

**elama**<sup>®</sup>

**Elama Kindlustus AS**

**Annual Report 2025**



## Annual Report

Business Name:	Elama Kindlustus AS
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Main area of activity:	non-life insurance
Start of the financial year	January 01, 2025
End of the financial year	December 31, 2025
Auditor	Ernst & Young Baltic AS

### Attached documents

1. Independent Sworn Auditor's Report
2. Profit distribution proposal
3. List of shareholders holding more than 10 percent of the shares
4. List of activities

*Disclaimer: This is an un-official translation of the audited Estonian language financial statements. Independent Auditor's Report is available in the Estonian language report only.*

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## Management Board Activity Report

Elama Kindlustus AS (hereinafter referred to as Elama) is an insurance company engaged in non-life insurance in Estonia since 1992, operating under the Elama trademark since 2024.

The owners of Elama have set the goal of growing the company and thereby becoming an important market player in the Estonian insurance market. Unlike Elama's previous strategy, which focused on the sale of motor third party liability insurance, most insurance products for retail customers are now offered for faster growth. In order to support the company's growth and better meet the needs of its customers, new products will continue to be launched on the market and existing insurance solutions will continue to be continuously updated in the coming years. To increase the chances of the future, it is important for Elama to be prepared to act in projects related to different types of insurance.

There were no changes in the composition of the Management Board in 2025, Jaanus Seppa and Tanel Kurs continued as members of the Management Board. Indrek Holst, Kuno Rääk and Tõnis Karu continued as members of the Supervisory Board. Valmar Vaater was added to the composition of the Supervisory Board as the fourth member.

2025 was a successful year for Elama as a whole. The company developed rapidly with many changes and the introduction of several new services and product solutions to the market. The main goal was to maintain the high level of insurance services provided by Elama, including ensuring the speed and high quality of claims handling.

Elama launched several innovative solutions that improve the customer experience in 2025. Home insurance offering a wide range of insurance covers was offered through various sales channels. Clients can view their contracts and pay for them conveniently in the Elama self-service environment. By filling in a claim form on the website, it is possible to immediately book an appointment at the nearest repair shop, which again reduces the time it takes to resolve a loss event. Artificial intelligence was also integrated into claims handling processes, which allows loss adjusters to assess the extent of losses faster and with higher quality.

In cooperation with the Estonian Chamber of Agriculture and Commerce and Europe's leading reinsurer, the development of the crop insurance product was launched in April and its active offer to Estonian farmers continues. As an additional cover, protection against drought damage was introduced to the market. The insurance service launched by Elama is compatible with state support measures, which makes this service economically easier for farmers.

In order to provide better and more stable services, all product solutions were transferred to a single software solution and the old systems were closed. This also improved Elama's reporting capacity and quality.

The strategic development of the international business line has developed according to plan and the initiation of the first projects has been successful. Elama has been able to build a strong partner network across Europe, and in 2025, cooperation with reinsurers was actively developed to support this business line. As part of the first international project, the Financial Supervision Authority issued cross-border activity licence to Elama to provide fire insurance, natural forces insurance and other property insurance in the Kingdom of Spain.

In 2025, the Financial Supervision Authority carried out an on-site inspection of Elama, which focused on determining the insurance interest, claims handling and the functioning of Elama's management system. During the inspection, Elama's key employees were interviewed, various internal rules and documentation related to claims handling and sales activities were checked. The observations of the Financial Supervision Authority because of the inspection were mainly related to the more detailed documentation of the

company's activities. By today, all the changes resulting from the observations of the Financial Supervision Authority have been implemented.

In 2025, the Elama team was significantly expanded. This allowed us to continue expanding the range of services and increasing business volumes. The team was joined by the Head of Claims Handling, under whose leadership Elama's claims handling service has become one of the best on the market. The product team was joined by the Retail Risk Manager and the Head of Personal Insurance, whose task is to actively develop this business line and prepare travel, accident and health insurance that fits the market. A junior actuary joined Elama to make the process of assessing technical reserves more efficient and to apply the best practices and methodologies of the market. The sales area was supplemented with four sales specialists and a direct sales manager. Elama will continue to actively strengthen the team in the coming years.

By the end of the financial year, 32 employees were working in Elama. The management system implemented to create an open management culture and clear subordinate relationships works well. There are five business areas with separate management – sales, IT, products, claims handling and finance. Independent and separate, the key roles of the structure – the responsible actuary, the chief risk officer and the compliance officer – have been defined. An audit committee operates under the supervisory board, which organises the auditing of the company's activities. The internal auditor of Elama is Grant Thornton Baltic OÜ and the external audit is carried out by Ernst & Young Baltic AS.

