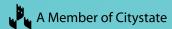


EQ INSURANCE COMPANY LIMITED

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CONTENTS

01_	ABOUT US
02_	BUSINESS OVERVIEW
04_	CHAIRMAN'S MESSAGE
06_	CHIEF EXECUTIVE OFFICER'S MESSAGE
08_	BOARD OF DIRECTORS
10 _	MANAGEMENTTEAM
12_	BUSINESS OUTLOOK
14_	EXTRACT FROM FINANCIAL REPORT
18_	ENRM DISCLOSURE REPORT

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.

Our key business segments are









Motor Insurance

Property & Casualty

Accident & Health Insurance

To provide a more holistic suite of products to our clients, we also underwrite marine (cargo and pleasure craft) and selected specialty lines.

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.

Citystate Capital Asia Pte Ltd owns 100% of EQ Insurance and is headquartered in Singapore. It owns both general insurance companies and insurance brokerage firms, with a presence in Singapore, Indonesia, China and India.

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.

 $\ensuremath{\mathsf{INTEGRITY}}$: To ensure that intermediaries experience transparency in our dealings and procedures.

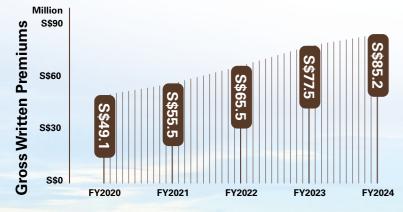
To ensure that customers experience honest and reliable claims solutions.

BUSINESS OVERVIEW

2024 was not an easy year for the global economy, but Singapore stood firm with a solid 4.4% GDP growth. The Finance & Insurance sector played a key role in this resilience, but within it, the insurance sub-sector posted relatively slower growth at 3.4%.1

Yet, even in this tough operating environment, EQ Insurance ("EQI") delivered another record-breaking performance – our fourth consecutive year of Gross Written Premiums ("GWP") improvement.

We Maintained Our **Growth Momentum** In 2024 - Improving **Our GWP To** S\$85.2 Million.



A NEW HIGH OF S\$85.2 MILLION **GWP IN 2024**

We maintained our growth momentum in 2024 - improving our GWP to S\$85.2 million. This is a 10% year-on-year increase, and ahead of the 8.3% growth reported by the General Insurance Association of Singapore ("GIA").2

While our number of policies rose 4% during the year, our faster GWP growth shows that we have been successful in gaining market share as well as expanding higher value personal business lines.

Over the past five years, we have consistently grown our GWP at a Compounded Annual Growth Rate (CAGR) of close to 15%

This reflects over half a decade of deliberate work, sharpening our stance in underwriting risk, deepening relationships with intermediaries, and investing in better service quality. All these efforts have paid off.

PROPERTY & CASUALTY

Property Insurance made up 14.8% of the general insurance market in 2024, with premiums rising 7.1% to \$\$830.3 million. Underwriting profit in the segment, however, dipped 8.4%.

At EQI, our Property & Casualty business brought in S\$40.6 million in GWP - making it our largest business segment with a 48% share of our 2024 topline.

Alongside the rising number of foreign workers coming into Singapore, including the vibrant construction sector, higher Government-mandated protection under the Work Injury Compensation Act ("WICA") has been introduced over the years.

This has grown our Work Injury Compensation business line in two ways:

- 1) more comprehensive government-mandated protection has raised overall industry premiums, and
- 2) more regulation has reduced instances of underinsurance in the industry.

Today, Work Injury Compensation accounts for more than half of the GWP in this segment.

We will continue to put our focus on this business line, as further government-mandated enhancements, albeit at a smaller scale, are coming in November 2025.3

In 2024, continued vibrancy in the construction industry gave us the confidence to seize opportunities in key business lines:

- Performance Bonds +12%
- Public Liabilities +7%
- Fire Insurance +5%

MOTOR

Traditionally, Motor Insurance owns the largest market share in the general insurance market. In 2024, GIA reported that the segment grew 11.3% to S\$1.21 billion, while losses ballooned nearly 4.5 times to S\$33.8 million.

At EQI, we have strategically pruned our risk exposure in the Motor Insurance segment over many years. While it is no longer our biggest line of business, as it was back in 2018, it still plays a vital role - contributing S\$29.8 million to our GWP.

