eqinsurance
You've Got a Friend

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A Member of Citystate

From Strength to Strength

EQ Insurance | Annual Report 2025

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About Us

EQ Insurance Company Limited is a homegrown general insurance provider.

Established since 2007, we built our initial insurance success through the construction-related industry and have since grown to underwrite all classes of non-life insurances to a diverse group of personal and commercial clients.

We are a rapidly growing local insurer backed by a proven management team and a strong network of intermediaries, including agents, brokers and financial advisers.

The Company's ultimate holding company is Citystate Capital Asia Pte. Ltd., a Singapore-incorporated entity that owns 100% of EQ Insurance. The broader Group operates general insurance and insurance brokerage businesses with an established regional presence. The Company does not have any material subsidiaries, holding companies or controlled entities beneath its Singapore operating entity.

Our Key Business Segments:

- Property & Casualty Insurance
- Motor Insurance
- Accident & Health Insurance
- Marine Insurance

To provide a more holistic suite of products to our clients, we also underwrite selected specialty lines.

Vision

To deliver quality insurance solutions to consumers and SME businesses, with an engaged and skilled workforce that delivers superior service, adds value to our shareholders, and contributes to the community.

Mission

To underwrite a profitable portfolio of non-life insurance business; develop a team of competent executives to lead the company's expansion; and build a value-driven organisation.

Core Values

Ease

To ensure that intermediaries have access to us and our facilities for quotation and issue of certificates of insurance.

To ensure that customers enjoy a seamless enquiry, application and payment process, making it easy for them to buy our products.

Quality

To ensure that intermediaries benefit from quality support, advice on guidelines and consistent information on procedures.

To ensure that customers benefit from quality products, advice and consistent information when purchasing a policy or enquiring on a claim.

Integrity

To ensure that intermediaries experience transparency in our dealings and procedures.

To ensure that customers experience honest and reliable claims solutions.

Business Overview

Despite rising geopolitical tensions and global economic uncertainties, Singapore's economy demonstrated resilience by expanding 5.0% in 2025. The local insurance sector, though, grew at a more moderate pace of 2.0% during the year.[1]

Overall, the general insurance sector has benefitted from government policies in recent years. Over several years now, mandatory coverage under Work Injury Compensation insurance and Foreign Worker Medical insurance have been enhanced, while there was also a commitment to increase the vehicle population with up to 20,000 additional COEs starting from 2025.

Against this backdrop, and underpinned by our unwavering commitment to operational excellence, EQ Insurance ("**EQI**") posted another record Gross Written Premium ("**GWP**"), while sustaining our underwriting profitability.

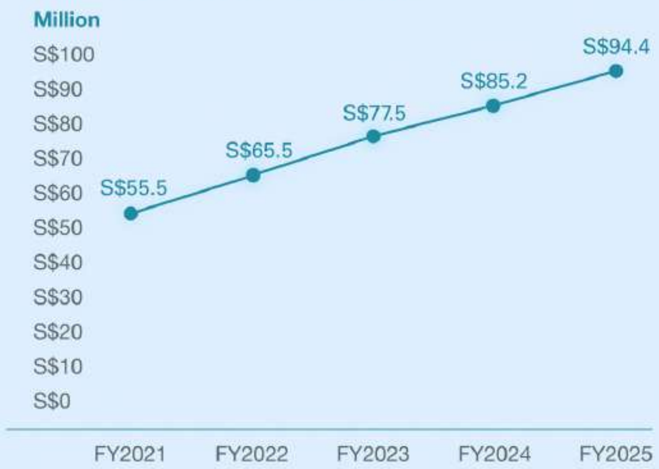
Fifth Consecutive Year Of Record GWP

In FY2025, our GWP rose 11% to S$94.4 million, marking the fifth consecutive year we have set a new record. Not only that, but we also outperformed the General Insurance industry's 8.4% growth.[2]

This performance was driven by a strong retention ratio and the support of our intermediaries, resulting in a 7% increase in policies underwritten across all lines. In addition, firming rates in certain business segments further reinforced GWP growth.

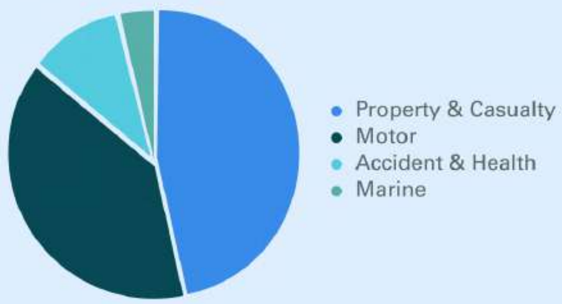
Over the past five years, our GWP has strengthened at a Compounded Annual Growth Rate ("**CAGR**") of over 14%.

Gross Written Premium



Our strategic priorities are to remain nimble by pruning unprofitable lines, strengthening high-performing segments, and diversifying risk across our business.

GWP By Segment



At the same time, our strong relationships forged with our partner intermediaries and reinsurers has remained critical to our success. We are committed to invest regularly in our digital infrastructure and service excellence, and are encouraged by the increasing number of partners choosing to work with us.

As a result of these efforts, we have strengthened our end-customer base, and have also incorporated their needs, such as policy information, accessibility, and claims services, into the design of our digital infrastructure.

Property & Casualty

In Singapore's general insurance market, Property Insurance grew 4.1% to S$864.1 million in 2025, accounting for 14.2% of the market.

The Engineering, Public Liability/Product Liability, Professional Indemnity segments grew 68.9%, 23.6%, and 7.1% respectively. These Specialty Classes now represent 5.6%, 4.2% and 3.9% of the market.

