31 Dec 24 (€)	31 Dec 25 (€)
Market risk	560,211	562,099
Counterparty Default risk	825,323	1,146,447
Health underwriting risk	17,320,073	13,892,902
Non-life underwriting risk	-	-
Diversification	(1,007,871)	(1,219,739)
Basic Solvency Capital Requirement	17,697,736	14,381,709
Adjustment due to RFF	-	-
Operational risk	5,309,321	4,314,513
Loss Absorbing Capacity of Deferred Taxes	(-)	(-)
Total SCR	23,007,057	18,696,222

Table 14: Group SCR Components

MCR	31 Dec 24 (€)	31 Dec 25 (€)
MCR at ECHC, net of consolidation adjustments	-	-
MCR at Eucare	10,379,382	6,908,831
Minimum Consolidated Group SCR	10,379,382	6,908,831

Table 15: Group Minimum Consolidated Group SCR Components

The decrease in the Solvency Capital Requirement (SCR) during the reporting period, compared to 2024, is mainly attributable to a reduction in Health underwriting risk. This reflects the Group's ongoing diversification of its business mix and reduced reliance on health insurance activities, as evidenced by the decrease in health premiums payable directly by policyholders to €254,363,259 in 2025 (2024: €265,581,896). Operational risk also decreased over the period, consistent with the reduction in the Basic Solvency Capital Requirement (BSCR) in 2025. Furthermore, no Loss Absorbing Capacity of Deferred Taxes (LACDT) was recognised in 2025 and, as a result, no corresponding reduction in the SCR was recorded.

The MCR decreased during the reporting period, primarily driven by a reduction in the reserves relating to the Group's French income protection business.

Refer to Tables 25-31 in Appendix 1 for the SCR and MCR of Eucare (in a combined format), Eucare Core and NLCare Cell.

The Group and Solo Annual QRTs containing information on the SCR and Minimum Consolidated SCR/MCR is being attached to this document (refer to S.25.01.04 in Appendix 2 for the Group and S.25.01.01 and S.28.01.01 in Appendix 3 for Eucare).

6.3. Use of the duration-based equity risk sub-module in the calculation of the SCR

The Group did not use the duration-based equity risk sub module set out in Article 304 of the Directive for the calculation of its Solvency Capital Requirement.

6.4. Differences between the standard formula and any internal model used

The Group does not make use of the possibility allowed under the Solvency II Directive to apply internal or partial internal models and on this basis has nothing to report.

6.5. Non-compliance with the Minimum Consolidated Group SCR and SCR

The Group reviews the Own Funds Position on a quarterly basis to ensure compliance with its SCR and Minimum Consolidated SCR respectively. The Group has in place a Capital Management Policy which identifies the various action points to be taken in case of a SCR or Minimum Consolidated SCR breach. At all times during the reporting year, the Group was in compliance with its SCR and Minimum Consolidated SCR respectively.

As at 31st December 2025 the Group reports an SCR Cover of 136% (2024: 130%), and a Minimum Consolidated Group SCR cover of 253% (2024: 208%).

Accordingly, there are no compliance issues to report.

6.6. Any other information

There are no restriction regarding the fungibility and transferability of own funds eligible to cover the Group SCR.

Appendix 1: Eucare (Solo) Valuations and Capital Management

1.1 Valuation for Solvency Purposes

1.1.1 Valuation of Assets

	IFRS (€)		Movement (€)		Solvency II (€)	
	2024	2025	2024	2025	2024	2025
Assets						
Intangible assets	376,941	222,071	(376,941)	(222,071)	-	-
Deferred Tax Asset	-	-	-	-	-	-
Deferred Acquisition Costs	-	-	-	-	-	-
Property, Plant & Equipment	557,947	465,730	-	-	557,947	465,730
Investments (other than assets held for index-linked unit-linked contracts)	40,241,659	41,205,994	25,505,470	3,990,589	65,747,129	45,196,583
Reinsurance recoverables	37,452,444	37,534,463	53,500,323	43,741,476	90,952,767	81,275,939
Insurance and intermediaries receivables	-	5,874,672	2,765,057	177,956	2,765,057	6,052,628
Receivables (trade, not insurance)	2,651,619	143,234	62,826,970	64,021,563	65,478,589	64,164,797
Cash and cash equivalents	27,448,486	6,307,025	(25,504,297)	3,995,843	1,944,189	2,311,182
Total assets	108,729,096	91,753,190	118,716,582	107,713,670	227,445,678	199,466,860