While the 22% growth in our Motor segment was a pleasant surprise at the end of the year, it came on the back of hardening industry rates, which made this segment more competitive.

- Private Motor: +15%
- Commercial Motor: +34%

Industry premiums haven't just gone up this year, but have been on the uptrend over several years due to a general inflation in accident claims and repair bills.

ACCIDENT & HEALTH

Health Insurance in the general insurance market crossed the S\$1 billion mark in 2024, with premiums hitting S\$1.15 billion - up 15.9%. This lifted the segment into profitability with S\$5.3 million in underwriting profit.

We again outpaced the general insurance market. Our Accident & Health business grew 18% to S\$12.3 million in 2024, led by a strong demand in our Foreign Worker Medical and Health business lines.

While demand for our Foreign Worker Medical product rose in 2024, we also encountered intense price competition in the market.

Meanwhile, our Travel insurance continued its steady recovery with an 11% GWP improvement. We have continued to enhance the product to stay competitive and hope to recapture our pre-pandemic GWP.

MARINE

Marine Hull and Cargo insurance made up a combined 4.7% of Singapore's general insurance industry in 2024, and for EQI, represented just 3% of our business.

During the year, EQI grew our overall Marine GWP by 6%. However, this was made more challenging due to rising trade tensions and growing uncertainties across global shipping

While small, this business line remains strategically valuable to us due to it specialised nature and growth potential.

EMBRACING DISCIPLINE, WHILE GROWING

As a nimble player, we are able to quickly adapt to shifts in market demand in an industry that sees uneven growth in the segments and sub-segments from year to year. This allows us quickly pivot to business lines with better prospects during the year.

At the same time, scaling back unpromising business lines may not automatically mean we become more inefficient.

In the first place, our growth has never been driven by price wars. Instead, we've focused on competitive products, standout service quality and hyperlocal portfolio strategy.

The momentum we've gained over the last five to six years has continued to support our growth in 2024. Since we have attained a risk profile that we're comfortable carrying, we now have more capacity to grow other areas of our business. These include, working more closely with intermediaries to underwrite ancillary business lines, improving our service standards and upgrading our digital portals with more self-service functions.

- Economic Survey of Singapore 2024
- Ministry of Trade and Industry (MTI)
- ² Annual Report 2024
- General Insurance Association of Singapore
- ³ Types of compensation under WICA



CHAIRMAN'S MESSAGE



2024 marked another milestone year for EQI. We delivered our fourth consecutive year of record GWP, reaching S\$85.2 million – representing a 10% year-on-year increase. Our net underwriting profit surged nearly seven-fold to

S\$6.1 million.

This strong financial result reflects our disciplined underwriting process, strategic agility and the trusted relationships that we have established with our intermediaries over the years.

More importantly, we are in a strong position even as external conditions become more unpredictable. This gives us the flexibility to pursue growth opportunistically, while managing our risk profile.

NAVIGATING THE SHIFTING ECONOMIC LANDSCAPE

Although the broader economic environment remained relatively stable for much of 2024, the outlook grew increasingly uncertain towards the end of the year. The US trade tariffs and economic policies have renewed fears over deteriorating global business sentiments.

For example, Singapore was hit by a 10% reciprocal tariff. While this was the lowest tier, with a 10% tariff, it is not a silver lining, as slowing global trade will inevitably hamper the local economy. In response, MTI revised Singapore's GDP growth forecast for 2025 down to a modest 0% to 2%.4

Yet, even in this more cautious business environment, Singapore's general insurance industry is projected to grow at a steady rate of 6.2% annually through 2029 – led by government policies and local demographics.⁵

The Motor segment will be supported by LTA's commitment to add up to 20,000 additional COEs in the market over the next few years. And, in the Health segment, premiums are expected to rise due to a combination of medical inflation and an ageing population.

At EQI, our lean and agile operating structure gives us an edge. We are confident in our ability to navigate the opportunities and challenges, while staying focused on sustainable and profitable growth.

STAYING TRUE TO WHAT WORKS

Our resilient business has been guided by clear and consistent principles – and we plan to stay on track. Even with the momentum we've gained and stability we've earned, we will not compromise on the fundamentals that have brought us to where we are today.

First and foremost, underwriting discipline remains key. In a softening market where some competitors are aggressively chasing volumes, we remain committed to writing sustainable business. We do not have the scale to compete on price alone.