For EQI, our Property & Casualty ("**P&C**") segment grew 8% in FY2025, generating in S$43.9 million in GWP. This makes it our largest business segment, representing 46% of our topline.

Our P&C segment has been supported by Singapore's vibrant building and construction landscape, and expanding foreign workforce population.[3]

Recent government policies mandating more comprehensive coverage and tighter regulations under the Work Injury Compensation Act ("**WICA**") have contributed to the growth of our Work Injury Compensation portfolio.

This segment now accounts for nearly half of our Property & Casualty GWP, reflecting the impact of regulatory changes and growing coverage requirements in the sector.

A strong performance in the SME contractor segment contributed to overall growth across our Engineering, Miscellaneous Bonds, and Performance Bonds portfolios.

Motor

The Motor segment continues to hold the largest share in Singapore's general insurance market, accounting for 20.9% of total GWP. In 2025, Motor segment GWP rose 5.2% to S$1.28 billion, while underwriting losses shrank significantly to S$6.9 million, from S$33.8 million in 2024.

At EQI, Motor is our second-largest segment, with GWP increasing 23% to S$36.7 million in FY2025. Growth was driven by both our Commercial and Private Motor lines.

This performance was primarily a result of hardening rates in the segment, reflecting rising claims severity and frequency. A marginal increase in vehicle population, as additional COEs were released by LTA, also contributed to this growth.

In FY2025, underwriting performance in our Motor segment declined for the first time in five years. In response, we initiated a review of our Motor Pricing & Segmentation strategy - and are beginning to see improvements in the portfolio.

Accident & Health

Premiums in the Health Insurance segment was up 7.4% to S$1.24 billion in 2025 – uplifting underwriting profit to S$42.4 million. Meanwhile, Travel Insurance grew 8.6% to S$336.7 million, and Personal Accident Insurance dipped 1.6% to S$179.2 million in 2025.

Amid intense competition in this segment, GWP for our Accident & Health ("A&H") held steady at S$11.4 million, demonstrating the resilience of the portfolio.

In contrast, our Travel Insurance line delivered robust growth with GWP rising 20%. In 2025, Singapore's outbound travel was finally on par with pre-COVID-19 numbers. This was underpinned by Singapore's generally positive economic environment in 2025, as well as growing GDP and real wages.[5]

Our Personal Accident line also helped support this segment, delivering a healthy 6% year-on-year growth.

Marine

Singapore's Cargo Insurance slid 4.7%, making up just 1.7% of the total general insurance market.[6]

Our Marine segment followed this broad trend, decreasing 5% to S$2.4 million in FY2025, mainly due to ongoing global trade tensions and softer cargo business. This decline was partly offset by a worldwide AI and electronics boom, where Singapore is already a global node for advanced manufacturing sectors.

Our Size Is Our Advantage

Following our rapid growth over recent years, our market share places us near the industry median of general insurers in Singapore.

At the same time, we remain agile - allowing us to adapt swiftly to market shifts and scale strategically without compromising operational stability.

This flexibility supports our long-term sustainability, enabling disciplined pricing in a competitive environment while focusing on business lines with sound fundamentals.

By consistently prioritising service excellence, cultivating intermediary relationships and providing efficient quotation and claims processes, we differentiate ourselves beyond price alone.

This approach strengthens portfolio quality, supports profitability across market cycles, and positions EQI to continue growing with resilience, relevance, and confidence in the years ahead.

[1] Economic Survey of Singapore 2025 – Ministry of Trade and Industry ("**MTI**")
[2] Annual Report 2025 – General Insurance Association of Singapore ("**GIA**")
[3] Foreign workforce numbers – Ministry of Manpower ("**MOM**")
[4] Outbound Travel By Singapore Residents By Mode Of Transport – Department of Statistics Singapore
[5] Summary Table: Income - MOM
[6] An Analysis Of Singapore's Nominal Non- Oil Domestic Exports Growth In 2025 - MTI

Chairman's Message

"Demonstrating steady and disciplined progress, EQI closed FY2025 by achieving a new milestone. For the fifth year in a row, the company generated record-breaking results, bringing its total GWP to S$94.4 million."

EQI started with humble beginnings - a general insurer focused on construction-sector customers, with a GWP of just S$5.3 million in our first year.

Today, we serve a diverse mix of personal and commercial clients across nearly all classes of non-life insurance. More remarkably, our initial S$100 million GWP target is now within reach.

This journey reflects our underwriting discipline, diversified portfolio, and the trust of our intermediary partners and customers.

Balancing Growth With Quality

The quality of our portfolio was evident in FY2025, with GWP growing 11%. While this was slower compared to last year, it continued to outpace the general insurance industry's 8.4% growth.

This success underscores our commitment to rigorous risk selection and proactive decision-making. By pairing a lean, agile organisational structure with tech-driven operations, we are uniquely equipped to identify and respond swiftly to shifting market trends, emerging risk indicators, and new commercial opportunities.

Importantly, as EQI approaches the S$100 million mark, our underwriting risk appetite remains fundamentally unchanged. A larger book allows us to underwrite greater volume – not necessarily greater risk.

With continuous growth, we are better positioned to leverage relationships with key reinsurers. This allows us to optimise risk management across established lines and opens new pathways to expand our underwriting scope.