Table 16: Eucare Valuation of Assets

1.1.2 Valuation of Technical Provisions

	IFRS (€)		Movement (€)		Solvency II (€)	
	2024	2025	2024	2025	2024	2025

Technical provisions						
Health (not similar to life techniques):						
Best estimate: premium provision	27,168	19,164	(14,398,573)	(10,232,066)	(14,371,405)	(10,212,902)
Best estimate: claim provision	66,813,893	41,176,192	66,669,429	64,291,613	132,483,322	105,467,805
Risk margin	4,976,190	4,187,056	(2,476,449)	(2,223,525)	2,499,741	1,972,006
Total NSLT provisions	71,817,251	45,382,412	49,794,407	51,836,022	120,611,657	97,226,909
Health (similar to life techniques)						
Best estimate: premium provision	161,064	(63,273)	(1,409,405)	(1,062,162)	(1,248,341)	(1,125,435)
Best estimate: claim provision	7,414,235	13,277,957	4,774	240,736	7,409,461	13,518,693
Risk margin/ Risk adjustment	405,923	1,818,585	(222,780)	(1,267,574)	178,143	551,054
Total SLT provisions	7,981,223	15,033,270	(1,641,960)	(2,089,001)	6,339,263	12,944,312
Total Technical Provisions	79,798,474	60,415,682	47,152,446	49,747,021	126,950,920	110,171,221

Table 17: Eucare Valuation of Technical Provisions

1.1.3 Valuation of Liabilities

	IFRS (€)		Movement (€)		Solvency II (€)	
	2024	2025	2024	2025	2024	2025
Other Liabilities						
Deferred tax liabilities	-	-	232,188	29,122	232,188	29,122
Financial liabilities other than debt owed to credit institutions	418,984	350,364	-	-	418,984	350,364
Reinsurance payables	8	-	66,907,367	58,349,184	66,907,375	58,349,184
Insurance & Intermediaries Payables	-	300,582	1,009,774	-	1,009,774	300,582

Payables (trade, not insurance)	1,931,062	2,092,144	(996,776)	2,331	934,286	2,094,475
Subordinated liabilities	10,000,000	10,000,000	-	-	10,000,000	10,000,000
Total liabilities	12,350,054	12,743,090	67,152,553	58,380,637	79,502,607	71,123,727

Table 18: Eucare Valuation of Other Liabilities

Deferred Tax Liabilities

The movement from the IFRS balance sheet to the Solvency II balance sheet resulted in an increase in net assets which created a deferred tax liability, as evidenced below:

Deferred tax liabilities	(€)
Increase in assets	107,713,670
Increase in liabilities	(107,131,240)
Movement from IFRS to Solvency II	(582,430)
Deferred tax liabilities	29,122

Table 19: Deferred Tax Liability

The difference of €(582,430) (2024: €4,643,770) between IFRS equity and Solvency II own funds has resulted in a deferred tax liability of €29,122 (2024: €232,188) in the Solvency II balance sheet. This is since there was no deferred tax liability under the IFRS statements as the ECHC Group applied for fiscal unity under the Consolidated Group (Income Tax) Rules, which was approved and applicable as from the year of assessment 2021.

1.2 Capital Management

1.2.1 Own Funds

The capital management policy of the Company aims to establish standards for the efficient management and effective deployment of capital to ensure that the needs of the business, the regulatory requirements, and the return on capital expectations of the shareholders are balanced.

Under the Solvency II framework, the Company is required to clearly identify its Own Funds which are composed of Basic Own Funds and Ancillary Own Funds as referred to in Article 88 and 89 of the Solvency II Directive respectively and the Insurance Business Act. The Own Funds must be classified into three tiers according to their characteristics with Tier 1 capital being the highest quality form of capital.

The eligibility of the basic own fund items in relation to compliance with the Minimum Capital Requirement (“MCR”) and the Solvency Capital Requirement (“SCR”) is subject to quantitative limits for restricted Tier 1 items and Tier 2 and Tier 3 basic own fund items. The Company must ensure it holds sufficient Eligible Basic

Own Funds to cover the absolute floor of the MCR and the required SCR on an on-going basis.

The following paragraphs disclose the various aspects regarding the own funds and solvency position for the group, the PCC as a whole (combined), the core separately and the cell.

ECHC

	31 Dec 24		31 Dec 25	
	Available (€)	Eligible (€)	Available (€)	Eligible (€)
Tier 1 Basic Own Funds (Unrestricted)				
Paid-up share capital	17,502,400	17,502,400	20,002,400	20,002,400
Capital contribution	3,000,000	3,000,000	3,000,000	3,000,000
Reconciliation reserve	(1,290,508)	(1,290,508)	(6,705,844)	(6,705,844)
Tier 2 Basic Own Funds	-	-	-	-
Tier 3 Basic Own Funds	1,154,323	668,354	1,204,353	575,180
Deferred Tax Assets	-	-	-	-
Total Own Funds	20,366,215	19,880,246	17,500,910	16,871,736

Table 20: ECHC Available & Eligible Own Funds

Eucare Combined

Own Funds as at	31 Dec 24		31 Dec 25	
	Available (€)	Eligible (€)	Available (€)	Eligible (€)
Tier 1 Basic Own Funds (Unrestricted)				
Paid-up share capital	8,501,200	8,501,200	8,501,200	8,501,200
Capital Contribution	12,752,664	12,752,664	15,252,664	15,252,664
Reconciliation reserve	(5,914,465)	(5,914,465)	(11,814,758)	(11,814,758)
Tier 2 Basic Own Funds				
Subordinated loan	7,000,000	7,000,000	7,000,000	7,000,000
Tier 3 Basic Own Funds				
Subordinated loan	3,000,000	3,000,000	3,000,000	2,350,995
Deferred Tax Assets	20,444	20,444	15,853	15,853
Ancillary Own Funds	-	-	-	-
Total Own Funds	25,359,843	25,359,843	21,954,959	21,305,954

