



2025 Q2: QUARTERLY REPORT

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**Unaudited Financial Statements
as at**

30th June 2025



1. Report to Stockholders

The Directors take pleasure in presenting the unaudited financial statements of IronRock Insurance Company Limited (“IronRock”) for the quarter ended 30 June 2025.

Chief Executive Officer’s Report

IronRock recorded another quarter of strong revenue growth, with GWP increasing by 55% year-over-year. Our property portfolio grew by 38%, while Motor remained flat, and all other classes combined grew by over 200%, reinforcing the success of our targeted underwriting approach. Notwithstanding the 1% reduction in overall Insurance Service Expenses for the quarter, motor claims exceeded 2024 levels, while other portfolios performed within expected ranges. The increase in Operating Expenses was driven by higher professional and regulatory fees, as well as expenses tied to our recent expansion and office relocation.

Our investment portfolio remains under pressure in the current low-interest rate environment, although investment income for the quarter rose slightly to \$27.3 million, and cash and investments grew by 8% compared to last year. As we continue to grow our top line, we are focused on maintaining balance across our premium and claims reserves, with a view to realize long-term earnings stability and capitalize on scale efficiencies over time.

Financial Report For the Second Quarter

Our Insurance Revenue increased to \$539 million, a 21% increase over the same period in 2024. Reinsurance Contract Expenses rose by 43% to \$354 million, aligned with our increased cessions and increased catastrophe reinsurance costs. While total Insurance Service Expenses declined slightly to \$188 million, the overall Insurance Service Result shifted to a loss of \$2.8 million, compared to a profit of \$6.2 million in Q2 2024, driven mainly by increased reinsurance costs and elevated motor claims.

Investment income increased to \$27.3 million, up 6% year-over-year, while Other Operating Expenses increased by 35% to \$51.7 million. As a result, we generated a pre-tax loss of \$23.6 million for the quarter, compared to a pre-tax loss of \$5.3 million in the prior year.

Year-to-Date

On a year-to-date basis, insurance revenue reached \$1.03 billion, up 22% compared to the first half of 2024. Reinsurance Expenses totaled \$663 million, an increase of 33%, and Insurance Service Expenses rose by 10% to \$358 million. The year-to-date Insurance Service Result declined to \$9 million, down from \$20 million in the prior year. Investment income for the year stood at \$52.6 million, a slight decrease from \$54.8 million, while other operating expenses rose to \$101.7 million, up 35% from the prior year.

These combined factors resulted in a year-to-date pre-tax loss of \$31.4 million, compared to a profit of \$0.5 million in 2024. Total assets grew to \$1.81 billion, and shareholders’ equity increased by 4% to \$781 million, reflecting the company’s continued financial strength.

As we navigate the second half of 2025, we remain focused on managing growth responsibly, maintaining strong underwriting discipline, and delivering long-term value. We thank our staff, clients, and intermediaries for their continued support and partnership.



Christian Watt
Chief Executive Officer

2.1. Statement of Comprehensive Income

For the Period ended 30 June 2025

(expressed in Jamaican dollars)

	Unaudited 3 months ended 30-Jun-25	Unaudited 3 months ended 30-Jun-24	Unaudited 6 months ended 30-Jun-25	Unaudited 6 months ended 30-Jun-24	Audited Year Ended 31-Dec-24
	\$'000	\$'000	\$'000	\$'000	\$'000
Insurance Revenue	539,019	443,687	1,030,055	845,134	1,754,804
Reinsurance Contracts Expense	(353,934)	(246,970)	(663,408)	(498,597)	(931,009)
Insurance Service Contracts Expense	(187,885)	(190,530)	(357,667)	(326,496)	(670,264)
Insurance Service results	(2,800)	6,187	8,979	20,041	153,531
Other Income					
Investment Income	24,596	23,372	46,928	44,417	79,701
Other Investment Income	2,238	2,489	5,620	10,527	29,566
Reversal Of Impairment On Financial Assets	450	(128)	73	(141)	(4,970)
Total Investment Income	27,284	25,733	52,621	54,803	104,297
Finance Expense From Insurance Contracts					61,509
Finance Income From Reinsurance Contracts					(57,853)
Net Insurance Finance Expenses	27,284	25,733	52,621	54,803	107,953
Other Income	3,679	1,090	8,637	861	9,516
Other operating expenses	(51,749)	(38,306)	(101,656)	(75,232)	(174,790)
Profit / (Loss) before taxation	(23,586)	(5,296)	(31,419)	472	96,210
Taxation				(240)	(13,061)
Net profit / (loss) for period	(23,586)	(5,296)	(31,419)	232	83,149
Profit / (Loss) per stock unit	(\$0.11)	(\$0.02)	(\$0.15)	\$0.00	\$0.39