As the world, including EQI, digitalises, we cannot ignore the impact of physical touchpoints and building human relationships. As a local insurer, it becomes even more important that we preserve close, personal engagement with our partners. This approach humanises our professional interactions, transforming standard contacts into meaningful relationships. It underscores our foundational ethos that a partnership with EQI means *you've got a friend.*

At the same time, while our portfolio is largely underpinned by statutory insurance classes, we must remain alert to emerging credit risks in the market. We are operating in an environment of heightened geopolitical uncertainties, where inflationary pressures and higher interest rates may place additional strain on end-customers.

Approaching Our GWP Target: A Timely Marker

EQI was founded as a resourceful, disciplined and resilient general insurer capable of long-term growth. Nearly two decades on, our vision and execution are validated as we approach a landmark three-figure GWP.

Our operational scale now aligns with industry-average expense ratios, granting us a much stronger competitive edge to attract talent, forge strategic partnerships, and capture new commercial avenues.

When we finally cross the S$100 million GWP mark, we can take a moment to celebrate the collective effort that made it possible. But it will not mean that the job is done. Competition will intensify, and success at this level demands continued discipline.

Building The Next Phase Of EQI

Looking ahead, we would like to grow our GWP to S$150 million as a new goal. Achieving this would be transformational for EQI and require deliberate preparation well in advance.

While our fundamentals will continue to support near-term expansion organically, scaling the business meaningfully will require investments in building more robust operational structures, deeper capabilities, and impactful partnerships. Repositioning EQI for the next phase will require many steps, such as securing a credit rating and expanding our reinsurance arrangements.

Talent will also be central to this journey. As the business grows, we will not only need more people, but to also add more experience and the right skillsets. Talent retention risk will inevitably rise, and sustained investment in leadership depth and capability development will be essential.

Technology is another strategic battleground. Larger competitors have made significant inroads with digital-first strategies, often embedding their insurance products within broader digital ecosystems. End-customers increasingly expect greater transparency, access and digital control over their policies. As we build our digital capabilities, we must also remain vigilant to rising cyber risk exposure.

At the same time, AI presents opportunities to enhance efficiency, cost savings, and decision-making in the near-term. Having laid the foundations through our secured data lake, EQI is better positioned to deploy AI tools more responsibly.

As we prepare for the next chapter in EQI's evolution, it will certainly test our resolve, sharpen our capabilities, and elevate our standing in the market.

Together, I am confident that we can succeed in this journey. Over the years, EQI has shown that we can grow through cycles, adapt decisively, and make the hard decisions to pursue longer-term sustainability. With the continued support of our intermediaries, the hard work and innovation of our people, we are in good stead to build the next phase of EQI.

Leow Tze Wen
Chairman

Chief Executive Officer's Message

"FY2025 was another strong year for EQI. We delivered a record GWP that outpaced industry growth, and extended our profitable track record even as industry loss ratio trended higher."

Operating conditions grew more demanding as margin pressures escalated across majority of our largest insurance lines – which only served to further intensify competition.

While this challenging environment tested our operational execution and underwriting discipline, our core focus remained steadfast: ensuring that top-line GWP growth was achieved without sacrificing the underlying quality of our portfolio.

Delivering Growth While Protecting Risk Quality

Our better-than-industry GWP growth came on the back of continued strength in Singapore's economy, as well as the steady momentum in our SME-focussed strategy and the consistency of our intermediary-first business model.

Our P&C segment grew 8%, supported by favourable industry conditions in recent years, including vibrant public sector infrastructure activity and several rounds of enhancements to WICA. Hearteningly, increased construction activity led to more small projects for SME contractors, boosting our Engineering and bonds-related lines.

As current market tailwinds begin to moderate, we expect construction demand to normalise following the wrap-up of mega-projects like Changi Terminal 5 ("**T5**"). Coupled with this, no further regulatory changes to any statutory insurance are currently anticipated.

Nevertheless, we anticipate sustained resilience within the construction sector, driven by a continuous pipeline of major infrastructure developments outlined under the Urban Redevelopment Authority's ("**URA**") Master Plan.[7]

EQI has deep roots in this segment, where we first established a foothold in the general insurance industry. To-date, EQI remains under-represented in the construction sector, though, so we are confident there will be organic growth opportunities.

Motor was a standout contributor to our topline growth, expanding over 20% as market rates hardened and our market share improved. However, it was also our most operationally demanding line in FY2025. For the first time in five years, the segment's underwriting performance weakened, driven by higher claims frequency and severity amid rising accident rates, medical inflation, and income-loss claims.

In response, we conducted a comprehensive Motor Pricing & Segmentation Strategy Review, strengthening our pricing framework, refining our customer segmentation, and working more closely with key producers. This has already started to yield positive results, and we are confident that the segment can return to its positive momentum.

While Electric Vehicles ("**EVs**") is just a small percentage of our portfolio today, we cannot ignore it. The accelerating adoption of EVs will only add further complexity in the segment. Longer repair cycles, requiring specialised expertise will impact claims costs. To successfully underwrite this class, we will need a more deliberate pricing strategy and a better understanding of the market practice.

In A&H, near-term demand will continue to benefit from the elevated construction activity. Similar to our P&C segment, though, volumes are expected to normalise in the mid-term. The absence of further enhancements to mandatory Foreign Worker Medical insurance will also impede price increments.

Travel insurance is a bright spark in our A&H portfolio. In 2025, outbound travel fully rebounded to pre-pandemic benchmarks for the first time, largely propelled by Singapore's robust economic performance and a boost in consumer purchasing power.

On the flipside, our Marine segment faced headwinds from global trade uncertainties due to the trade tariffs and rising geopolitical tensions in FY2025. Ongoing developments in the Middle East conflict may further weigh down sentiments.