Secondly, our growth is entirely driven by our intermediaries. It is our responsibility to earn their trust, by being responsive, convenient to work with and consistently supportive of their growth. When they succeed, we succeed.

To that end, we've continued to enhance our digital platforms with incremental improvements annually. We are on track to rolling out more self-serve capabilities and have embarked on the first steps to build a Secured Data Lake – laying the foundation for seamless integration of Al-enabled tools in the future.

ALWAYS HAVING AN EYE BEYOND THE CORE

Naturally, statutory classes of business are the core in the general insurance industry, as businesses are required to buy them regardless of their size or status. While these business lines shelter us from some real-world economic dynamics, it can also increase our risk if we become over-reliant.

Having a healthy non-statutory exposure diversifies our overall business, and offers some insulation from pricing pressures in government-mandated classes of business.

In particular, we've set our sights on expanding our SME portfolio, with a

strategy focused on growing alongside these businesses.

Over the years, we've made a deliberate effort to keep our home insurance and travel insurance product competitively priced and offer relevant benefits. In recent years, we've also proactively introduced higher-end personal lines to our offerings.

ACKNOWLEDGING OUR COLLECTIVE SUCCESS

Our results in 2024, and indeed over the last few years, reflect the collective efforts of our team and the deep trust placed in us by our partners and intermediaries.

As we look ahead to an increasingly complex economic environment, our immediate priority remains the same – underwriting discipline and staying profitable. This is what gives us the agility to grow selectively and respond wisely to market shifts.

Our mid-term goal is unchanged: to reach the S\$100 million in GWP. While this is within our grasp, we will not compromise on our fundamentals, especially as we are already seeing more intense competition and higher claims in recent operational updates.

But, we believe that with focus, discipline and the continued support of our people and intermediaries, we are well-positioned to get there – on our own terms. Together, I have every confidence that we will continue to build a strong, stable and forward-looking EQI.



LEOW TZE WEN Chairman

- 4 Singapore's GDP Grew by 3.8 Per Cent in the First Quarter of 2025. MTI Downgrades Singapore's GDP Growth Forecast for 2025 to "0.0 to 2.0 Per Cent" - MTI
- 5 Singapore general insurance industry to reach \$5.9 billion by 2029, forecasts GlobalData – GlobalData
- 6 Injection of Additional COE Quota with Reduced Usage & ERP 2.0 Transition – Land Transport Authority ("LTA")

CHIEF EXECUTIVE OFFICER'S MESSAGE

"This year, our results were better than the industry average – marking 2024 as our strongest underwriting performance yet."

These results validate our disciplined approach to portfolio management, agility to pivot to market conditions and the strong working relationships we've built with our intermediary partners.

WIN-WIN PARTNERSHIPS FOR SUSTAINABLE GROWTH

Growth is not only meaningful when shared, but more sustainable. That's why we remain laser-focused on providing our intermediary partners with both competitively priced products, along with the tools they need to serve their clients effectively.

We deepened engagement and support for our intermediaries by hearing their feedback and implementing feasible operational adjustments.

At the same time, we also equipped our intermediaries with more real-time, self-serve functionality on our Partners' Portal.

Recent enhancements to our Partners Portal now support the digitalised Foreign Worker Bond application process, making it faster and more convenient.

We also upgraded our customer portal during the year, allowing them to access their policy information directly and quickly with their Singpass authentication. In addition, end-customers can now pay their premiums directly via our portal – complying with the GIA's Agents' Registration Board premium payment rules from 1 March 2024.

PORTFOLIO OPTIMISATION AND RISK DISCIPLINE

Our results are the product of years of careful portfolio management.

We have pruned lower-performing business lines, grown higher margin segments and tried to diversify away from just statutory classes of business lines – enhancing our earnings quality and operational resilience.

Our Property & Casualty segment continues to be our largest GWP contributor - accounting for slightly less than half of our total GWP.

Work Injury Compensation insurance continued to be a cornerstone for our growth in 2024. As the government enforced more comprehensive coverage, premiums were raised. Moreover, the absence of clear data on loss ratios due to the enhanced benefits caused most industry players to maintain a stable pricing.

Going forward, though, this growth will moderate as we've already seen more intense competition in the industry. Simultaneously, higher claims have also started to come in – a natural byproduct of higher coverage. Nevertheless, we will not compete on price, but rather, we will focus on service quality and operational responsiveness.