2.2. Statement of Financial Position

As at 30 June 2025

(expressed in Jamaican dollars)

	Unaudited 30-Jun-25	Audited 31-Dec-24	Unaudited 30-Jun-24
	\$'000	\$'000	\$'000
ASSETS			
Property plant and equipment	54,039	16,199	16,185
Intangible assets	1,408	1,930	2,451
Investments	763,207	830,608	591,665
Securities Purchase of Repurchase Agreements	64,831	150,606	
Asset for Remaining Coverage	165,010	100,609	179,448
Short Term Investment	486,110	438,644	306,131
Receivables	30,309	23,308	5,829
Taxation recoverable			746
Due from related party	49,504	41,710	60,031
Cash and cash equivalents	199,227	87,046	336,903
	1,813,645	1,690,660	1,499,389
LIABILITIES AND SHAREHOLDER EQUITY			
Other Accounts Payables	51,827	63,773	40,569
Liability for Remaining Coverage	975,836	810,768	702,945
Deferred Tax Liability	4,641	4,641	3,507
Total Liabilities	1,032,304	879,182	747,021
Shareholders' equity	781,341	811,478	752,368
	1,813,645	1,690,660	1,499,389



Christian Watt
Chief Executive Officer



Wayne Hardie
Finance Director

2.3. Statement of Changes in Shareholder's Equity

For the Period ended 30 June 2025

(expressed in Jamaican dollars)

	Ordinary share capital	Capital reserve	Fair value Investment	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balances as at 31 December 2023	465,540	139,340	(5,443)	148,876	748,314
Net profit / (loss) for the period	-	-		232	232
Other comprehensive income:					
Fair value gain / (loss) on investments	-	-	3,822	-	3,822
Balances as at 30 June 2024	465,540	139,340	(1,621)	149,108	752,368
Balances as at 31 December 2024	465,540	139,340	(1,588)	208,186	811,478
Net Profit / Loss for the period	-	-	-	(31,419)	(31,419)
Other comprehensive income:					
Fair value gain / (loss) on investments	-	-	1,282	-	1,282
Balances as at 30 June 2025	465,540	139,340	(306)	176,767	781,341

2.4. Statement of Cash Flows

For the Period ended 30 June 2025

(expressed in Jamaican dollars)