Table 21: Eucare Combined Available & Eligible Own Funds

Eucare Combined Retained Earnings

Entity	31 Dec 2024 (€)	31 Dec 2025 (€)
Eucare Core	460,009	403,968
Eucare NLCare Cell	(5,123,953)	(6,539,225)
Retained earnings	(4,663,944)	(6,943,193)

Table 22: Eucare Retained Earnings

Movement in Eucare Combined Own Funds

Own Funds as at	31 Dec 24		31 Dec 25	
	Available (€)	Eligible (€)	Available (€)	Eligible (€)
Eucare Core	2,572,773	2,572,773	2,603,964	2,603,964
Eucare NLCare Cell	28,419,377	28,419,377	25,567,947	24,918,942
Adjustments due to PCC Ring Fencing Regulation	(5,632,307)	(5,632,307)	(6,216,952)	(6,216,952)
Net movement in own funds	25,359,843	25,359,843	21,954,959	21,305,954

Table 23: Movement in Eucare Combined Available & Eligible Own Funds due to RFF

Refer to section 1.2.2 within this Appendix 1 for further information with respect to adjustment for restricted own fund items in respect of ring-fenced funds (RFF).

Eucare Core

Own Funds as at	31 Dec 24		31 Dec 25	
	Available (€)	Available (€)	Available (€)	Eligible (€)
Tier 1 Basic Own Funds (Unrestricted)				
Paid-up share capital	2,501,200	2,501,200	2,501,200	2,501,200
Reconciliation reserve	51,129	51,129	86,911	86,911
Tier 2 Basic Own Funds	-	-	-	-
Tier 3 Basic Own Funds				
Deferred Tax Asset	20,444	20,444	15,853	15,853
Ancillary Own Funds	-	-	-	-
Total Own Funds	2,572,773	2,572,773	2,603,964	2,603,964

Table 24: Eucare Core Composition of Available & Eligible Own Funds

NLCare Cell

Own Funds as at	31 Dec 24		31 Dec 25	
	Available (€)	Available (€)	Available (€)	Eligible (€)
Tier 1 Basic Own Funds (Unrestricted)				
Paid-up share capital	6,000,000	6,000,000	6,000,000	6,000,000
Capital Contribution	12,752,664	12,752,664	15,252,664	15,252,664
Reconciliation reserve	(333,287)	(333,287)	(5,684,717)	(5,684,717)
Tier 2 Basic Own Funds				
Subordinated loan	7,000,000	7,000,000	7,000,000	7,000,000
Tier 3 Basic Own Funds				
Subordinated loan	3,000,000	3,000,000	3,000,000	2,350,995
Deferred Tax Asset	-	-	-	-
Ancillary Own Funds	-	-	-	-
Total Own Funds	28,419,377	28,419,377	25,567,947	24,918,942

Table 25: NLCare Cell Composition of Available & Eligible Own Funds

1.2.2 Eligible Own Funds to cover SCR and MCR.

SCR and MCR cover as at 31 Dec 25	Core (€)	NLCare Cell (€)	Combined (€)
Total Available Own Funds	2,603,964	25,567,947	21,954,959
Total Eligible own funds to meet SCR	2,603,964	24,918,942	21,305,954
SCR	320,089	18,701,990	19,022,079
SCR cover:	814%	133%	112%

Total Eligible own funds to meet MCR	2,588,111	16,949,713	13,320,873
MCR	2,700,000	6,908,831	6,908,831
MCR cover:	3,234%	245%	193%

Table 26: Solo SCR and MCR Cover

SCR and MCR cover	SCR		MCR cover	
	2024	2025	2024	2025
Core	925%	814%	3,670%	3,234%
NLCare Cell	125%	133%	200%	245%
Combined	110%	112%	168%	193%

Table 27: Solo SCR and MCR Comparison

For PCCs, the SCR has to be calculated for each cell as well as the core, in the same manner as if they were all separate undertakings. In the case where the capital requirement is calculated using the standard formula, the notional SCR of a cell is derived by applying the standard formula to those assets and liabilities within the cell as if it were a separate undertaking. The SCR for the PCC as a whole is the sum of the notional SCR for each cell and the SCR of the core.

Moreover, when it comes to computing the own funds for the PCC as a whole, the own funds at the level of each Cell can be restricted. The assets over liabilities and subordinated liabilities within each cell cannot be used to cover all types of losses within the core and any other cells (the combined calculation). Where the own funds of a cell are greater than the SCR of that cell, then the ‘excess own funds’ are treated as restricted own funds. In the calculation of the total own funds of the PCC only an amount equal to each cell’s SCR will be taken into account. Hence, the eligible own funds used to cover the combined SCR of the PCC as a whole are limited, and may be less than the summation of the own funds of each individual cell and core.

In line with the capital management policy of Eucare, to ensure that the Company maintains an appropriate level of capital above the regulatory capital requirements, it is ensured that the operating cell of the PCC is solvent in its own right and adequately meets its internal target SCR ratio as imposed by the Board.