Maintaining Operational Discipline

Following a period of heightened post-COVID profitability in the general insurance industry, we were already preparing for margins to return to industry norms.

That's why we have to be clear-eyed about the levers within our control. Loss ratios, pricing power and commission structures are largely shaped by already competitive market dynamics. What remains in our control are cost management, productivity growth, and execution quality.

During the year, we made tangible operational improvements, including faster turnaround times, streamlined workflows and more effective use of data in our operations. These gains allowed us to deliver better service and absorb growth without a proportional increase in expenses, supporting overall returns.

At the portfolio level, we continue to adjust rates in unprofitable lines and reallocate resources to growing lines based on data and intermediaries' feedback.

Together, these initiatives align to drive disciplined expansion while safeguarding our underwriting margins, ultimately building a more resilient business for the long term.

Serving SMEs With Focus And Intent

SMEs form the backbone of Singapore's economy, accounting for 99% of enterprises and over 70% of employment. This customer base sits at the core of EQI's strategy.

Our operating model focusses on delivering high quality service across our customer base, setting EQI apart through responsiveness, reliability and transparency. We place an equally strong emphasis on being approachable. This means investing in capabilities that serve both intermediaries and policyholders, exploring coverages that are complementary to their business, and maintaining open communication channels. This reflects our belief that strong relationships are a competitive advantage.

By supporting SMEs in their growth journey, we position ourselves to grow alongside them over time, strengthening portfolio quality and improving retention ratio.

Digital Capabilities That Provide Real Value

Our commitment to consistently invest in digital capabilities is guided by a demand-driven approach. Our priority is to build tools and introduce features that make our partners work more effectively and bring more convenience to our operational workflow.

In FY2025, we enhanced our digital portals with improved performance reporting and portfolio insights. Recent interest in API connectivity from our intermediaries reflect the increasing sophistication of our partners, and we are actively evaluating these integrations.

AI represents the next structural shift in the insurance business, if not all businesses. During the year, we successfully piloted AI-assisted tools in our underwriting, improving speed and consistency in our risk assessment. We are now expanding trials to integrate AI applications into our claims assessment.

EQI's nimble organisational structure, combined with strong compliance track record, allows the company to adopt new technologies both quickly and responsibly. Over the next two to three years, AI will fundamentally reshape insurance workflows, and our objective is to stay ahead of the curve.

Staying Focused For The Next Phase of Growth

Insurance remains a people-led business, dependent on the knowledge and integrity of our teams. We continue to invest in talent development through training programmes and targeted upskilling.

We are also approaching a milestone S$100 million GWP threshold. This is where scale can work more meaningfully in our favour. As our expense ratio normalises toward the industry average, we gain the strategic capacity to better support our people and systems. This means greater resources to expand team capabilities, deploy better tools, and cultivate a strong culture of recognition.

While the external environment remains unpredictable, it is another element that is outside of our control. Our focus is firmly on what we can control: improving our Motor portfolio margins, growing our SME customer core, enhancing productivity and service excellence, and embracing an AI future.

Over the past few years, EQI has grown faster than the market by staying disciplined, focused and operationally grounded. Our task is to build on this foundation and prepare for the next phase of growth. What we do today will impact where we end up in the next five years.

With the continued trust of our partners and intermediaries, and commitment of our people, I am confident that EQI is well-equipped to deliver sustainable, profitable growth in the years to come.

John Fu
Chief Executive Officer

[7] URA Master Plan 2025 – Urban Redevelopment Authority ("URA")

Board Of Directors

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Members:

- 01 Leow Tze Wen
- 02 Phillip Tan
- 03 Ng Tee Yen
- 04 Ng Tee Chuan
- 05 Peter Ho
- 06 Freddie Sim
- 07 Chai Jun Joo

Leow Tze Wen - *Chairman*

Mr Leow Tze Wen started his career in investment banking in 1996, working with local and foreign companies such as OCBC and Merrill Lynch. He also worked with Guy Carpenter, a reinsurance broker in London before joining the Citystate Group Pte Ltd in 1998.

In 2011, Mr Leow was appointed Principal Officer of EQ Insurance. In addition, he presides as Group Chief Operating Officer of Citystate Capital Asia Pte Ltd, an investment company formed in 2009, with the sole purpose of developing a Pan-Asian Group of Insurance companies.

Mr Leow is also Managing Director of the Citystate Group Pte Ltd. He is an Associate of the Chartered Insurance Institute and holds a BSc (Econs) and MSc (Econs) in Accounting and Finance from the London School of Economics, UK.

Phillip Tan - *Director*

Mr Phillip Tan is a fellow of the Institute of Singapore Chartered Accountants. He was a member of the leadership team in an international firm of accountants in Singapore and was the leader of the capital and insurance market practices till he retired on 30 June 2007.

Mr Tan has more than 25 years of experience auditing insurance companies and has advised on a wide range of issues in relation to insurance companies, including cost reduction and reorganisations, mergers and acquisitions, and financial investigations.

He was a former Chairman of the Insurance Committee of the Institute of Certified Public Accountants Singapore. Mr Tan is active in community services and has received the following National Day Awards: the Public Service Medal, Public Service Star (Bar), the Meritorious Service Medal, and the Distinguished Service Order.

Ng Tee Yen - *Director*

Mr Ng Tee Yen graduated with a Bachelor of Computer Science and a Bachelor of Engineering (Electrical and Electronic) from the University of Western Australia in 2002.

He then worked as a software engineer in a startup that was subsequently acquired twice, ending in an acquisition by IBM. In 2009, he left to manage various family companies. He holds a Master of Business Administration from the University of Western Australia.

