# 2025 Q3: QUARTERLY REPORT

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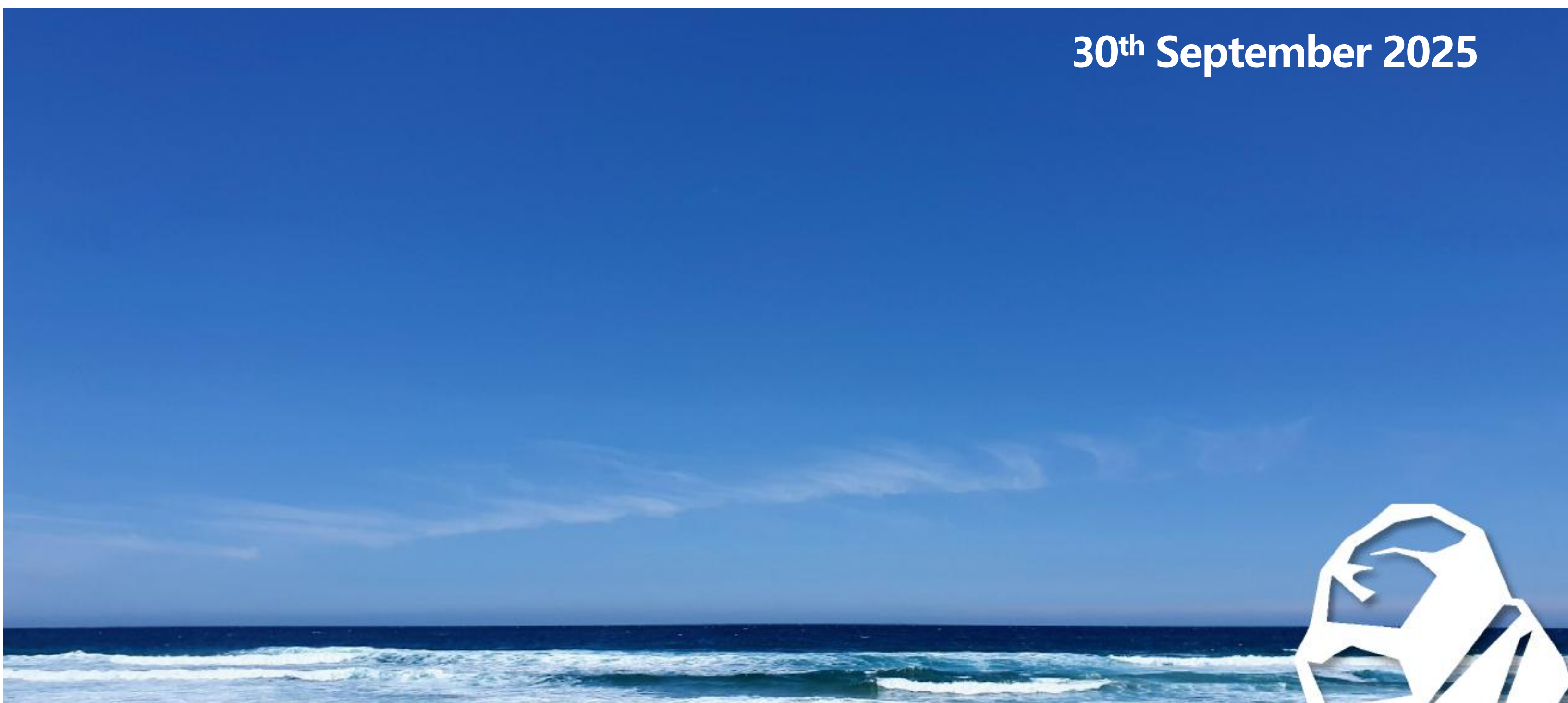
## Unaudited Financial Statements as at

## 30th September 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 September 2025.

## Chief Executive Officer’s Report

IronRock’s performance for the third quarter reflects the continued resilience of our business and the strength of the foundations we have built over the past several years. Gross Written Premium for the quarter remained steady, and our year-to-date premium growth of **36%** continues to demonstrate the effectiveness of our underwriting strategy, led by strong demand in the **Fire, Liability, and Engineering** segments. This growth has been supported by disciplined risk selection and the enhanced reinsurance capacity secured earlier in the year.

Our claims portfolio performed largely within expectations for the period, with improvements across most classes when compared to the prior year. The exception continues to be the Motor segment, where claims costs increased by **28%**, consistent with market-wide trends. As a result, the **Insurance Service Result** for the quarter amounted to **$11.8 million**, reflecting the combined effect of increased motor claims and higher reinsurance costs associated with our expanding portfolios and elevated catastrophe reinsurance rates. **Operating Expenses** also continued to exceed the prior year, driven by sustained increases in professional and regulatory fees and the ongoing costs related to our expansion activities.