In light of the above, Eucare’s available own funds as at 31st December 2025 amounted to €21,954,959 (2024: €25,359,843), comprising of paid-up share capital

subordinated liabilities, capital contribution, retained earnings, and a reconciliation reserve (net of adjustment for ring fenced funds).

The tier 2 own funds to meet SCR are fully eligible and amount to €7,000,000. Moreover, the eligible Tier 3 own funds to cover SCR amounts to €2,350,995 (2024: €3,020,444).

Moreover, the tier 2 eligible own funds to meet MCR amount to €1,381,766 (2024: €2,075,876).

Total Available Own funds - adjustment for restricted own fund items in respect of ring-fenced funds (RFF)

The following is the total adjustment to the reconciliation reserve due to the existence of restricted own fund items in respect of ring-fenced funds at combined level. Reconciliation of Available Own funds at Core and Cell level to Available Own funds at Combined level is illustrated below:

	Core (€)		NLCare Cell (€)		Combined (€)	
	2024	2025	2024	2025	2024	2025
Available Own Funds (unadjusted)	2,572,773	2,603,964	28,419,377	25,567,947	30,992,150	28,171,911
Adjustment for RFF	0	0	0	0	(5,632,307)	(6,216,952)
Total Available Own funds	2,572,773	2,603,964	28,419,377	25,567,947	25,359,843	21,954,959

Table 28: Eucare Available Own Funds adjusted for RFF

Differences in Shareholders' Funds

Eucare's shareholders' funds, reported in the financial statements for financial period ended 31st December 2025, amounted to €17,618,603 (2024: €16,580,568). The reconciliation reserve represents the differences between IFRS and Solvency II valuation of assets and liabilities that amounts to €553,308 (2024: €4,411,582). The movement in capital is being reconciled below:

Own funds reconciliation	(€)	(€)
Shareholders' funds		17,618,603
Difference in valuation:		
Assets	107,713,670	

Gross technical provisions	(48,779,725)	
Other liabilities	(58,380,637)	
Solvency II Reconciliation Reserve		553,308
Less adjustment for RFF		(6,216,952)
Subordinated liabilities		10,000,000
Total basic Own Funds		21,954,959

Table 29: Eucare Own Funds Reconciliation

1.2.3 Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR)

Eucare Combined

SCR	31 Dec 24 (€)	31 Dec 25 (€)
Market risk	560,079	561,967
Counterparty Default risk	1,187,000	1,583,311
Health underwriting risk	17,320,073	13,892,902
Non-life underwriting risk	-	-
Diversification	(1,066,081)	(1,297,350)
Basic Solvency Capital Requirement	18,001,071	14,740,830
Adjustment due to RFF	-	-
Operational risk	5,316,854	4,326,223
Loss Absorbing Capacity of Deferred Taxes	(252,632)	(44,974)
Total SCR	23,065,293	19,022,079

Table 30: Eucare Combined SCR Components

MCR	31 Dec 24 (€)	31 Dec 25 (€)
Floor	5,766,323	4,755,520
Cap	10,379,382	8,559,935
MCR (linear)	10,584,505	6,861,855
Absolute Floor	2,700,000	2,700,000
MCR	10,379,382	6,908,831

Table 31: Eucare Combined MCR Components

Eucare Core

SCR	31 Dec 24 (€)	31 Dec 25 (€)
Counterparty Default risk	278,223	320,089
Basic Solvency Capital Requirement	278,223	320,089
Loss Absorbing Capacity of Deferred Taxes	(0)	(0)
Total SCR	278,223	320,089

Table 32: Eucare Core SCR Components

MCR	31 Dec 24 (€)	31 Dec 25 (€)
Floor	69,556	80,022
Cap	125,200	144,040
MCR (linear)	-	-
MCR	69,556	80,022

Table 33: Eucare Core MCR Components

NLCare Cell

SCR	31 Dec 24 (€)	31 Dec 25 (€)
Health Risk	17,320,073	13,892,902
Market Risk	560,079	561,967
Counterparty Default risk	908,777	1,263,222
Diversification	(1,066,081)	(1,297,350)
Basic Solvency Capital Requirement	17,722,848	14,420,741
Operational risk	5,316,854	4,326,223
Loss Absorbing Capacity of Deferred Taxes	(252,632)	(44,974)
Total SCR	22,787,070	18,701,990

Table 34: NLCare Cell SCR Components

MCR	31 Dec 24 (€)	31 Dec 25 (€)
Floor	5,696,767	4,675,498
Cap	10,254,181	8,415,896
MCR (linear)	10,584,505	6,908,831
MCR	10,254,181	6,908,831

Table 35: NLCare Cell Components

Reconciliation of SCR

The reconciliation of the SCR individually at Core and Cell level to SCR at Combined level is illustrated below:

	Core and Cell (€)	Combined (€)	Allocation from adjustments due to RFF (€)
Market risk	561,967	561,967	8,071
Counterparty Default risk	1,583,312	1,583,312	22,740
Health underwriting risk	13,892,902	13,892,902	199,536
Non-life underwriting risk	-	-	-
Diversification	(1,297,350)	(1,297,350)	-
Basic Solvency Capital Requirement	14,740,831	14,740,831	-
Adjustment due to RFF	-	-	-
Operational risk	4,326,223	4,326,223	-
Loss Absorbing Capacity of Deferred	(44,974)	(44,974)	-
Total SCR	19,022,080	19,022,080	-

Table 36: Reconciliation of SCR at Combined Level

The adjustment due to ring fenced funds arises as a result of the difference in diversification applicable at the core and cell level -€1,297,350 (2024: -€1,066,082) and at the combined level -€1,297,350 (2024: -€1,257,892).