Notwithstanding this, from November 2025, the maximum Work Injury Compensation limits for Death, Permanent Incapacity and Medical Expenses will rise to \$\$269,000, \$\$346,000 and \$\$53,000, respectively. While this may lead to higher premiums for a small segment of workers, it could also result in increased cost for insurers.

GWP for our Foreign Worker Medical Insurance rose by 30% in 2024, driven by similar benefit enhancements introduced for foreign workers in recent years.

Likewise, minor enhancements will be implemented in July 2025 - in the form of standardised exclusion, age-differentiated premiums for those above 50 and direct reimbursements by insurer to hospitals.

Premiums may rise for this insurance class, but so too will costs and competitive pressure across the industry.

Our Motor portfolio also grew in 2024, on the back of a more competitive Motor insurance offering and rising industry rates.

The bright spark in the Motor segment is that LTA has committed to adding 20,000 COEs in the coming years. Since February 2025, we have already seen over 20% more new vehicle registrations compared to same period last year. On top of higher rates, there will also be more vehicles to compete for market share.

Within this segment, we also widened our coverage to cater to the transition to Electric Vehicles ("EVs"). As 1 in 3 new cars sold in Singapore in 2024 was an electric vehicle, it is no longer a niche segment, and we cannot afford to ignore it

Starting earlier will give us the experience of claims handling, repair logistics and data management. Already, we have found that fewer workshops can handle EV repairs - which may lead to less competitive outcomes. Nevertheless, this should smoothen out as the EV repairs industry in Singapore matures.

BALANCING GROWTH WITH GOOD EXECUTION

Our roadmap for the near-term growth is clear: remain disciplined, deliver value and stay agile to new opportunities.

Despite outperforming the industry, we see further potential to grow, especially as a smaller local player striving to expand our SME portfolio.

Our approach is not about growth at all costs, though. It has always been our philosophy that EQI does not need to be the biggest insurer, nor the cheapest insurer. We can compete on our own terms: delivering reliable products, providing excellent customer service, and enabling our intermediaries to grow their own businesses.

Finally, a big thank you to our intermediaries, partners, and team members for your continued trust and support. The road ahead will continue to have challenges, but we have shown that we can overcome it together. Looking to the future, I am confident that EQI can continue scaling new heights with our partners.



Chief Executive Officer



BOARD OF DIRECTORS



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 at the 2024 National Day Awards Investiture.

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.

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.

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 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.

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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 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).

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 service 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.

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.

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 reforming 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

"Our disciplined risk management, commitment to service excellence, and hard work have been rewarded with a highest-ever GWP of S\$85.2 million in 2024."

As a small, trade-reliant country, Singapore's economy is vulnerable to external shocks. Against the backdrop of a looming global trade war, Singapore needs to brace for a bumpier ride ahead.

MTI's downward revision of Singapore's growth forecast to 0 - 2% is a reminder that while the global trade war may have limited impact on statutory classes of insurance in Singapore, a broader economic slowdown will inevitably affect all sectors.

PROPERTY & CASUALTY

With EQI's strong roots in the construction sector, we are confident that our expertise and networks can provide a solid foundation amid uncertainty, as well as a valuable knowledge reservoir to address the the sector's evolving needs.

Growth in the sector will be supported by local demand that is estimated to come in between S\$47 billion and S\$53 billion, according to the Building and Construction Authority ("BCA"). This is higher than S\$44.2 billion worth of construction demand reported in 2024.8

Looking ahead, there will be minor tweaks to the Work Injury Compensation insurance policies in November 2025 - where the maximum compensation limits for:

- Death will rise to S\$269,000
- Permanent incapacity will rise to \$\$346,000
- Medical expenses will rise to \$\$53,000

MOTOR

While motor is the largest segment in Singapore's general insurance market, it continues to grapple with profitability challenges, having made losses in each of the last three years.

In response, insurance premiums in the industry had to rise to keep pace with increasing claims. This environment presents opportunities for us to reassess our loss-ratio.

Adding another layer, is the Land Transport Authority ("LTA") plans to add up to 20,000 COEs across vehicle categories in the next few years, starting February 2025.

This could translate into a larger market and higher premiums, creating greater competition among industry players.

As a niche player, we are agile enough to provide more customised solutions to our intermediaries and their end-customers. This puts us in a good position to win new business.