### ***Insurance business***

Elama's general strategy is to offer insurance services through all sales channels on the market. Elama services can be purchased through Elama insurance advisors, from the self-service on the Elama website, and in addition, Elama services are actively offered by 27 insurance brokers and 37 insurance agents. Elama has integrated its sales processes with all the largest insurance brokers and intermediaries on the market, and 2/3 of insurance contracts are mediated through them.

We make insurance simple, clear and affordable. We offer a reliable and customer-friendly insurance service that is modern and flexible and accessible to everyone. In 2025, the development of the process of automatic renewal of insurance contracts was completed, which ensures the availability of consistent insurance for customers and makes customer service more efficient.

The volume of insurance premiums written to Elama increased by 41% in 2025 and totalled 11 751 thousand euros (2024: 8,313 thousand euros). Of the insurance premiums, 5 253 thousand euros were motor third party liability insurance (2024: 6 611 thousand euros), 3 821 thousand euros motor casco insurance (2024: 1 360 thousand euros), 1 793 thousand euros financial loss insurance (2024: 12 thousand euros), 382 thousand euros travel and health insurance (2024: 175 thousand euros), 152 thousand euros home insurance (2024: 4 thousand euros) and carrier's liability (2024: 145 thousand euros).

Elama's goal of diversifying its product portfolio and diversifying insurance risk has turned out better than planned in 2025. The share of motor third party liability insurance in the portfolio is steadily decreasing due to the growth of new products offered.

The structure of the insurance portfolio by premiums by the end of 2025 was as follows:

<b>Insurance product</b>	<b>2025</b>	<b>2024</b>
Motor third party liability insurance	44,7%	79,5%
Motor casco insurance	32,5%	16,4%
Financial loss insurance	15,2%	0,1%
Travel and health insurance	3,3%	2,1%
Property insurance for companies	1,9%	0,1%
Home insurance	1,3%	0,1%
Carrier's liability	0,9%	1,7%

### ***Losses paid and claims handling***

During the 2025 financial year, Elama indemnified losses in the total amount of 6,116 thousand euros, which is 30% more than in 2024 (2024: 4,710 thousand euros). The increase in the volume of indemnified losses was mainly due to the growth of the portfolio, where the volume of insurance premiums increased by 41%. The total volume of reserves in the portfolio has decreased by 887 thousand euros since the beginning of the year and the frequency of losses remains as expected.

A total of 3430 new loss events were registered in 2025, of which 54% were motor third party liability insurance losses and 41% were motor casco insurance losses. The share of other losses was 5%. In addition, Elama resolved 409 claims on behalf of other insurers, where customers turned to Elama for compensation. This is a great recognition for Elama because it shows that customers are satisfied with Elama's claims handling.

The gross loss ratio (the ratio of incurred losses and claims handling costs to insurance revenue) across all types of insurance in 2025 was 55,7% (2024: 59,3%).

In claims handling, great attention was paid to the quality of customer service and increasing customer satisfaction. In 2025, the current customer experience was thoroughly analysed, its strengths and weaknesses were mapped, and targeted activities were carried out to improve the quality of the service. Claims handling processes were improved with the aim of making them even faster and more efficient and increasing the transparency of the service. In 2025, a lawyer with long-term experience in the insurance field joined the claims handling team.

Elama has created a strong network of cooperation partners all over Estonia, with whom several service solutions have been implemented and cooperation standards have been agreed upon, which ensure faster provision of services to customers that comply with the Elama standard. Elama's services are available 24 hours a day and clients receive additional initial help and counselling around the clock in the event of unexpected incidents. For example, roadside assistance on the road or home assistance in the event of a water emergency.

To monitor the quality of the claims handling service, customer feedback is asked after each loss event in a five-point system, and the 2025 survey shows that customers are very satisfied with Elama's service and rated it with an average score of 4.79.

### ***Investment activities***

In 2025, Elama continued its previous investment policy, diversified across several asset classes, significantly increasing investments in bonds and reducing the share of term deposits in the portfolio. Individual positions in equity and real estate funds were added. As of 31.12.2025, the size of Elama's financial investment portfolio was 11,614 thousand euros (2024: 12 626 thousand euros), the decrease is related to the expiry of one term deposit at the end of the year. As of 31.12.2025, the amount of money in the current account was 3,547 thousand euros (2024: 1 982 thousand euros). Interest and dividend income from investments amounted to 743 thousand euros in 2025. In the previous financial year, the corresponding figure was 662 thousand euros.

### ***Operating expenses***

Elama's operating expenses in 2025 amounted to 4,317 thousand euros (2024: 3,331 thousand euros), of which insurance contract costs accounted for 1,209 thousand euros (2024: 551 thousand euros), claims handling costs for 423 thousand euros (2024: 273 thousand euros), insurance contract management costs for 2,379 thousand euros (2024: 954 thousand euros) and other expenses for 351 thousand euros (2024: 690 thousand euros). The breakdown of expenses is presented in Notes 6 and 10 of the report.