While the quarter resulted in a loss before tax, the company remains well-capitalised with **Total Assets of $1.74 billion** and **Shareholders’ Equity of $752.5 million**. The stability of our balance sheet, together with a strong reinsurance programme, positions IronRock to absorb volatility while continuing to execute on its growth strategy.

On **October 28, 2025**, shortly after the close of the quarter, Jamaica experienced the passage of **Hurricane Melissa**. Our storm response protocols were activated immediately to ensure uninterrupted operations, early client outreach, and the rapid mobilisation of our adjusters. Based on preliminary assessments, we do not anticipate any material impact on the company’s solvency. We are fully engaged in supporting our clients through the assessment and settlement of their claims and remain committed to helping restore homes, businesses, and livelihoods as the nation recovers.

## Financial Report

### For the Third Quarter

Insurance Revenue increased to **$534.8 million**, a **21%** increase over the corresponding period in 2024. Reinsurance Contract Expenses rose by **30%** to **$358.1 million**, and Insurance Service Expenses totalled **$164.9 million**, an increase of **12%** when compared to Q3 2024. As a result, the Insurance Service Result amounted to **$11.8 million**, compared to **$20.3 million** in the prior year. Investment income increased to **$24.9 million**, up **6%** year-over-year. Other Operating Expenses rose to **$51.8 million**, and the company recorded a **pre-tax loss of $10.1 million**, compared to a pre-tax profit of **$7.8 million** reported in Q3 2024.

### Year-to-Date

Insurance Revenue reached **$1.56 billion**, a **21%** increase over the same period in 2024, while the Insurance Service Result totalled **$20.8 million**, compared to **$40.3 million** in the prior year, and Investment income remained relatively stable at **$77.5 million**. Other Operating Expenses increased to **$153.4 million**, and the company recorded a **year-to-date pre-tax loss of $41.6 million**, compared to a pre-tax profit of **$8.3 million** in 2024. Total Assets stood at **$1.74 billion**, while Shareholders’ Equity amounted to **$752.5 million** as at 30 September 2025.

IronRock enters the final quarter of the year confident in our ability to manage the near-term environment while continuing to build long-term value for our shareholders. We thank our intermediaries, clients, and staff for their continued support and partnership.

Christian Watt
**Chief Executive Officer**

## 2.1 Statement of Comprehensive Income

**For the Period ended 30 September 2025**

(expressed in Jamaican dollars)

| | Unaudited 3 months ended 30-Sep-25 | Unaudited 3 months ended 30-Sep-24 | Unaudited 9 months ended 30-Sep-25 | Unaudited 9 months ended 30-Sep-24 | Audited Year Ended 31-Dec-24 |
|---|---|---|---|---|---|
| | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| **Insurance Revenue** | 534,818 | 443,349 | 1,564,873 | 1,288,483 | 1,754,804 |
| Reinsurance Contracts Expense | (358,053) | (275,226) | (1,021,462) | (773,823) | (931,009) |
| Insurance Service Contracts Expense | (164,932) | (147,866) | (522,599) | (474,362) | (670,264) |
| **Insurance Service results** | **11,833** | **20,257** | **20,812** | **40,297** | **153,531** |
| **Other Income** | | | | | |
| Investment Income | 21,465 | 23,048 | 68,392 | 67,465 | 79,701 |
| Other Investment Income | 3,459 | 835 | 9,079 | 11,362 | 29,566 |
| Reversal Of Impairment On Financial Assets | (23) | (322) | 50 | (464) | (4,970) |
| **Total Investment Income** | **24,900** | **23,561** | **77,522** | **78,364** | **104,297** |
| Finance Expense From Insurance Contracts | | | | | 61,509 |
| Finance Income From Reinsurance Contracts | | | | | (57,853) |
| **Net Insurance Finance Expenses** | **24,900** | **23,561** | **77,522** | **78,364** | **107,953** |
| Other Income | 4,926 | 7,161 | 13,564 | 8,023 | 9,516 |
| Other operating expenses | (51,792) | (43,142) | (153,449) | (118,374) | (174,790) |
| **Profit / (Loss) before taxation** | **(10,132)** | **7,837** | **(41,551)** | **8,309** | **96,210** |
| Taxation | | | | (240) | (13,061) |
| **Net profit / (loss) for period** | **(10,132)** | **7,837** | **(41,551)** | **8,069** | **83,149** |
| **Profit / (Loss) per stock unit** | **($0.05)** | **$0.04** | **($0.19)** | **$0.04** | **$0.39** |