Ng Tee Chuan - *Director*

Mr Ng Tee Chuan has a Bachelor of Science (Computer Science) and a Bachelor of Engineering (Electronics) from the University of Western Australia, Australia. He also has a Master of Business Administration (Finance and IM) from the University of Western Australia.

He was a practicing engineer for a few years before leaving the profession to manage various family companies. Mr Ng sits on the board of diverse companies in Singapore, Malaysia, Indonesia, Australia, and the British Virgin Islands.

Peter Ho - *Director*

Mr Peter Ho is a former civil servant. When he retired in 2010 after a career in the Public Service stretching more than 34 years, he was Head, Civil Service, concurrent with his other appointments of Permanent Secretary (Foreign Affairs), Permanent Secretary (National Security & Intelligence Coordination), and Permanent Secretary (Special Duties) in the Prime Minister's Office.

Mr Ho is now Senior Advisor to the Centre for Strategic Futures, and a Senior Fellow in the Civil Service College. He also serves as chairman of various boards and councils, including the National Gallery Singapore.

In recognition of his many contributions, he was conferred the Order of Nila Utama (With High Distinction) in the 2024 National Day Awards.

Freddie Sim - *Director*

Mr Freddie Sim worked in the insurance industry from 1974 till his retirement in 2016, holding various senior positions in insurance and reinsurance companies in Singapore.

He was Principal Officer of EQ Insurance in 2010, and prior to joining EQ Insurance, he was the General Manager and Principal Officer of GE Frankona Reinsurance. He has extensive experience in property underwriting in both Singapore and the region.

Mr Sim was an Associate of the Chartered Insurance Institute, UK, and an Associate member of the Institution of Fire Engineers, UK. He holds an MBA from the University of Leicester, UK.

Chai Jun Joo - *Director*

Mr Chai Jun Joo holds a Bachelor of Commerce in Business Administration and Marketing from Curtin University, Western Australia. He brings to the company a strong academic foundation combined with extensive industry knowledge, particularly in the areas of business strategy and market development.

A seasoned insurance and reinsurance risk management executive with over 20 years of experience, Mr Chai has built a distinguished career across the Asia-Pacific region. His expertise spans risk governance, regulatory compliance, and strategic planning, making him a valuable leader in navigating complex and evolving market environments.

Throughout his career, Mr Chai has successfully steered the development and market launch of scalable and compliant general insurance and reinsurance products. He is known for his ability to align innovation with regulatory requirements, ensuring sustainable growth while maintaining high standards of compliance and operational excellence.

Management Team

John Fu
Chief Executive Officer

Mr John Fu joined EQ Insurance in January 2019. Prior to his appointment as CEO in EQ Insurance, he was the President & CEO for LMG Insurance Public Company based in Thailand.

During the earlier years of his career, he worked for Liberty Mutual Insurance Group.

He has a Master's degree in Business Administration from The Pennsylvania State University and completed the Insurance Executive Development Program at The Wharton School, University of Pennsylvania. He is also an accredited Chartered Property and Casualty Underwriter (CPCU).

Rina Tan
Group Financial Controller

Ms Rina Tan has held various positions covering responsibilities in Accounting, Finance, HR as well as IT Functions in the general and reinsurance industry. She joined Citystate Group Pte Ltd in 1996 and was actively involved in the run-off of Equatorial Reinsurance (S) Ltd and its branch in Hong Kong. She was a member of the management team responsible for the formation of EQ Insurance in 2007.

Rina is a member of The Institute of Singapore Chartered Accountants (CA) as well as a Fellow of the Association of the Chartered Certified Accountants (FCCA).

She is also an Accredited Tax Practitioner (ATP) of Singapore Institute of Accredited Tax Professionals Limited. She oversees the accounting, business support, financial planning and analysis, internal audit and tax functions at EQ Insurance.

Adam Tang
Deputy Chief Executive Officer

Mr Adam Tang began his insurance career in Malaysia before joining the Singapore insurance industry in 1989. With a distinguished career in General Insurance, he has worked with both local and international insurers, bringing extensive expertise in management, operations, marketing and underwriting.

At EQ Insurance, he oversees the IT, Technical & Compliance and Distribution teams. He works closely with partners to enhance corporate and services delivery functions through the implementation of robust processes that support the company's financial goals and business objectives.

He holds a Bachelor of Science (Business Administration) from Oklahoma State University, USA.

Chia Ka Wei
Senior Manager, Claims

Mr Chia Ka Wei holds a Master of Business Administration from Murdoch University and an LLB (Hons) in Law from Birmingham City University. He is also a Senior Associate member of ANZIIF, and a Fellow member of LOMA.

He joined EQ Insurance in March 2019, and heads the Claims Department. Since joining EQ Insurance, he has been instrumental in transforming and putting in place new measures to drive the Claims Team forward.

He and his team are tasked with leading further enhancement initiatives to improve EQ Insurance's Claims Service Level.

Business Outlook

Looking ahead, we are optimistic on the outlook for Singapore's general insurance sector.

While global macroeconomic uncertainties weigh on business and consumer sentiments, domestic fundamentals remain strong. Underscoring this momentum, MTI upgraded Singapore's GDP forecast growth to 2% to 4%.[8]

We see opportunities for growth across all our business lines. Ongoing infrastructure development, regulatory caliberation in the vehicle market, and the rapid growth of high-tech and emerging industries are expected to increase demand for both traditional and specialised insurance solutions.

Property & Casualty

We expect to double-down on our competitive advantage in this segment, especially as our end-customers and intermediaries within the business continue to enjoy robust near-term construction demand. Longer-term, there is also a potential for new mega-projects currently sitting in URA's masterplan.