In the cost structure of Elama, the acquisition costs form 28,0%, which represents significant increase from the 16.5% level in the previous year. Salaries, together with social tax and other personnel-related expenses, accounted for 34.7% of total expenses (2024: 39.5%).

The remuneration of the members of the Management Board excluding social tax was 235 thousand euros (2024: 255 thousand euros). In 2025, no performance pay was paid to the members of the Management Board. The remuneration of the members of the Supervisory Board was 40 thousand euros excluding social tax (2024: 38 thousand euros).

### ***Assets and liabilities from insurance contracts and equity***

At the end of the reporting year, Elama's balance sheet total was 21 116 thousand euros. At the end of last year, it was 21 320 thousand euros. Liabilities from insurance activities decreased by 780 thousand euros, while assets from reinsurance contracts decreased by 960 thousand euros, mainly due to the closure of the loss file of one previous loss year in 2025.

Elama equity as of 31.12.2025 was 6 484 thousand euros (2024: 6 005 thousand euros). One of the reasons for the increase in equity is the increase of the voluntary reserve capital by 279 thousand euros through a monetary contribution.

As of 31.12.2025, the company's own funds under the Solvency 2 Directive amount to 9 040 thousand euros, corresponding to a ratio of 185,3% to the Solvency 2 capital requirement. A strong solvency ratio allows Elama to achieve its growth targets and ensure the stability of its portfolio with sufficient confidence.

### ***Financial results***

Elama's profit for the financial year was 200 thousand euros (2024: 696 thousand euros, which was significantly influenced by income from the sale of fixed assets). The result of the Elama insurance service before the calculation of reinsurance was 571 thousand euros (2024: 340 thousand euros). Net financial result was 987 thousand euros (2024: 599 thousand euros). The net cost of Elama reinsurance was 1 191 thousand euros (2024: 913 thousand euros).

### ***Economic environment and situation in the insurance market***

In 2025, the economic environment remained uncertain. The war in Ukraine and ongoing inflation are eroding consumer confidence. The economic downturn usually reaches the insurance markets with a delay of up to 12 months, and consumers' decreasing interest in insurance and price sensitivity are increasingly felt. In addition, the market was also affected by changes in legislation and taxes.

The volume of the non-life insurance market in 2025 was 590 million euros, which is 1,8% less than in 2024. The decline in the market is due to a decrease in the premium volumes of motor third party liability insurance and comprehensive insurance (-10% and -8%, respectively). The main reason is the aggressive price reductions of insurance companies. These two products continue to account for half of the total market volume and shape the dynamics of the entire market.

The premium volume of home insurance continues to grow and accounts for 20% of the market. The premiums of the company's property insurance are also on the rise, and this type of insurance accounts for 9% of the market. The above provides a good platform for Elama home insurance, which was launched in 2025.

Elama is the fastest growing Estonian insurance company on the market, with its market share increasing to 2,0% in 2025 (2024: 1,3%).

Losses paid out in the market have decreased by 5,0 million euros to 333 million euros compared to the year 2024 and the payout level remains at a good 56,4% (2024: 56,3%). The low level of disbursements promotes the continuation of the price decline.

The payout ratio of motor third party liability insurance has increased by 8 percentage points to 70%, which is due to a decrease in the volume of premiums and an increase in payouts by 1,4 million euros. The profitability of the motor third party liability insurance segment is declining rapidly. The disbursement level of comprehensive insurance has increased to 67%, mainly due to the decrease in premiums.

There are 13 insurance companies and the Estonian Motor Insurance Fund operating on the non-life insurance market in Estonia.

### ***Services provided by the auditor***

During the reporting period, Elama's auditor has not provided any other services in addition to the statutory audit.

### ***Expected events in the next financial year***

Eesti Pank estimates that economic growth in 2026 will be 3,6%. The slowdown in inflation creates preconditions for the recovery of consumption, and lower base interest rates promote the purchase of both vehicles and real estate. At the same time, uncertainty remains among consumers due to geopolitical instability and the impact of tax changes in 2025. Consumers continue to be price-sensitive and the pressure of market participants to meet sales targets keeps competition in the insurance market at a high level.

The cost base of insurance services continues to be pressured by the increase in input prices and the increase in losses caused by the increase in climate and weather events. For these reasons, Elama forecasts that the non-life insurance market will remain highly competitive in the first half of 2026 and that a gradual increase in insurance premiums will begin in the second half of the year, with the aim of ensuring the long-term financial stability of the portfolios. Elama forecasts a market volume of 600 million euros in 2026 and a market growth of 1,5%.

Despite the stagnation of the market, Elama aims to grow its insurance portfolio primarily through new insurance products. The priorities are the selection of reliable reinsurers, low costs and conservative risk assessment. The claims handling process and the improvement of customer service will continue.