## 2.2 Statement of Financial Position

**As at 30 September 2025**

(expressed in Jamaican dollars)

| | Unaudited 30-Sep-25 | Audited 31-Dec-24 | Unaudited 30-Sep-24 |
|---|---|---|---|
| | **$'000** | **$'000** | **$'000** |
| **ASSETS** | | | |
| Property plant and equipment | 60,403 | 16,199 | 15,256 |
| Intangible assets | 1,148 | 1,930 | 3,192 |
| Investments | 793,689 | 830,608 | 830,806 |
| Securities Purchase of Repurchase Agreements | 104,727 | 150,606 | 199,480 |
| Asset for Remaining Coverage | 439,384 | 438,644 | 290,801 |
| Short Term Investment | 82,034 | 100,609 | 54,913 |
| Receivables | 29,493 | 23,308 | 17,181 |
| Taxation recoverable | 53,908 | | 53,049 |
| Due from related party | | 41,710 | 746 |
| Cash and cash equivalents | 178,896 | 87,046 | 51,930 |
| | **1,743,682** | **1,690,660** | **1,517,354** |
| **LIABILITIES AND SHAREHOLDER EQUITY** | | | |
| Other Accounts Payables | 51,475 | 63,773 | 42,042 |
| Liability for Remaining Coverage | 935,094 | 810,768 | 708,445 |
| Deferred Tax Liability | 4,641 | 4,641 | 3,507 |
| Total Liabilities | **991,210** | **879,182** | **753,994** |
| Shareholders' equity | 752,472 | 811,478 | 763,360 |
| | **1,743,682** | **1,690,660** | **1,517,354** |

Christian Watt
**Chief Executive Officer**

Wayne Hardie
**Finance Director**

## 2.3 Statement of Changes in Shareholder' Equity

**For the Period ended 30 September 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** | **748,313** |
| Net profit / (loss) for the period | - | - | | 8,069 | 8,069 |
| Other comprehensive income: | | | | | |
| Dividend Paid | | | | | |
| Fair value gain / (loss) on investments | - | - | 6,978 | - | 6,978 |
| **Balances as at 30 September 2024** | **465,540** | **139,340** | **1,535** | **156,945** | **763,360** |
| **Balances as at 31 December 2024** | **465,540** | **139,340** | **(1,588)** | **208,186** | **811,478** |
| Net Profit / Loss for the period | - | - | - | (41,551) | (41,551) |
| Other comprehensive income: | | | | | |
| Dividend Paid | | | | (19,260) | (19,260) |
| Fair value gain / (loss) on investments | - | - | 1,806 | - | 1,806 |
| **Balances as at 30 September 2025** | **465,540** | **139,340** | **218** | **147,375** | **752,473** |

## 2.4 Statement of Cash Flows

### For the Period ended 30 September 2025

(expressed in Jamaican dollars)

| | Unaudited 30-Sep-25 | Audited 31-Dec-24 | Unaudited 30-Sep-24 |
|---|---|---|---|
| | **$'000** | **$'000** | **$'000** |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| Profit / (Loss) after taxation | (41,551) | 80,710 | 8,069 |
| Depreciation | 6,520 | 6,303 | 4,379 |
| Deferred taxation | - | - | - |
| Net Reversal Of Impairment On Financial Assets | (50) | 4,970 | 464 |
| Fair Value Thru Profit and Loss | (8,376) | (11,818) | (3,929) |
| Taxation | - | 12,573 | 240 |
| Loss / (Gain) on sale of investment | (1,673) | (7,598) | (6,512) |
| Loss / (Gain) on sale of Fixed Asset | 1,326 | - | - |
| Interest income | (68,392) | (89,850) | (67,465) |
| | **(112,196)** | **(4,710)** | **(64,754)** |
| Changes in: | | | |
| Receivables | (6,185) | 29,519 | 34,900 |
| Reinsurance contract assets | (740) | (11,865) | 135,978 |
| Due from Parent Company | | - | |
| Taxation paid | (12,198) | (11,581) | (11,721) |
| Other payables | (12,298) | 26,402 | 4,670 |
| Insurance contract liabilities | 124,326 | 33,723 | (68,600) |
| **Net cash provided by / (used in) operating activities** | **(19,291)** | **61,488** | **30,473** |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | |
| Decrease / (Increase) in: | | | |
| Investments, net | 47,150 | (283,229) | (284,773) |
| Proceeds form disposal of Investment | 1,673 | | |
| Proceeds form disposal of Fixed Assets | 2,500 | | |
| Disposal / (Acquisition) of fixed assets | (53,768) | (5,812) | (4,207) |
| Intangibles | | - | |
| Short term Investments | 18,576 | 833 | 46,529 |
| Repurchase agreements purchase | 45,879 | (150,606) | (199,480) |
| Dividends Received | | 10,148 | |
| Interest received | 68,392 | 79,701 | 67,465 |
| **Net cash provided by / (used in) investing activities** | **130,402** | **(348,965)** | **(374,466)** |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | |
| Increase / (Decrease) in: | | | |
| Dividend Payment | (19,260) | (21,400) | - |
| **Net cash provided by / (used in) financing activities** | **(19,260)** | **(21,400)** | **-** |
| **Net increase / (decrease) in cash and cash equivalents** | **91,850** | **(308,877)** | **(343,993)** |
| Opening cash and cash equivalents | 87,046 | 395,923 | 395,923 |
| **Closing cash and cash equivalents** | **178,896** | **87,046** | **51,930** |