However, we must not lose sight of the lessons learned from pruning our motor portfolio in past years, which contributed to the favourable loss ratio we see today. It remains essential that we stay vigilant in the face of rising insurance claims and repair costs.

ACCIDENT & HEALTH

While our Accident & Health portfolio notched a commendable 18% increase in 2024, growth may moderate in the coming years.

This is because the government-mandated enhancements in protection for foreign workers have largely been accounted for in both new policies and renewals.

In July 2025, minor enhancements mandated by MOM will be implemented to our Foreign Worker Medical insurance. This will include standardising exclusion clauses, introducing age-differentiated premiums for those aged over 50, and requiring direct reimbursements to hospitals.

Although premiums may rise, insurers will also face increased costs due to the new requirements.



Despite a recovery in the travel sector⁹, the GWP for our travel insurance has yet to return to pre-pandemic levels. We remain steadfast in our drive to enhance our travel product to offer comprehensive benefits and competively-priced coverage with the aim to meet the evolving needs of travellers.

MARINE

The Marine segment faces potential increased volatility driven by geopolitical tensions, including the risk of a full-scale global trade war and armed conflict. This could lead to higher shipping costs and consequently, increased claims within the segment.

We will monitor these trends closely, and adjust our strategies to mitigate risk and seize potential opportunities.

STRENGTHENING OUR POSITION ON THE BACK OF A NEW HIGH

Our disciplined risk management, commitment to service excellence, and hard work have been rewarded with a highest-ever GWP of S\$85.2 million in 2024.

Even more impressive, especially for a smaller general insurance outfit, is that we managed to increase our profitability by more than the industry average.

As we navigate the complexities of 2025, we will continue to double-down on our strengths – focusing on organic growth and developing complementary high-end personal lines.

Ultimately, we firmly believe our hyperlocal strategy, centered on supporting our intermediaries, is integral to our success. Staying agile and responsive to market dynamics, especially in the unpredictable year that 2025 is shaping up to be, will position EQI to thrive.

- 8 Construction Demand To Remain Strong For 2025 – BCA (23 January 2025)
- Outbound Departures Of Singapore Residents By Mode OfTransport - Singapore Department of Statistics

14 EQ INSURANCE ANNUAL REPORT 2024 15

2024 FINANCIAL STATEMENT

	2024 \$	202
NON-CURRENT ASSETS		
Property and equipment	1,715,032	1,854,94
ight-of-use assets	2,570,600	3,252,10
envestment securities	22,004,590	14,505,32
einsurance contract assets	14,320,788	11,513,15
	40,611,010	31,125,52
CURRENT ASSETS		
vestment securities	19,954,637	18,745,37
repayments and other current assets	1,708,681	1,549,96
ther receivables	1,703,989	1,956,07
ash, bank balances and deposits	142,687,97	138,783,88
	166,055,283	161,035,29
CURRENT LIABILITIES		
ST payable	1,596,602	1,257,63
urrent tax liabilities	2,383,915	1,176,25
mounts due to related companies	74,124	58,71
ther payables	21,034,764	20,759,40
ease liabilities	674,530	663,19
ire purchase payables at amortised costs	-	7,73
	25,763,935	23,922,94
IET CURRENT ASSETS	140,291,348	137,112,35
ION-CURRENT LIABILITIES		
surance contract liabilities	101,770,630	97,943,01
einsurance contract liabilities	189,473	07,010,01
ontingency reserves	-	35,11
ease liabilities	1,908,253	2,582,78
eferred tax liabilities – net	825,787	624,07
	104,694,143	101,184,98
ET ASSETS	76,208,215	67,052,89
QUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE COMPANY		
hare capital	45,700,000	45,700,00
ccumulated profit	30,508,215	21,352,89
	00,000,£10	21,002,00
OTAL EQUITY	76,208,215	67,052,89