### ***Key financial indicators***

<b>For the reporting period</b>	<b>Lisa</b>	<b>2025</b>	<b>2024</b>
Gross written premiums		11 751 253	8 312 578
Insurance premiums received	5	10 214 640	6 822 622
Accrued losses and claims handling costs	6	-5 228 078	-4 154 035
Accrued operating expenses	6, 10	-3 939 233	-3 194 612
Reinsurance premiums	5	-2 136 488	-2 038 047
Reinsurance in incurred losses	5	945 813	1 124 892
Gross loss ratio		55,7%	59,3%
Gross expense ratio		41,5%	45,4%
incl. acquisition cost ratio		12,9%	7,9%
Reinsurance cost		12,7%	13,0%

<b>At the end of the reporting period</b>	<b>2025</b>	<b>2024</b>
Total assets	21 116 169	21 320 081
Financial investments	11 613 622	12 625 794
Share of investments in assets	55,0%	59,2%

The "gross loss ratio" is calculated as the ratio of accrued losses to claims handling costs to the revenue from insurance contracts.

The "gross expense ratio" is calculated as the ratio of all expenses incurred (excluding claims handling costs) to the revenue from insurance contracts.

The "Acquisition cost ratio" is calculated as the ratio of accrued acquisition expenses to the revenue from insurance contracts.

The "cost of reinsurance" is the ratio of the net cost of reinsurance to the revenue from insurance contracts.

Jaanus Seppa  
Member of the Management Board

Tanel Kurs  
Member of the Management Board

## Annual accounts

### Statement of comprehensive income

	Annex	2025	2024
Revenue from insurance contracts	5,6	9 386 926	6 999 226
Insurance service expenses	5,6	-8 816 113	-6 658 924
<b>Insurance service result before reinsurance</b>		<b>570 813</b>	<b>340 302</b>
Expense of reinsurance premiums	5	-2 136 488	-2 038 047
Amounts recoverable from reinsurance	5	945 813	1 124 892
<b>Net expense from reinsurance</b>		<b>-1 190 676</b>	<b>-913 155</b>
<b>Insurance service result</b>		<b>-619 863</b>	<b>-572 854</b>
Financial returns earned	7	669 672	786 038
Financial income (expense) from insurance contracts	8	770 391	-428 879
Financial income (expense) from reinsurance contracts	9	-452 750	241 400
<b>Net financial result</b>		<b>987 313</b>	<b>598 558</b>
Other income and expenses	10	-167 186	670 357
<b>Profit (loss) for the financial year</b>		<b>200 264</b>	<b>696 062</b>
<b>Other comprehensive income</b>		<b>0</b>	<b>0</b>
<b>Comprehensive profit (loss) for the financial year</b>		<b>200 264</b>	<b>696 062</b>

## Report on financial position

	Annex	31.12.2025	31.12.2024
<b>Assets</b>			
Cash and cash equivalents	11	3 547 279	1 982 408
Financial assets	14	11 613 622	12 625 794
Assets from reinsurance contracts	4,5	4 709 344	5 669 652
Other receivables	12	262 331	287 096
Prepaid expenses and accruals	13	102 810	75 210
Property, plant and equipment	15	234 701	284 948
Intangible fixed assets	16	646 083	394 973
<b>Total assets</b>		<b>21 116 169</b>	<b>21 320 081</b>
<b>Liabilities</b>			
Liabilities from insurance contracts	4,5	13 937 036	14 717 845
Other liabilities	17	695 406	597 709
<b>Total liabilities</b>		<b>14 632 441</b>	<b>15 315 554</b>
<b>Equity</b>			
Share capital	18	4 012 392	4 012 392
Share premium	18	1 619	1 619
Reserve capital	18	1 573 391	1 294 454
Retained earnings		696 062	0
Profit (loss) for the financial year		200 264	696 062
<b>Total equity</b>		<b>6 483 728</b>	<b>6 004 527</b>
<b>Total liabilities and equity</b>		<b>21 116 169</b>	<b>21 320 081</b>

## Statement of changes in equity

	Share capital	Share premium	Voluntary reserve capital	Retained earnings	Total
<b>Balance as at 31.12.2023</b>	<b>3 195 582</b>	<b>1 619</b>	<b>853 201</b>	<b>-381 937</b>	<b>3 668 465</b>
Profit for the reporting period	0	0	0	696 062	<b>696 062</b>
Other comprehensive income	0	0	0	0	<b>0</b>
Total comprehensive income	0	0	0	696 062	<b>696 062</b>
Loss coverage	0	0	-381 937	381 937	<b>0</b>
Issuance of new shares	816 810	0	0	0	<b>816 810</b>
Increase of the voluntary reserve capital	0	0	823 190	0	<b>823 190</b>
<b>Balance as at 31.12.2024</b>	<b>4 012 392</b>	<b>1 619</b>	<b>1 294 454</b>	<b>696 062</b>	<b>6 004 526</b>
Profit for the reporting period	0	0	0	200 264	<b>200 264</b>
Other comprehensive income	0	0	0	0	<b>0</b>
Total comprehensive income	0	0	0	200 264	<b>200 264</b>
Increase of the voluntary reserve capital	0	0	278 937	0	<b>278 937</b>
<b>Balance as at 31.12.2025</b>	<b>4 012 392</b>	<b>1 619</b>	<b>1 573 391</b>	<b>896 326</b>	<b>6 483 728</b>