According to BCA, construction demand is expected to remain steady at S$47 to S$53 billion in 2026, supported by mega public infrastructure projects such as Changi T5, rail extensions on the Downtown Line and Thomson-East Coast Line, a new Tengah General & Community Hospital, and major private-sector projects, including the Marina Bay Sands ("**MBS**") Integrated Resort expansion.[9]

The medium-term pipeline also remains healthy, anchored by HDB BTO projects, as well as large-scale redevelopments for NUH at Kent Ridge, various Junior Colleges and the new Singapore University of Social Sciences ("**SUSS**") City Campus.

While construction demand is expected to moderate following this upcycle, URA has already outlined potential longer-term infrastructure projects that may come online.

As a result, Singapore's robust construction activity has driven growth in foreign workforce, particularly in the Construction, Manufacturing and Process ("**CMP**") sectors, which expanded over 9% CAGR in the past five years.[10] Post-Changi T5, BCA expects demand to moderate to pre-COVID levels, alongside productivity initiatives driven by digitalisation and Robotics & Automation ("**R&A**").[9]

Notwithstanding this, while foreign worker levies were raised for several sectors during Budget 2026, the Construction sector was excluded.[11]

Motor

The recent evaluation of our Motor Pricing & Segmentation Strategy has yielded concrete data updates. By leveraging these strategic insights across our pricing structures, target demographics, and intermediary networks, we are well-positioned to turnaround this line of business.

Beyond this, our Motor portfolio will be further supported by hardening industry rates and a marginally growing vehicle population.

Electric Vehicles represent another greenshoot opportunity for the business. Underpinned by a strong push for EV in Singapore's Green Plan 2030, there is a structural shift underway in Singapore's Motor industry. EVs currently dominate new registrations, accounting for 45% of new car registrations in 2025.[12]

While EVs only make up for a small percentage of our business today, we need to be ready to serve the evolving needs of Singapore's Motor industry to stay relevant and capture a similar market share going forward. Our claims experience also mirrors industry trends – it is costlier and more complex to repair EVs, requiring specialised technicians and longer downtime.[13] This requires appropriate coverage and pricing strategies – something we are actively studying.

On a positive note, the government commitment to inject up to 20,000 additional COEs starting from February 2025 has expanded the insurable vehicle pool in 2025, and will continue to do so in the next few years.

There is also a rising trend of vehicle volume at Singapore's land checkpoints – going in and out of JB – with 9.5% more vehicles cleared in 2025. This is another trend we are monitoring closely, with cross border coverage becoming increasingly relevant.

Accident & Health

Robust construction activity and GDP growth provides a springboard for our A&H segment. But, cost pressures in the form of increasing healthcare needs and higher treatment costs, driven by medical inflation and rapidly ageing population remain a key challenge. For example, medical inflation in Singapore reached a record high of 16.9% in 2025.[14]

Competition in our Foreign Worker Medical coverage is also expected to intensify. Government-mandated enhancements to the coverage has boosted the line, but no further enhancements have been mooted. While this class of business offers claims visibility, it will likely spur more competition.

Meanwhile, our travel business can rely on continued growth in travel demand on the back of Singapore's robust GDP performance. Nevertheless, we will closely monitor the portfolio due to uncertainties over ongoing conflicts globally – especially as coverage terms become more relevant.

Marine

Our Marine segment continues to face pressure from trade tariffs and heightened geopolitical tensions. This may exacerbate as shipping routes are disrupted and fuel costs spike – pushing freight rates higher. This environment is expected to result in elevated claims severity if not properly managed.

Our priority is to keep close tabs on the market, while maintaining pricing and underwriting agility to manage risks, while selectively capturing opportunities.

Becoming An Industry-Median General Insurer

Since our founding in 2007, EQI has made steady progress. With GWP of S$94.4 million in 2025, we are on track to meet our S$100 million target.

Looking ahead, we have established an expanded target of S$150 million in GWP, an ambitious milestone that we are collectively driven to achieve.

This will serve our two-pronged approach to expand our customer base. First, as an insurer sitting at the median point of the insurance industry, there remains ample opportunities to expand our existing SME customer base. Beyond this, there are also new SME customer segments flourishing in Singapore, especially within the AI and IT sectors. Capturing these sectors early can anchor long-term relationships with fast-growing businesses and act as a springboard for complementary product lines.

As we navigate another year shaped by global uncertainties, EQI remains optimistic about our growth prospects, entering this period from a position of strength – supported by solid fundamentals, disciplined underwriting strategy and with multiple levers for sustainable growth.

[8] MTI Upgrades 2026 GDP Growth Forecast to "2.0 to 4.0 Per Cent" – MTI

[9] Steady construction demand in 2026 as Singapore steps up support for Built Environment firms through collaboration and innovation.