The allocation from adjustments due to the ring-fenced funds, applicable to the different risk modules, correspond to the respective proportion of capital charge of each risk module against the Basic Solvency Capital Requirement.

Appendix 2: Group Annual Quantitative Reporting Templates

Annex I

S.02.01.02

Balance sheet

Assets

Intangible assets

Deferred tax assets

Pension benefit surplus

Property, plant & equipment held for own use

Investments (other than assets held for index-linked and unit-linked contracts)

Property (other than for own use)

Holdings in related undertakings, including participations

Equities

Equities - listed

Equities - unlisted

Bonds

Government Bonds

Corporate Bonds

Structured notes

Collateralised securities

Collective Investments Undertakings

Derivatives

Deposits other than cash equivalents

Other investments

Assets held for index-linked and unit-linked contracts

Loans and mortgages

Loans on policies

Loans and mortgages to individuals

Other loans and mortgages

Reinsurance recoverables from:

Non-life and health similar to non-life

Non-life excluding health

Health similar to non-life

Life and health similar to life, excluding health and index-linked and unit-linked

	Solvency II value
	C0010
R0030	
R0040	1,224
R0050	
R0060	466
R0070	45,198
R0080	
R0090	1
R0100	
R0110	
R0120	
R0130	45,197
R0140	45,197
R0150	
R0160	
R0170	
R0180	
R0190	
R0200	
R0210	
R0220	
R0230	
R0240	
R0250	
R0260	
R0270	81,276
R0280	69,550
R0290	
R0300	69,550
R0310	11,726

Health similar to life	R0320	11,726
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	3,313
Reinsurance receivables	R0370	
Receivables (trade, not insurance)	R0380	64,165
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	2,410
Any other assets, not elsewhere shown	R0420	
Total assets	R0500	198,051
		Solvency II value
		C0010
Liabilities	R0510	97,218
Technical provisions – non-life	R0520	
Technical provisions – non-life (excluding health)	R0530	
Technical provisions calculated as a whole	R0540	
Best Estimate	R0550	
Risk margin	R0560	97,218
Technical provisions - health (similar to non-life)	R0570	
Technical provisions calculated as a whole	R0580	95,255
Best Estimate	R0590	1,964
Risk margin	R0600	12,944
Technical provisions - life (excluding index-linked and unit-linked)	R0610	12,944
Technical provisions - health (similar to life)	R0620	
Technical provisions calculated as a whole	R0630	12,393
Best Estimate	R0640	551
Risk margin	R0650	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0660	
Technical provisions calculated as a whole	R0670	
Best Estimate	R0680	
Risk margin	R0690	
Technical provisions – index-linked and unit-linked	R0700	
Technical provisions calculated as a whole	R0710	
Best Estimate	R0720	
Risk margin	R0740	
Contingent liabilities	R0750	
Provisions other than technical provisions	R0760	
Pension benefit obligations	R0770	
Deposits from reinsurers	R0780	
Deferred tax liabilities	R0790	
Derivatives	R0800	
Debts owed to credit institutions	R0810	350
Financial liabilities other than debts owed to credit institutions	R0820	301
Insurance & intermediaries payables	R0830	58,349
Reinsurance payables	R0840	1,556
Payables (trade, not insurance)	R0850	10,000
Subordinated liabilities	R0860	
Subordinated liabilities not in Basic Own Funds	R0870	10,000
Subordinated liabilities in Basic Own Funds	R0880	
Any other liabilities, not elsewhere shown	R0900	180,719
Total liabilities	R1000	17,332
Excess of assets over liabilities		

Annex I**S.05.01.02****Premiums, claims and expenses by line of business**

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)		Total	
	Medical expense insurance	Income protection insurance		
	C0010	C0020		C0200
Premiums written				
Gross - Direct Business	R0110	621,174	19,182	640,356
Gross - Proportional reinsurance accepted	R0120			
Gross - Non-proportional reinsurance accepted	R0130			
Reinsurers' share	R0140	528,045	14,706	542,750
Net	R0200	93,129	4,476	97,605
Premiums earned				
Gross - Direct Business	R0210	621,174	19,230	640,404
Gross - Proportional reinsurance accepted	R0220			
Gross - Non-proportional reinsurance accepted	R0230			
Reinsurers' share	R0240	528,044	14,706	542,750
Net	R0300	93,130	4,524	97,654
Claims incurred				
Gross - Direct Business	R0310	587,766	16,281	604,047
Gross - Proportional reinsurance accepted	R0320			
Gross - Non-proportional reinsurance accepted	R0330			
Reinsurers' share	R0340	499,590	12,272	511,862
Net	R0400	88,176	4,010	92,186
Expenses incurred	R0550	-830	11	-819
Balance - other technical expenses/income	R1200			
Total expenses	R1300			-819