## Cash flow statement

	Annex	2025	2024
<b>Cash flows from operating activities</b>			
Insurance premiums received		10 214 738	6 822 622
Acquisition costs paid		-1 159 748	-499 518
Costs of insurance services paid		-6 057 231	-4 732 558
Net reinsurance expenses		-683 117	-378 865
Operating expenses paid		-2 317 268	-2 295 870
Interest received		701 850	695 405
Placed in term deposits		-3 000 000	-7 000 000
Placed in bonds		-5 265 297	-2 951 500
Invested in shares		-457 920	-799 935
Invested in real estate fund units		-201 880	0
Received from the term deposits		8 500 000	9 000 000
Received from the bonds		1 001 629	0
Received from the shares		358 701	0
Dividends received		29 764	0
Receipts from other operating income and other operating expenses paid		105 313	129 568
<b>Total cash flows from operating activities</b>		<b>1 769 536</b>	<b>-2 010 650</b>
<b>Cash flows from investing activities</b>			
Acquisition of intangible fixed assets	16	-372 531	-429 882
Sale of property, plant and equipment	15	0	905 538
<b>Total cash flows from investing activities</b>		<b>-372 531</b>	<b>475 656</b>
<b>Cash flows from financing activities</b>			
Rent payments	17	-94 779	-30 352
Interest payments	17	-15 538	-10 463
Contributions to the share capital	18	0	816 810
Increase of the voluntary reserve capital	18	278 937	823 190
<b>Total cash flows from financing activities</b>		<b>168 620</b>	<b>1 599 185</b>
<b>Total cash flows</b>		<b>1 565 625</b>	<b>64 191</b>
<b>Cash and cash equivalents at the beginning of the period</b>			
Change in cash and cash equivalents		1 565 625	64 191
Change in exchange rate difference		-754	-779
<b>Cash and cash equivalents at the end of the period</b>		<b>3 547 279</b>	<b>1 982 408</b>

## Notes to the financial statements

### ***Annex 1. Accounting policies used in the preparation of the annual report***

#### ***Company basics***

Elama Kindlustus AS (hereinafter also Elama) is a company registered in Estonia on 29.10.1996 (registry code: 10089395), with its registered office at Liivalaia 45, Tallinn (Estonia). Elama offers non-life insurance services in Estonia, incl. compulsory motor third party liability insurance. Elama has 19 shareholders as of the balance sheet date, none of whom have control over the entire company. The largest shareholder owns 18.7% and the six largest shareholders own 67.1% of the shares of Elama.

The Management Board approved the disclosure of the financial statements on February 27th, 2026. The annual report is reviewed by the Supervisory Board and approved by the General Meeting of Shareholders. The general meeting of shareholders has the right not to approve the annual report and to demand the preparation of a new report.

#### ***Declaration of Conformity***

The annual accounts of Elama Kindlustus AS have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS Accounting Standards).

#### ***Basics of compilation***

The accounting currency of Elama is the euro and the figures of the report are presented in euros without a decimal place (unless otherwise indicated).

In preparing the report, Elama has proceeded from the acquisition cost principle, except for residual assets, which are recognised at fair value minus sales expenses, and those financial investments that are recognised at fair value with changes through the income statement.

The preparation of reports in accordance with IFRS Accounting Standards requires management to make decisions, calculations and estimates that affect the implementation of accounting policies and the recognised amounts of assets and liabilities, income and expenses. The assessments and the related assumptions are based on the experiences of previous periods and various other factors that are considered justified in the existing circumstances. Based on the results obtained, decisions are made on the book value of assets and liabilities that are not already obvious from other sources. Actual results may differ from these estimates.

Accounting estimates and assumptions are reviewed consistently. Changes in accounting estimates are recognised in the year in which the change is made, if they relate only to a given year, or in the year in which the change is made and subsequent years, if they relate to this and subsequent years. For more details, see Annex 2.

The following accounting principles are consistently applied to all years reported in the reports.

### ***Implementation of new or amended standards and interpretations***

In 2025, Elama implemented those amendments to the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and adopted by the EU that were mandatory for reporting periods beginning on or after 1 January 2025.

The following amendments to the standards entered into force on 1 January 2025:

- Amendments to IAS 21 Effects of Changes in Foreign Exchanges: Lack of Convertibility.

The enforcement of this standard did not have an impact on Elama's accounting principles.