STATEMENT OF PROFIT OR LOSS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024		
	2024 \$	2023 \$
Insurance revenue	79,662,968	69,842,319
Insurance service expense	(67,550,450)	(60,612,196)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	12,112,518	9,230,123
Allocation of reinsurance premiums	(6,885,238)	(9,194,688)
Amounts recoverable from reinsurers for incurred claims	4,328,437	3,361,776
NET EXPENSES FROM REINSURANCE CONTRACTS HELD	(2,556,801)	(5,832,912)
INSURANCE SERVICE RESULTS	9,555,717	3,397,211
NET INVESTMENT INCOME	8,402,015	5,589,297
Finance expense from insurance contracts issued	(1,323,817)	(886,237)
Finance income from reinsurance for incurred claims	162,035	147,387
NET INSURANCE FINANCE EXPENSE	(1,161,782)	(738,850)
NET INSURANCE AND INVESTMENT RESULT	16,795,950	8,247,658
Other income	74,617	213,546
PROFIT BEFORE TAX	16,870,567	8,461,204
Taxation	(2,715,245)	(1,171,193)
PROFIT FOR THE YEAR	14 155 222	7,200,011
PROFIL FOR THE TEAM	14,155,322	7,290,011

2024 FINANCIAL STATEMENT

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024		
	2024 \$	2023 \$
PROFIT FOR THE YEAR	14,155,322	7,290,011
OTHER COMPREHENSIVE INCOME:		
Item that may be reclassified to profit or loss Income tax relating to components of other comprehensive income		
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	14,155,322	7,290,011

ENRM DISCLOSURE REPORT



OUR PERFORMANCE IN 2024

- Electric & Hybrid Vehicles represent 8.9% in our personal use vehicle portfolio
- Fully digitalised claims submission and processing procedures
- Achieved a 33% reduction in our annual carbon footprint compared to full time office arrangement
- Our corporate calendars and red packets are printed on environmentally friendly paper
- Our investment portfolio excels with A MSCI ESG rating, score 6.89, surpassing MSCI singapore
- 99% of our claim payments are made electronically
- Engaged data centre with a BCA green mark gold rated



OURTARGETS

- 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

18 EQ INSURANCE ANNUAL REPORT 2024 19

ENRM DISCLOSURE REPORT

Environmental Footprint

GOVERNANCE

EQI maintains a robust Enterprise Risk Management framework that is essential for identifying, assessing, managing, and controlling risk exposure. It also incorporates analyses of how strategic decisions may impact the company's overall risk profile, making risk considerations a core part of the company's operations.

The Board of Directors is responsible for overseeing EQI's risk management. This includes setting the risk appetite, defining organisational structures, and establishing internal control systems. In particular, the Board ensures that environmental risks are integrated into the assessment and management of financial & business risks.

Within this structure, the CEO bears the ultimate responsibility for implementing risk controls across our business and financial operations. The CEO is supported by the EQI's management team, who work closely to ensure the effective execution of risk management strategies.

OUR STRATEGY

In line with the 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 strengthen our capabilities to assess the resilience of our portfolio against climate-related and transition risks.

As part of this commitment, we have integrated environmental risks considerations into our assessment process, particularly when identifying material risks in new

product development and other investment opportunities.

Furthermore, we maintain a proactive approach to evolving consumer's insurance needs by regularly reviewing our product offerings and proprietary investment portfolio to identify areas or sectors that are particularly vulnerable to environmental risks.

RISK MANAGEMENT

In EQI, we have identified our main risks to include:

- i) Insurance risk relating to underwriting and pricing insurance products, reserving payments for future claims.
- 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
- iii) Operational risk the risk related to operations, brands and systems

We recognise that environmental risks can adversely impact the aforementioned risk categories. To address this, we have established an ENRM framework within our Enterprise Risk Management policy. This framework requires the concurrent assessment of environmental risks alongside other risk factors during the execution of any new or ongoing operational activity, to determine potential exposures.

We believe that a gradual and smooth transition is essential to mitigate both physical and transition risks. Such an approach reduces the likelihood of a "too little, too late" scenario, where delayed action could amplify the physical consequences of environmental change and necessitate abrupt, disruptive policy intervention.

INSURANCE INDUSTRY IN SINGAPORE

With growing understanding of ESG in the insurance industry pertaining to its exposure to climate-relevant sectors, we remain committed to the on-going review and enhancement of our exposure assessment processes. This commitment is vital in light of the evolving risk landscape and the increasing sophistication of risk management practices in this area.

RESPONSIBLE UNDERWRITING

As part of our commitment to environmental responsibility, EQI generally refrains from underwriting industries with a direct influence on the environment, such as petrochemicals or fossil fuels.