	Unaudited 30-Jun-25	Audited 31-Dec-24	Unaudited 30-Jun-24
	\$'000	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) after taxation	(31,419)	80,710	232
Depreciation	3,736	6,303	3,487
Deferred taxation	-	-	-
Net Reversal Of Impairment On Financial Assets	(73)	4,970	141
Fair Value Thru Profit and Loss	(5,620)	(11,818)	(4,015)
Taxation	-	12,573	240
Loss / (Gain) on sale of investment	(3)	(7,598)	(6,512)
Loss / (Gain) on sale of Fixed Asset	1,326	-	-
Interest income	(46,928)	(89,850)	(54,807)
	(78,981)	(4,710)	(61,234)
Changes in:			
Receivables	(7,001)	29,519	46,252
Reinsurance contract assets	(47,466)	(11,865)	120,648
Taxation paid	(7,794)	(11,581)	(18,703)
Other payables	(11,946)	26,402	3,197
Insurance contract liabilities	165,068	33,723	(74,100)
Net cash provided by / (used in) operating activities	11,881	61,488	16,060
CASH FLOW FROM INVESTING ACTIVITIES			
Decrease / (Increase) in:			
Investments, net	74,379	(283,229)	(48,378)
Proceeds form disposal of Investment			
Proceeds form disposal of Fixed Assets	2,500		
Disposal / (Acquisition) of fixed assets	(44,880)	(5,812)	(3,503)
Intangibles		-	
Short term Investments	(64,401)	833	(78,006)
Repurchase agreements purchase	85,775	(150,606)	
Dividends Received		10,148	
Interest received	46,928	79,701	54,807
Net cash provided by / (used in) investing activities	100,300	(348,965)	(75,081)
CASH FLOW FROM FINANCING ACTIVITIES			
Increase / (Decrease) in:			
Dividend Payment	-	(21,400)	-
Net cash provided by / (used in) financing activities	-	(21,400)	-
Net increase / (decrease) in cash and cash equivalents	112,181	(308,877)	(59,021)
Opening cash and cash equivalents	87,046	395,923	395,923
Closing cash and cash equivalents	199,227	87,046	336,902

3. Notes to the Unaudited Financial Statements

For the period ended 30 June 2025

1. Identification

IronRock Insurance Company Limited (the Company) was incorporated June 9, 2015 and is domiciled in Jamaica, with its registered office at 1b Braemar Avenue, Kingston 10. The principal activity of the Company is the underwriting of general insurance business. The Company is a subsidiary of Granite Group Limited, a company incorporated and domiciled in St. Lucia.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange in March 2016.

2. Insurance licence

The company is registered under the Insurance Act 2001 (Act).

3. Basis of preparation

The financial statements are prepared on the historical cost basis. The unaudited financial results for the current period have been prepared in accordance with International Accounting Standard 34 – Interim Financial Statements.

IFRS 17 - Insurance Contracts

Accounting estimates:

In applying IFRS 17 measurement requirements, the following inputs and methods were used that included significant estimates.

Discount rates

The company used a bottom-up approach to determine discount rates, where applicable. Risk-free discount rates were determined using observed rates for Government of Jamaica bonds. The Company's claims settlement period is not expected to exceed the period over which observable market prices are available.

Risk adjustment for non-financial risk

Risk adjustments for non-financial risk was determined to reflect the compensation that the company would require for bearing non-financial risk and its degree of risk aversion. The risk adjustments for non-financial risk was determined for the liabilities for incurred claims of all contracts using a confidence level technique. They were allocated to groups of contracts based on an analysis of the risk profiles of the groups. To determine the risk adjustments for non-financial risk for reinsurance contracts, the company applied these techniques both gross and net of reinsurance and derived the amount of risk being transferred to the reinsurer as the difference between the two results.

IFRS 9 - Financial Instruments

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement and is effective for annual periods beginning on or after 1 January 2022, with early adoption permitted. However, the company has met the relevant criteria and has applied the temporary exemption from IFRS 9 for annual periods before 1 January 2024. Consequently, the company will apply IFRS 9 for the first time on 1 January 2024.

Financial assets — Classification

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 includes three principal measurement categories for financial assets — measured at amortised cost, FVOCI and FVTPL — and eliminates the previous IAS 39 categories of loans and receivables, and available-for-sale financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impact assessment

IFRS 9 will affect the classification and measurement of financial assets held at 1 January 2024 as follows.

- Most underlying items of Participating contracts and certain other financial investments are designated as at FVTPL under IAS 39. They will also be measured at FVTPL under IFRS 9.
- Debt investments that are classified as available-for-sale under IAS 39 may, under IFRS 9, be measured at amortised cost, FVOCI or FVTPL, depending on the circumstances.
- Equity investments that are classified as available-for-sale under IAS 39 will be measured at FVTPL under IFRS 9. However, some of these equity investments are held for long term strategic purposes and will be designated as at FVOCI on 1 January 2024; consequently, all fair value gains and losses will be reported in OCI, no impairment losses will be recognised in profit or loss, and no gains or losses will be reclassified to profit or loss on disposal of these investments.