# 3. Notes to the Unaudited Financial Statements

**For the period ended 30 September 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

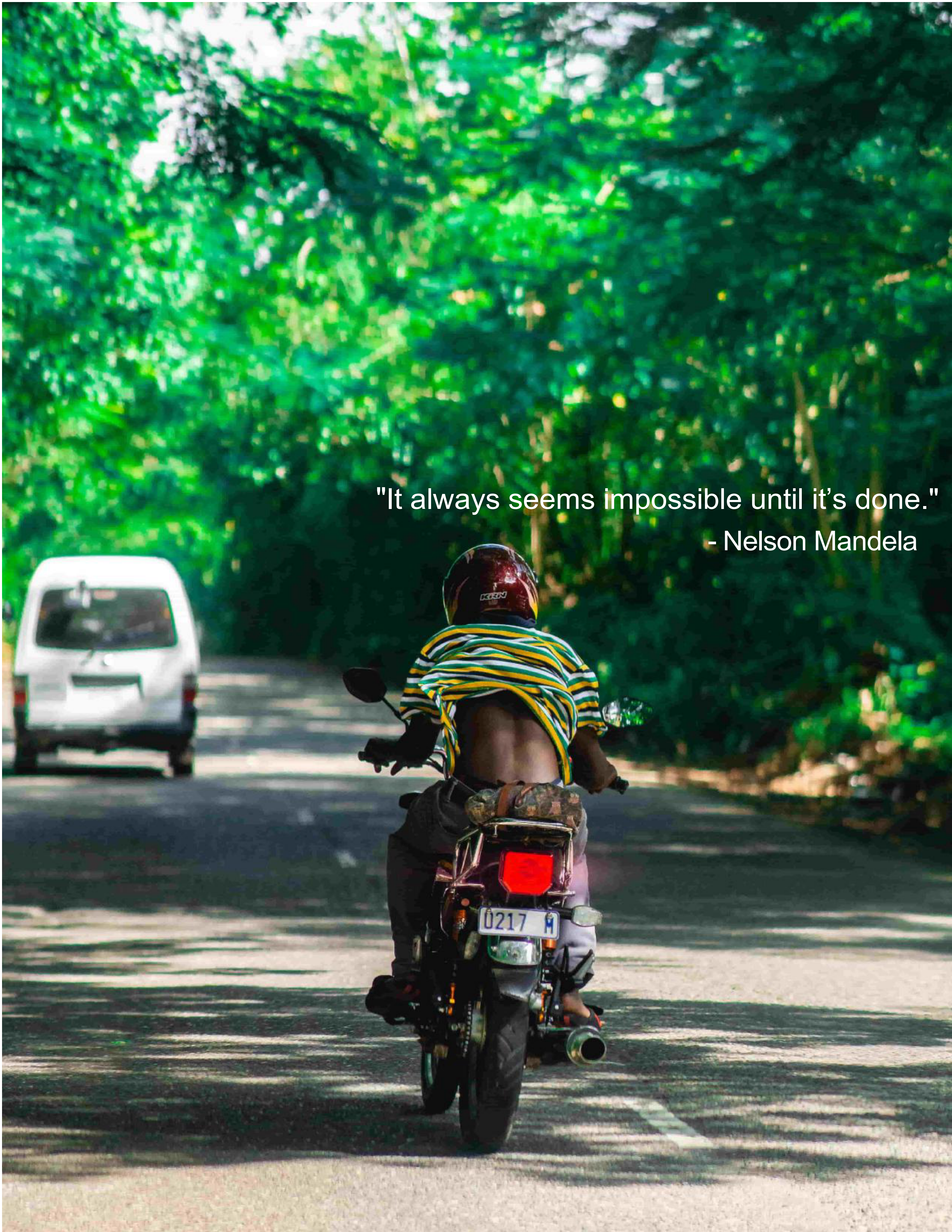
**As at 30 September 2025**

**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
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