The following standards approved by the European Union had not yet entered into force during the reporting period:

- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosed Information: Classification and Measurement of Financial Instruments. In May 2024, the IASB issued amendments to the classification and measurement of financial instruments, amending IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosed Information, which will apply to all reporting periods beginning on or after 1 January 2026, with early implementation permitted.
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: Contracts for Electricity Dependent on Natural Forces. In December 2024, the IASB issued amendments to improve the recognition of contracts for electricity dependent on natural forces, amending IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosed Information, which will apply to all reporting periods beginning on or after 1 January 2026, with early implementation also permitting.
- Annual Improvements to IFRS Accounting Standards – Volume 11. In July 2024, the IASB issued Volume 11 of the IFRS Annual Improvements. These amendments shall apply to all reporting periods beginning on or after 1 January 2026. Early implementation is also allowed.

In Elama's current assessment, the new international financial reporting standards that have been published but have not yet entered into force, nor the standards that are not yet mandatory for Elama are unlikely to have a material impact on the company's financial statements when first implemented.

Standards and amendments that had not yet entered into force or been approved in the European Union at the balance sheet date are as follows:

- IFRS 18 "Presentation of Financial Statements and Information Disclosed in Financial Statements". In April 2024, the IASB issued IFRS 18 "Presentation of Financial Statements and Disclosures in Financial Statements", which replaces IAS 1 "Presentation of Financial Statements" and will be applied to all reporting periods beginning on or after 1 January 2027, with early implementation permitted. The standard was adopted in the European Union on 13 February 2026. IFRS 18 establishes a new income statement structure and a norm for disclosure of subtotals. In the future, the calculation methods of all performance indicators defined by management must be disclosed and linked to the amounts recognised in the income statement. The requirements for preparing a statement of cash flows will also change.
- IFRS 19 Unaccountable Subsidiaries: Disclosures. In May 2024, the IASB issued IFRS 19 "Publicly Unaccountable Subsidiaries: Disclosures", which will apply to all accounting periods beginning on or after 1 January 2027, with early implementation allowed.

- Amendments to IAS 21 "Effects of Changes in Foreign Exchanges": Transition to Hyperinflationary Presentation (Amendments). In November 2025, published updates to this standard, which will be adapted to all reporting periods starting on or after 1 January 2027. Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures": transactions between the sale and transfer of assets between an investor and its associates or joint ventures. In December 2015, the IASB postponed the date of entry into force of the amendment indefinitely to await the results of its study on the equity approach.

Elama evaluates the impact of standards that have not yet been enforced and approved after they have been enforced and approved.

### ***IFRS 17 "Insurance Contracts" Based Accounting Policies***

IFRS 17 applies to reporting periods beginning on or after 1 January 2023 and was applied retroactively. Elama reported for the first time under the standard for the year ended 31 December 2023, this is the third complete report prepared under IFRS 17.

#### *Insurance and reinsurance contracts – classification*

All Elama insurance contracts and reinsurance contracts comply with the terms and conditions of IFRS 17 regarding the definition of insurance contracts. An insurance contract is a contract under which one party (the insurer) takes over a significant insured risk from the other party (the policyholder), agreeing to compensate the policyholder for any loss that occurs due to an adverse future event affecting the policyholder. Insured risk, as defined by the standard, is a risk, other than financial risk, that is transferred from the contract holder to the contract issuer.

Elama does not have contracts that have the legal form of insurance contracts but do not carry a significant insurance risk (referred to as "investment contracts"). Elama also does not have any insurance contracts with a discretionary participation feature.

The following is a summary of Elama's insurance products that fall within the scope of IFRS 17:

- The motor third party liability insurance portfolio includes compulsory liability insurance contracts for vehicles with a validity period of one year.
- The motor casco insurance portfolio includes insurance contracts concluded in respect of vehicles that cover the expenses arising from unexpected loss events. Casco insurance contracts have a duration of up to one year.
- The property insurance portfolio includes insurance contracts concluded in respect of immovable and movable property, which cover losses arising from the destruction, deterioration, loss, etc. of property. The same insurance contract usually also covers the policyholder's liability to third parties and covering the cleaning and/or replacement residence rental costs following the insured event. Property insurance contracts are generally concluded with a duration of up to one year, as of 31.12.2025, Elama's portfolio includes longer-term property insurance contracts in the amount of 26 thousand euros, which makes up 0,22% of the premium written by Elama in 2025.
- The travel insurance portfolio includes insurance contracts that cover unexpected expenses that may arise during a trip due to an accident or illness, the maximum period of validity of which is one year.
- The liability insurance portfolio of the carrier and freight forwarder includes insurance contracts that cover the costs related to the destruction of the cargo and/or damage to the cargo, unexpected expenses incurred in the transport or forwarding of the cargo, financial losses related to the delay in delivery of the cargo,

liability to customs authorities and liability to third parties in the event of damage caused to them by the cargo. The maximum period of validity of the insurance contract is one year.