In addition, we have been progressively expanding our product offerings to meet growing consumer demands for environmentally friendly options, which includes coverage for electric vehicle charging infrastructure and renewable energy projects such as the installation of solar plates on residential buildings.

MOTOR PORTFOLIO

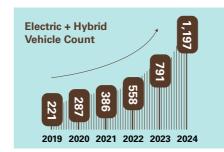
Given the global shift towards a low-carbon economy, EQI anticipates potential risk to its Motor business arising from forthcoming policy changes by regulatory authorities. As the Motor segment represents EQI's largest source of top-line business, it could be materially affected if regulatory measures restrict consumer access to fossil fuel vehicles.

As of 2024, our personal use vehicle portfolio includes an 8.9% exposure to hybrid and electric automobiles, reflecting significant growth from 221 vehicles in 2019 to 1,197 vehicles in 2024, representing a compound annual growth rate of 49.8%.

Furthermore, the year-on-year growth rate of hybrid and electric vehicles within EQI's portfolio stands

at 51.3%, outpacing the 37.1% growth recorded by the Land Transport Authority (LTA). This highlights our proactive stance in aligning with evolving market trends and regulatory expectations.

We remain committed to continuously monitoring industry developments and adapting our strategies to meet changing market dynamics and sustainability goals.



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, using both published sustainability reports and third-party assessment such as MSCI. Our portfolio has achieved a strong MSCI ESG rating of A, with a score of 6.89, outperforming the MSCI Singapore benchmark of A, 6.70.

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

Responsible Business Practices

MANAGE AND REDUCE CARBON EMISSIONS

As part of our on-going efforts to reduce Scope 3 carbon emissions, we track the carbon footprint associated with employees commuting and paper consumption.

EMPLOYEE COMMUTING

We are monitoring the indirect emissions generated by our employees commuting between their residences and the office. Recognising the environmental impact of daily commuting, EQI has taken proactive steps to manage and reduce these emissions as part of our broader sustainability efforts.

To this end, we have implemented a formal Work-from-Home policy that allows employees to work remotely at least once a week. This initiative not only promotes greater flexibility and work-life balance but also contributes meaningfully to our environmental goals.

As a direct result of this policy, we have achieved a 33% reduction in commuting-related carbon emissions compared to a full-time office-based arrangement. This reduction significantly exceeds our initial target of a 20% decrease. We remain committed to reviewing and enhancing our workplace practices to further align with our sustainability objectives and reduce our overall carbon footprint.

PAPER CONSUMPTION

In line with our sustainability objectives, we have fostered a paperless culture across the organisation and prioritised environmentally responsible procurement practices. We engage suppliers certified under Singapore Green Labelling Scheme ("SGLS") and the Programme for the Endorsement of Forest Certification

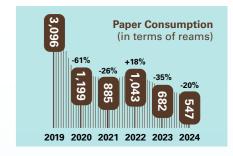
Data Source: Portfolio Management, Bank of Singapore ("PEFC") to ensure the materials we use align with our eco-conscious values.

In support of our digital transformation, all insurance policy documents are now delivered electronically to intermediaries and policyholders, unless a physical copy is specifically requested.

Additionally, our claims submission and processing procedures have been fully digitalised, eliminating the need for physical documentation and manual workflow, achieving 99% electronic claim payment rate.

In 2024, these efforts contributed to a 20% reduction in paper consumption compared to the previous year, equivalent to 135 reams (or 337 kg of paper saved). With hybrid working arrangements becoming the norm, we anticipate similar consumption levels in near terms.

Since the pre-pandemic period, we have reduced paper usage by 82%, highlighting our sustained commitment to operational efficiency and environmental sustainability.



SUSTAINABLE DATA MANAGEMENT PARTNERSHIP

EQI has engaged with a BCA Green Mark - Gold rated data centre. This partnership reflects our commitment to eco-friendly operations, reducing our environmental impact and advancing responsible business practices.

SUSTAINABLE GIFTS

To reinforce our brand value and strengthen our reputation among customers and business partners, we have placed greater emphasis on environmentally conscious corporate gifting. Since 2022, our corporate calendars and red packets have been printed on eco-friendly paper, reflecting our ongoing commitment to environmental responsibility and sustainable practices.

How the MSCI
ESG Rating is
calculated

	Portfolio	Benchmark
ESG Quality Score	6.89	6.7
ESG Rating	Α	Α