Annex I
S.23.01.22
Own funds

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction					
Ordinary share capital (gross of own shares)	R0010 13,115	13,115			
Non-available called but not paid in ordinary share capital to be deducted at group level	R0020				
Share premium account related to ordinary share capital	R0030 6,888	6,888			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040				
Subordinated mutual member accounts	R0050				
Non-available subordinated mutual member accounts to be deducted at group level	R0060				
Surplus funds	R0070				
Non-available surplus funds to be deducted at group level	R0080				
Preference shares	R0090				
Non-available preference shares to be deducted at group level	R0100				
Share premium account related to preference shares	R0110				
Non-available share premium account related to preference shares at group level	R0120				
Reconciliation reserve	R0130 -6,894	-6,894			
Subordinated liabilities	R0140 10,000			7,000	3,000
Non-available subordinated liabilities to be deducted at group level	R0150				
An amount equal to the value of net deferred tax assets	R0160 1,224				1,224
The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170				
Other items approved by supervisory authority as basic own funds not specified above	R0180 3,000	3,000			
Non available own funds related to other own funds items approved by supervisory authority	R0190				
Minority interests	R0200				
Non-available minority interests to be deducted at group level	R0210				

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Deductions

Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities

Where of deducted according to art 228 of the Directive 2009/138/EC

Deductions for participations where there is non-availability of information (Article 229)

Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used

Total of non-available own fund items to be deducted

Total deductions

R0220					
R0230					
R0240					
R0250					
R0260					
R0270					
R0280					

Total basic own funds after deductions

Ancillary own funds

Unpaid and uncalled ordinary share capital callable on demand

Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand

Unpaid and uncalled preference shares callable on demand

A legally binding commitment to subscribe and pay for subordinated liabilities on demand

Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC

Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC

Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0290	30,475	19,519		7,000	3,956
R0300					
R0310					
R0320					
R0330					
R0340					
R0350					
R0360					

Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC

Non available ancillary own funds to be deducted at group level

Other ancillary own funds

Total ancillary own funds

Own funds of other financial sectors

Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total

Institutions for occupational retirement provision

Non regulated undertakings carrying out financial activities

Total own funds of other financial sectors

Own funds when using the D&A, exclusively or in combination with method 1

Own funds aggregated when using the D&A and combination of method

Own funds aggregated when using the D&A and combination of method net of IGT

Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)

Total available own funds to meet the minimum consolidated group SCR

Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)

Total eligible own funds to meet the minimum consolidated group SCR

Minimum consolidated Group SCR

Ratio of Eligible own funds to Minimum Consolidated Group SCR

Total eligible own funds to meet the total group SCR (including own funds from other financial sector and from the undertakings included via D&A)

Total Group SCR

Ratio of Total Eligible own funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A

R0370					
R0380					
R0390					
R0400					
R0410					
R0420					
R0430					
R0440					
R0450					
R0460					
R0520	27,332	16,108		7,000	4,224
R0530	23,108	16,108		7,000	
R0560	25,456	16,108		7,000	2,348
R0570	17,490	16,108		1,382	
R0610	6,909				
R0650	253.16%				
R0660	25,456	16,108		7,000	2,348
R0680	18,696				
R0690	136.16%				

	C0060	
Reconciliation reserve		
Excess of assets over liabilities	R0700 17,332	
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730 24,226	
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Other non available own funds	R0750	
Reconciliation reserve	R0760 -6,894	
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)	R0790	

Annex I**S.25.01.22****Solvency Capital Requirement - for groups on Standard Formula**

-

Market risk
 Counterparty default risk
 Life underwriting risk
 Health underwriting risk
 Non-life underwriting risk
 Diversification
 Intangible asset risk

Basic Solvency Capital Requirement**Calculation of Solvency Capital Requirement**

Operational risk
 Loss-absorbing capacity of technical provisions
 Loss-absorbing capacity of deferred taxes
 Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC

Solvency capital requirement excluding capital add-on

of which, capital add-ons already set - Article 37 (1) Type a
 of which, capital add-ons already set - Article 37 (1) Type b
 of which, capital add-ons already set - Article 37 (1) Type c
 of which, capital add-ons already set - Article 37 (1) Type d

Capital add-on already set

Consolidated Group SCR**Other information on SCR**

Capital requirement for duration-based equity risk sub-module
 Total amount of Notional Solvency Capital Requirements for remaining part
 Total amount of Notional Solvency Capital Requirements for ring fenced funds
 Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios
 Diversification effects due to RFF nSCR aggregation for article 304
 Minimum consolidated group solvency capital requirement

Information on other entities

Capital requirement for other financial sectors (Non-insurance capital requirements)

	Gross solvency capital requirement
	C0110
R0010	562
R0020	1,146
R0030	
R0040	13,893
R0050	
R0060	-1,220
R0070	
R0100	14,382