- Financial loss insurance, i.e. payment protection insurance, covers the financial risk of the policyholder, which arises because of an accident or loss of employment of a third party and in the case of which the insurer is obliged to compensate for damages. The maximum period of validity of the insurance contract is one year.

#### *Separation of components from insurance and reinsurance contracts*

According to the standard, it must be analysed whether some components of a product are distinct, and they must be separated and recognised in accordance with other accounting standards. The contracts included in the Elama insurance portfolio do not have separable components.

#### *Aggregation and registration of insurance and reinsurance contracts*

Insurance and reinsurance contracts are aggregated into groups for measurement purposes. Insurance contract groups are determined by identifying insurance contract portfolios, which consist of contracts with similar risks that are managed together, and are divided into annual cohorts (i.e., by the time the insurance period begins), and each annual cohort is divided into three groups according to their profitability:

- contracts that are onerous when concluded;
- contracts that do not have a significant chance of becoming onerous later;
- the remaining contracts in each year cohort.

When a contract is reflected, it will be added to an existing contract group, or if the contract does not qualify for an existing group, that contract will form a new group to which other contracts will be added in the future. Contract groups are formed upon initial recognition and their composition is not changed after all contracts have been added to the group.

The profitability of contract groups is assessed using actuarial valuation models that take into account existing and new business activities. Elama uses the Premium Allocation Approach (PAA) method to measure all insurance contracts, which allows it to be assumed that none of the contracts in the portfolio will be onerous at initial recognition, unless the facts and circumstances indicate otherwise. Elama assesses the likelihood of changes in current facts and circumstances to determine whether contracts that are not onerous at initial recognition have a significant chance of becoming such in the future. Elama considers the following facts and circumstances to determine whether a group of contracts is unprofitable:

- pricing information;
- the results of similar contracts that it has reported;
- environmental factors, e.g. changes in market experience or regulations.

Reinsurance contract groups are formed so that each group has one contract.

Some reinsurance contracts include treaties that belong to different groups. Elama separates the reinsurance contract into several insurance components that are related to different basic groups.

#### *Aggregation and recognition of insurance and reinsurance contracts.*

Elama reflects the group of insurance contracts issued from the earliest date of the following dates:

- the start date of the group of period contracts for insurance coverage;
- the due date of the first payment of the policyholder belonging to the group, and;

- for a group of onerous contracts, the date on which that group becomes onerous.

Reinsurance contract groups are recognised on the following date:

- Non-proportional reinsurance contracts are recognised from the moment the relevant reinsurance contract starts;
- The recognition of reinsurance contracts with proportional coverage does not start earlier than the first insurance contract covered by that reinsurance contract takes effect.

#### *Contract boundaries*

Cash flows are included in the limits of the insurance contract if they arise from material rights and obligations that exist during the reporting period and with which Elama may force the policyholder to pay insurance premiums or which have a significant obligation to provide services (including insurance cover and any investment services).

An essential obligation to provide a service ends if:

- Elama has the practical ability to reassess the risks of a particular policyholder and can set a price or level of benefits that fully reflects these reassessed risks; or
- Elama has the practical ability to assess the risks of the portfolio in which the contract is included and can set a price or level of compensation that fully reflects the risks of that portfolio, and the pricing of premiums up to the date of the revaluation does not consider risks related to periods subsequent to the revaluation date.

Cash flows are within the limits of a reinsurance contract if they arise from material rights and obligations that exist during the reporting period for which Elama pays a fee to the reinsurer or Elama has an important right to receive services from the reinsurer.

An essential right to receive services from a reinsurer ends if the reinsurer has:

- the practical ability to reassess the risks transferred to it and the ability to set a price or level of compensation that fully reflects those reassessed risks; or
- important right to end coverage.

The contract boundary is assessed at the end of each reporting period to account for the impact of the changes on Elama's material rights and obligations and therefore may change over time.

#### *Measurement method*

To measure the Liability for Remaining Coverage (hereinafter also referred to as LRC) in insurance and reinsurance contracts, Elama uses the premium allocation approach (PAA) method. The coverage period for insurance and reinsurance contracts concluded with a residence is generally one year or less, so the criteria for implementing the PAA are met, except for quota reinsurance, which covers insurance contracts valid for up to two calendar years, and property insurance contracts with a duration of three years.

In the case of quota reinsurance contracts, Elama has modelled possible future scenarios and justifiably assumes that the measurement of Elama's future insurance cover liability under the PAA containing these contracts does not differ significantly from the measurement that would be prepared based on a general management model (GMM). In assessing materiality, Elama has also considered qualitative factors, such as the nature of the risk and the types of business areas.