Financial assets — Impairment

IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' model. This will require considerable judgement about how changes in economic factors affect ECL, which will be determined on a probability-weighted basis.

The new impairment model will apply to the company's financial assets measured at amortised cost, debt investments at FVOCI.

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECL or lifetime ECL. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument; 12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The company will measure loss allowances at an amount equal to lifetime ECL, except in the following cases, for which the amount recognised will be 12-month ECL.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive).

The key inputs into the measurement of ECL are the term structures of the PD, LGD and EAD. ECL for financial assets for which credit risk has not significantly increased are calculated by multiplying the 12-month PD by the respective LGD and EAD. Lifetime ECL are calculated by multiplying the lifetime PD by the respective LGD and EAD.

When ECL are measured using parameters based on collective modelling, a significant input into the measurement of ECL is the external benchmark information that the company will use to derive the default rates of its portfolios. This includes the PDs provided in the default study and the LGDs provided in the recovery studies.

Changes in accounting policies resulting from the adoption of IFRS 9 will be applied retrospectively, except as described below.

The comparative period will be restated in accordance with IFRS 9's transition requirements, IFRS 9 does not apply to financial assets that had already been derecognised at 1 January 2024; however, the company will elect to apply the classification overlay in IFRS 17 to financial assets derecognised in 2022 to present comparative information as if the classification and measurement (including impairment) requirements of IFRS 9 had been applied to such financial assets, by using reasonable and supportable information to determine how they would be classified and measured on initial application of IFRS 9.

4. Accounting Policies

The same accounting policies and methods of computations are followed in the interim financial statements as compared with the most recent annual audited financial statements and the recent adoption of IFRS 9 and 17.

5. Earnings per share

Earnings per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue over that period.

4. Disclosure of Shareholdings

As at 30 June 2025

Top Ten Shareholders

		Connected Parties	Shares Held	Combined Holdings	% of Issued Shares
1	Granite Group Limited		109,000,000	109,000,000	50.93%
2	Mayberry Jamaican Equities Limited		48,644,835	48,644,835	22.73%
3	Catherine Adella Peart		7,000,000	7,000,000	3.27%
4	Sigma Global Venture		4,000,000	4,000,000	1.87%
5	Sharon Harvey-Wilson		1,563,360	3,768,339	1.76%
	Jeremy Wilson	2,204,979			
6	PWL Bamboo Holdings Limited		2,924,094	2,924,094	1.37%
7	W. David McConnell		2,420,000	2,420,000	1.13%
8	R. Evan Thwaites		2,430,000	2,430,000	1.14%
9	Michelle Mayne		2,000,000	2,000,000	0.93%
10	John Mahfood		1,688,609	1,688,609	0.79%
Total				183,875,877	85.92%
Total Issued Shares				214,000,000	100.00%

Directors & Senior Officers

		Connected Parties	Shares Held	Combined Holdings	% of Issued Shares
Directors					
W. David McConnell			2,420,000	112,231,000	52.44%
Granite Group Limited	109,000,000				
St. Elizabeth Holdings Limited	811,000				
R. Evan Thwaites			2,430,000	111,430,000	52.07%
Granite Group Limited	109,000,000				
Gary Peart			-	55,644,835	26.00%
Mayberry Jamaican Equities Ltd	48,644,835				
Catherine Peart	7,000,000				
Wayne N. Hardie			1,025,727	1,025,727	0.48%
Christian Tavares-Finson			666,000	666,000	0.31%
Senior Officers					
Maurice Bolt			200,000	200,000	0.09%

"It always seems impossible until it's done."
- Nelson Mandela