	C0100
R0130	4,315
R0140	
R0150	
R0160	
R0200	18,696
R0211	
R0212	
R0213	
R0214	
R0210	
R0220	18,696
R0400	
R0410	
R0420	
R0430	
R0440	
R0470	6,909
R0500	

Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies

Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions

Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities

Capital requirement for non-controlled participation requirements

Capital requirement for residual undertakings

Capital requirement for collective investment undertakings or investment packaged as funds

Overall SCR

SCR for undertakings included via D&A method

Total group solvency capital requirement

R0510	
R0520	
R0530	
R0540	
R0550	
R0555	
R0560	
R0570	18,696

Annex I
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Undertakings in the scope of the group

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of group supervision		Group solvency calculation
								% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
MT	3912008S3S GTJVOP5C3 6	LEI	ECHC Limited	5	Limited Liability Company	2								1		1
MT	391200A0C LYPI0GKDC 78	LEI	EUCare Insurance PCC Limited	2	Limited Liability Company	2	Malta Financial Services Authority	10000.00%	10000.00%	10000.00%		1		1		1

Technical provisions - health (similar to non-life)	R0560	97,227
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	95,255
Risk margin	R0590	1,972
Technical provisions - life (excluding index-linked and unit-linked)	R0600	12,944
Technical provisions - health (similar to life)	R0610	12,944
Technical provisions calculated as a whole	R0620	
Best Estimate	R0630	12,393
Risk margin	R0640	551
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	
Risk margin	R0680	
Technical provisions – index-linked and unit-linked	R0690	
Technical provisions calculated as a whole	R0700	
Best Estimate	R0710	
Risk margin	R0720	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	45
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	350
Insurance & intermediaries payables	R0820	301
Reinsurance payables	R0830	58,349
Payables (trade, not insurance)	R0840	2,094
Subordinated liabilities	R0850	10,000
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	10,000
Any other liabilities, not elsewhere shown	R0880	
Total liabilities	R0900	181,311
Excess of assets over liabilities	R1000	18,172

Annex I

S.04.05.21

Premiums, claims and expenses by country

Home country: Non-life insurance and reinsurance obligations

	Home Country	Top 5 countries: non-life	
		C0011	C0012
R0010		NL	FR
	C0010	C0020	C0021
Premiums written (gross)			
Gross Written Premium (direct)	R0020	639,018	1,338
Gross Written Premium (proportional reinsurance)	R0021		
Gross Written Premium (non-proportional reinsurance)	R0022		
Premiums earned (gross)			
Gross Earned Premium (direct)	R0030	639,066	1,338
Gross Earned Premium (proportional reinsurance)	R0031		
Gross Earned Premium (non-proportional reinsurance)	R0032		
Claims incurred (gross)			
Claims incurred (direct)	R0040	602,341	1,706
Claims incurred (proportional reinsurance)	R0041		
Claims incurred (non-proportional reinsurance)	R0042		
Expenses incurred (gross)			
Gross Expenses Incurred (direct)	R0050	23,739	153
Gross Expenses Incurred (proportional reinsurance)	R0051		
Gross Expenses Incurred (non-proportional reinsurance)	R0052		

Annex I

S.05.01.02

Premiums, claims and expenses by line of business

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			
	Medical expense insurance	Income protection insurance	Total
	C0010	C0020	C0200
Premiums written			
Gross - Direct Business	R0110 621,174	19,182	640,356
Gross - Proportional reinsurance accepted	R0120		
Gross - Non-proportional reinsurance accepted	R0130		
Reinsurers' share	R0140 528,045	14,706	542,750
Net	R0200 93,129	4,476	97,605
Premiums earned			
Gross - Direct Business	R0210 621,174	19,230	640,404
Gross - Proportional reinsurance accepted	R0220		
Gross - Non-proportional reinsurance accepted	R0230		
Reinsurers' share	R0240 528,044	14,706	542,750
Net	R0300 93,130	4,524	97,654
Claims incurred			
Gross - Direct Business	R0310 587,766	16,281	604,047
Gross - Proportional reinsurance accepted	R0320		
Gross - Non-proportional reinsurance accepted	R0330		
Reinsurers' share	R0340 499,590	12,272	511,862
Net	R0400 88,176	4,010	92,186
Expenses incurred	R0550 -830	11	-819
Balance - other technical expenses/income	R1200		
Total expenses	R1300		-819

S.12.01.02

Life and Health SLT Technical Provisions

		Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
		Contracts without options and guarantees	Contracts with options or guarantees				
		C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	R0010						
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	R0020						
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	R0030		12,393				12,393
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080		11,726				11,726
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		667				667
Risk Margin	R0100	551					551
Technical provisions - total	R0200	12,944					12,944

Annex I

S.19.01.21

Non-life Insurance Claims Information

Total Non-Life Business

Gross Claims Paid (non-cumulative)
(absolute amount)

Year	Development year						Sum of years (cumulative)		
	1	2	3	4	5	6			
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0180	
Prior	R0100							0	
2019	R0190	84,758	28,939	-236	-22	126	10	57	113,633
2020	R0200	347,084	131,723	2,818	-16	773	90		482,471
2021	R0210	359,194	144,088	-962	3,278	1,251			506,848
2022	R0220	393,736	122,222	-947	2,107				517,117
2023	R0230	434,131	128,252	3					562,386
2024	R0240	499,508	129,246						628,754
2025	R0250	491,828							491,828
									3,303,037