[10] Foreign Workforce Numbers - MOM

[11] Budget 2026 Speech

[12] EVs made up record 45% of new car registrations in Singapore for 2025 – Business Times

[13] Rising S'pore EV registrations prompt insurers to evaluate premiums and coverage – Insurance Asia

[14] Medical cost inflation in Singapore set to hit record 16.9%; insurers' body urges collective action – Straits Times

2025 Financial Statement

Balance Sheet as at 31 December 2025

	2025 $	2024 $
Non-Current Assets		
Property and equipment	1,499,810	1,715,032
Right-of-use assets	1,889,096	2,570,600
Investment securities	38,503,895	22,004,590
Reinsurance contract assets	18,113,436	14,320,788
	60,006,237	40,611,010
Current Assets		
Investment securities	24,430,261	19,954,637
Prepayments and other current assets	1,851,994	1,708,681
Other receivables	1,531,247	1,703,989
Cash, bank balances and deposits	132,887,611	142,687,976
	160,701,113	166,055,283
Current liabilities		
GST payable	1,818,979	1,596,602
Current tax liabilities	2,393,054	2,383,915
Amounts due to related companies	-	74,124
Other payables	20,086,520	21,034,764
Lease liabilities	672,714	674,530
Hire purchase payables at amortised costs	21,000	-
	24,992,267	25,763,935
Net Current assets	135,708,846	140,291,348
Non-current liabilities		
Insurance contract liabilities	110,983,649	101,770,630
Reinsurance contract liabilities	162,743	189,473
Lease liabilities	1,235,537	1,908,253
Hire purchase payables at amortised costs	78,750	-
Deferred tax liabilities – net	729,616	825,787
	113,190,295	104,694,143
Net assets	82,524,788	76,208,215
Equity attributable to equity holder of the Company		
Share capital	45,700,000	45,700,000
Accumulated profit	36,824,788	30,508,215
Total equity	82,524,788	76,208,215

Statement of profit or loss and comprehensive income for the financial year ended 31 December 2025

	2025 $	2024 $
Insurance revenue	86,217,774	79,662,968
Insurance service expense	(71,662,965)	(67,550,450)
Insurance service result before reinsurance contracts held	14,554,809	12,112,518
Allocation of reinsurance premiums	(8,272,841)	(6,885,238)
Amounts recoverable from reinsurers for incurred claims	394,255	4,328,437
Net expenses from reinsurance contracts held	(7,878,586)	(2,556,801)
Insurance service results	6,676,223	9,555,717
Net investment income	9,623,809	8,402,015
Finance expense from insurance contracts issued	(1,626,810)	(1,323,817)
Finance income from reinsurance for incurred claims	277,953	162,035
Net insurance finance expense	(1,348,857)	(1,161,782)
Net insurance and investment result	14,951,175	16,795,950
Other income	143,902	74,617
Profit before tax	15,095,077	16,870,567
Taxation	(2,278,504)	(2,715,245)
Profit of the year	12,816,573	14,155,322
Other comprehensive income:		
Item that may be reclassified to profit or loss	-	-
Income tax relating to components of other comprehensive income	-	-
Other comprehensive loss for the year, net of tax	-	-
Total comprehensive income for the year	12,816,573	14,155,322

ENRM

Disclosure Report

Environmental Footprint

Governance

EQI maintains a comprehensive Enterprise Risk Management (ERM) framework, which is integral to the systematic identification, assessment, management, and mitigation of risk exposures. The framework also incorporates the evaluation of how strategic decisions may influence the organisation's overall risk profile, thereby embedding risk considerations as a fundamental component of the Company's operations.

The Board of Directors holds ultimate responsibility for overseeing EQI's risk management framework. This includes defining the Company's risk appetite, establishing appropriate organisational structures, and ensuring the effectiveness of internal control systems. The Board also ensures that environmental risks are duly considered and integrated into the broader assessment and management of financial and operational risks.

Within this governance structure, the CEO is accountable for the implementation of risk management controls across the Company's business and financial activities. The CEO is supported by EQI's management team, who collaborate to ensure the effective execution and continuous enhancement of risk management practices.

Our Strategy

In alignment with the Monetary Authority of Singapore's ("**MAS**") Guidelines on Environmental Risk Management ("**ENRM**") for Insurers and the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"), we are committed to strengthening our capabilities to assess the resilience of our portfolio against climate-related and transition risks.

As part of this approach, environmental risk considerations have been embedded into our assessment processes, particularly in the identification of material risks associated with new product development and investment opportunities.

We also adopt a proactive approach in addressing evolving consumer insurance needs by regularly reviewing our product offerings and proprietary investment portfolio, with a focus on identifying sectors that may be more vulnerable to environmental risks.

Risk Management

EQI has identified its principal risk categories such as:

1. Insurance risk – relating to underwriting and pricing insurance products, reserving payments for future claims.
2. Financial risk – risk relating to fluctuations in the value of financial assets (market risk), fluctuations in interest and foreign exchange rates, credit risk and liquidity risk, and
3. Operational risk – the risk related to operations, brands and systems

We recognise that environmental risks may adversely affect these areas and have therefore incorporated ENRM into our Enterprise Risk Management framework.

Under this framework, environmental risks are assessed alongside other risk factors in both new and ongoing business activities to identify potential exposures. We adopt a measured and progressive transition approach to mitigate physical and transition risks, reducing the likelihood of delayed or insufficient action that could result in heightened environmental and financial impacts.

Insurance Industry In Singapore

In response to the growing emphasis on ESG within the insurance industry, particularly regarding exposure to climate-related sectors, we remain committed to the continuous review and enhancement of our exposure assessment processes. This approach aligns directly with the MAS Guidelines on Transition Planning, which mandate that insurers transition in an orderly, forward-looking manner. Rather than indiscriminately withdrawing underwriting coverage from clients or restricting proprietary investments in higher-risk sectors, we are reviewing our risk frameworks. This ongoing review will determine how we address climate vulnerabilities and transition planning across both our underwriting business and investment portfolio.

Responsible Underwriting

As part of our commitment to environmental responsibility, EQI generally avoids underwriting industries with significant direct environmental impact, such as petrochemicals and fossil fuels.

In addition, we continue to expand our product offerings to address growing demand for environmentally sustainable solutions, including coverage for electric vehicle charging infrastructure and renewable energy initiatives such as residential solar installations.

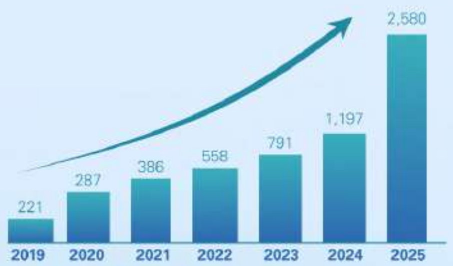
Motor Portfolio

Considering the global transition towards a low-carbon economy, EQI recognises potential risks to its Motor portfolio arising from evolving regulatory measures that may limit the use of fossil fuel vehicles. As this segment represents a significant portion of the Company's business, such developments may have material implications.

As at 2025, hybrid and electric vehicles comprise 13.3% of EQI's personal motor portfolio, reflecting substantial growth over recent years. The portfolio has also recorded strong year-on-year growth, significantly outpacing the LTA benchmark, underscoring our proactive alignment with evolving market trends and regulatory expectations.

EQI remains committed to closely monitoring industry developments and adapting its strategies to support changing market dynamics and sustainability objectives.

Electric & Hybrid Vehicle Count



Responsible Investment

In line with our commitment to responsible investing, we have engaged investment managers for our proprietary investment portfolio who incorporate environmental, social and governance ("**ESG**") factors into their investment evaluation process. This forward-looking, transition-oriented approach goes beyond assessing the current and historical ESG profiles of investments to consider their future sustainability trajectory.

Within our equity mandate, ESG considerations are fully integrated into the investment process. Our investment managers maintain ongoing oversight of the portfolio, monitoring key metrics such as carbon emissions and sustainability initiatives, leveraging both corporate disclosures and third-party assessments such as MSCI. Our portfolio has achieved a strong MSCI ESG Rating of AA, with a score of 7.66, reflecting a high level of resilience to ESG-related risks. This performance is closely aligned with the MSCI benchmark, which is also rated AA with a score of 7.70, demonstrating that the portfolio maintains a robust and competitive ESG profile.

We remain committed to conducting regular portfolio reviews to further enhance sustainability outcomes and mitigate potential financial risks to the business.

How the MSCI ESG Rating Is Calculated

	Portfolio	Benchmark
ESG Quality Score	7.66	7.70
ESG Rating	AA	AA

Data Source: Portfolio Management, Bank Of Singapore

Responsible Business Practices

Manage And Reduce Carbon Emissions

As part of our ongoing efforts to reduce Scope 3 carbon emissions, EQI monitors initiatives to lower the carbon footprint associated with employee commuting and paper consumption. These include promoting more digitalisation efforts to minimise paper usage, supporting continuous improvement in our environmental performance.

Employee Commuting

EQI monitors indirect emissions arising from employee commuting between residences and the workplace, recognising its environmental impact as part of our broader sustainability agenda.

To reduce these emissions, we have implemented a formal Work-from-Home policy, enabling employees to work remotely at least once a week. This initiative promotes flexible work arrangements while supporting our carbon reduction objectives.

As a result, we have achieved a 29% reduction in commuting-related carbon emissions compared to a fully office-based arrangement, exceeding our initial target of 20%. We remain committed to continuously enhancing our workplace practices to further reduce our overall carbon footprint and support our sustainability goals.

Paper Consumption

In line with our sustainability objectives, EQI has fostered a paperless culture and prioritised environmentally responsible procurement practices, engaging suppliers certified under the Singapore Green Labelling Scheme ("**SGLS**") and the Programme for the Endorsement of Forest Certification ("**PEFC**").

As part of our digital transformation, insurance policy documents are primarily delivered electronically, and claims submission and processing have been fully digitalised, achieving a 99% electronic claims payment rate.

These initiatives resulted in an 18% reduction in paper consumption in 2025 compared to the prior year, equivalent to 100 reams (approximately 249 kg) of paper saved.

Since the pre-pandemic period, overall paper usage has declined by 86%, reflecting our sustained commitment to operational efficiency and environmental sustainability. We expect consumption levels to remain stable as hybrid working arrangements continue.

Paper Consumption
(in terms of reams)

Sustainable Data Management Partnership

EQI has partnered with a BCA Green Mark Gold-rated data centre, demonstrating our commitment to environmentally sustainable operations, reducing our environmental footprint, and strengthening responsible business practices.

Sustainable Gifts

To reinforce our brand values and enhance our reputation among customers and business partners, EQI places emphasis on environmentally responsible corporate gifting. Since 2022, our corporate calendars and red packets have been produced using eco-friendly materials, reflecting our ongoing commitment to sustainability and responsible business practices.

Our Performance In 2025

- Electric and Hybrid Vehicles represent 6.8% in our personal use vehicle portfolio
- Annual carbon footprint is recorded at 12,692 kg CO2, a saving of 35%
- Fully digitalised our claims submission and processing procedures
- 99% of our claim payments are made electronically
- Our corporate calendars and red packets are printed on environmentally friendly paper
- Engaged Data Centre with a BCA Green Mark - Gold rated
- Our investment portfolio excels with AA MSCI ESG rating, score 7.38, surpassing MSCI Singapore

Our Targets

- To align our exposure on Electric and Hybrid Vehicles to industry's and consumers' demands
- To achieve 20% reduction in employees' commute carbon footprint
- To maintain paper consumption at current levels
- Continually review and evolve our assessment on our business exposure in order to align with industry development
- To maintain our ongoing commitment to environmentally responsible business practices