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

Year	Development year							
	1	2	3	4	5	6		
	C0200	C0210	C0220	C0230	C0240	C0250	C0260	
Prior	R0100							
2019	R0190	23,427	838	103	80	9	12	-44
2020	R0200	116,002	-10,728	-26	374	-412	13	
2021	R0210	124,856	-946	5	-3,081	377		
2022	R0220	104,305	4,080	5,613	409			
2023	R0230	121,747	5,517	5,995				
2024	R0240	125,595	4,199					
2025	R0250	94,975						

Annex I

S.23.01.01
Own funds

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35

- Ordinary share capital (gross of own shares)
- Share premium account related to ordinary share capital
- Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings
- Subordinated mutual member accounts
- Surplus funds
- Preference shares
- Share premium account related to preference shares
- Reconciliation reserve
- Subordinated liabilities
- An amount equal to the value of net deferred tax assets
- Other own fund items approved by the supervisory authority as basic own funds not specified above

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Deductions

Deductions for participations in financial and credit institutions

Total basic own funds after deductions

Ancillary own funds

- Unpaid and uncalled ordinary share capital callable on demand
- Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
- Unpaid and uncalled preference shares callable on demand
- A legally binding commitment to subscribe and pay for subordinated liabilities on demand
- Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
- Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0010	11,001	11,001			
R0030					
R0040					
R0050					
R0070					
R0090					
R0110					
R0130	-11,815	-11,815			
R0140	10,000			7,000	3,016
R0160	16				16
R0180	12,753	12,753			
R0220					
R0230					
R0290	21,955	11,939		7,000	3,016
R0300					
R0310					
R0320					
R0330					
R0340					
R0350					

Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC

Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC

Other ancillary own funds

Total ancillary own funds

Available and eligible own funds

Total available own funds to meet the SCR

Total available own funds to meet the MCR

Total eligible own funds to meet the SCR

Total eligible own funds to meet the MCR

SCR

MCR

Ratio of Eligible own funds to SCR

Ratio of Eligible own funds to MCR

Reconciliation reserve

Excess of assets over liabilities

Own shares (held directly and indirectly)

Foreseeable dividends, distributions and charges

Other basic own fund items

Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds

Reconciliation reserve

Expected profits

Expected profits included in future premiums (EPIFP) - Life business

Expected profits included in future premiums (EPIFP) - Non-life business

Total Expected profits included in future premiums (EPIFP)

R0360				
R0370				
R0390				

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0400					
R0500	21,955	11,939		7,000	3,016
R0510	18,939	11,939		7,000	
R0540	21,450	11,939		7,000	2,511
R0550	13,321	11,939		1,382	
R0580	19,022				
R0600	6,909				
R0620	113%				
R0640	193%				

C0060

R0700	18,172
R0710	
R0720	
R0730	23,770
R0740	6,217
R0760	-11,815
R0770	1,237
R0780	11,641
R0790	12,878

Annex I

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

-

- Market risk
- Counterparty default risk
- Life underwriting risk
- Health underwriting risk
- Non-life underwriting risk
- Diversification
- Intangible asset risk

Basic Solvency Capital Requirement

Calculation of Solvency Capital Requirement

- Operational risk
- Loss-absorbing capacity of technical provisions
- Loss-absorbing capacity of deferred taxes
- Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC

Solvency capital requirement excluding capital add-on

- Capital add-on already set
 - of which, capital add-ons already set - Article 37 (1) Type a
 - of which, capital add-ons already set - Article 37 (1) Type b
 - of which, capital add-ons already set - Article 37 (1) Type c
 - of which, capital add-ons already set - Article 37 (1) Type d

Solvency capital requirement

Other information on SCR

- Capital requirement for duration-based equity risk sub-module
- Total amount of Notional Solvency Capital Requirement for remaining part
- Total amount of Notional Solvency Capital Requirements for ring fenced funds

-

-

	Gross solvency capital requirement
	C0110
R0010	570
R0020	1,606
R0030	
R0040	14,092
R0050	
R0060	-1,528
R0070	
R0100	14,741

	C0100
R0130	4,326
R0140	
R0150	-45
R0160	
R0200	19,022
R0210	
R0211	
R0212	
R0213	
R0214	
R0220	19,022
	X
R0400	
R0410	320
R0420	18,702

Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios
 Diversification effects due to RFF nSCR aggregation for article 304

R0430	
R0440	

Approach to tax rate

Approach based on average tax rate

	Yes/No
	C0109
R0590	1 - Yes

Calculation of loss absorbing capacity of deferred taxes

LAC DT

- LAC DT justified by reversion of deferred tax liabilities
- LAC DT justified by reference to probable future taxable economic profit
- LAC DT justified by carry back, current year
- LAC DT justified by carry back, future years
- Maximum LAC DT

	LAC DT
	C0130
R0640	-45
R0650	-45
R0660	
R0670	
R0680	
R0690	