In the case of longer-term property insurance contracts, Elama has assessed the cash flows arising from the contracts and justifiably assumes that the measurement of Elama's future insurance cover liability within the framework of the PAA containing these contracts

does not differ significantly from the measurement that would be prepared on the basis of the general management model (GMM).

In the case of XL reinsurance contracts, only the risks that occur in a given calendar year are covered and thus the PAA criteria are met in the case of XL reinsurance contracts.

During the initial recognition of each group of contracts, the residual value of the LRC is measured on the basis of the premiums received at the time of initial recognition and is adjusted for any amount resulting from the discontinuation of the recognition of assets or liabilities previously recognised in relation to the group. Elama has chosen to include the cash flows related to the conclusion of insurance in the expenses when they are incurred, so they are not included in the LRC measurement.

After initial recognition, the residual value of the LRC is increased by the premiums received and deducted from insurance contracts with income from the provision of insurance services. As Elama uses the PAA model to measure all insurance contracts, the insurance income is calculated as the sum of the insurance premiums expected in each period for the provision of services during that period. During the initial recognition of each group of contracts, Elama assumes that the period between the provision of each part of the services and the payment due date of the related bonuses is no longer than one year. Consequently, Elama does not adjust the LRC to account for the time value of money and the impact of financial risk.

If, at any point in time during the insurance period, facts and circumstances indicate that the group of contracts is onerous, Elama will recognise the loss in the statement of comprehensive income and increase the LRC to the extent that the current estimates of the cash flows related to the LRC for execution exceed the residual value of the LRC.

When assessing the cash flows from the performance of insurance contracts and finding the Liability of Incurred Claims (hereinafter also referred to as LIC), Elama uses discounting based on the current discount rates. Elama recognises the LIC of the insurance contract group to the same extent as the cash flows related to the performance of the insurance contract arising from the losses incurred. Because claims settlements take time for insurance policies (for some motor insurance losses, benefits are paid as an annuity until the policyholder retires), LIC cash flows can be long-term. Consequently, future cash flows will be discounted at the current discount rates, unless they are expected to be paid within one year or less from the date on which the claim arises.

Elama applies calculation methods like basic contracts to measure the group of reinsurance contracts, which are adapted where necessary to reflect characteristics different from insurance contracts.

While a loss compensation component is created when a group of reinsurance contracts is measured using the PAA method, Elama adjusts the residual value of the asset for the coverage of the remaining reinsurance period.

Live reflects the change in LIC in the income statement due to changes in discount rates.

#### *Method for measuring and valuing cash flows from the performance of insurance contracts*

The cash flows of performance falling within the scope of the insurance contract are assessed by Elama when assessing the liability for losses that have occurred. Elama impartially considers the range of all possible outcomes, specifying the sum of cash flows, the timing of each scenario, and the probability that reflects the conditions at the measurement date, using a probability-weighted average expectation that represents the average of all possible scenarios. In determining possible scenarios, Elama will use all reasonable and supportive information available to it, including information about past events, current conditions and future projections, if this does not involve unreasonable costs or efforts.

When assessing future cash flows, the following elements are considered within the limits of the contract:

- Reported but not yet paid receivables; claims that have arisen but have not yet been notified; expected future insurance claims and possible cash flows from future claims covered by existing insurance contracts.

Directly observable market variables and non-market variables such as mortality rate, accident rate, average cost of losses, probabilities of large losses are included in the assessment of cash flows. Future claims have been assessed using well-known actuarial calculations based on claims arising in previous periods and their development over periods, and the amounts obtained are presented to the current situation using known consumer price indices and the estimate of inflation used for future forecasts.

#### *Discount rate*

The discount rate is the rate used to reflect the time value of money in future cash flows.

Given the size of Elama's portfolio, it is very difficult to develop company-specific discount rate curves. For the same reasons, the costs of developing firm-specific discount rate curves would outweigh the potential benefits. Therefore, for all portfolios measured under IFRS 17, Elama uses discount rates derived from a bottom-up approach (risk-free rate + illiquidity risk) based on EIOPA's risk-free rate curve plus a illiquidity risk component.

The assets supporting Elama liabilities consist mostly of cash, term deposits, market-traded securities investments, the liquidity of which is estimated to be higher than that of Elama liabilities. Therefore, Elama has decided to adjust the curve of EIOPA's risk-free rate with the illiquidity risk component, which is found as 25% of EIOPA's volatility adjustment to the risk-free rate.

The discount rates used as of 31.12.2025 and as a comparison with the period a year earlier are presented in the table below.

	1 year	2 years	3 years	5 years	10 years	15 years	20 years
31.12.2025	2,11%	2,29%	2,56%	2,89%	3,53%	3,53%	3,53%
31.12.2024	2,29%	2,01%	2,15%	2,29%	2,54%	2,36%	2,36%

#### *Risk adjustment (RA)*

A risk adjustment (RA) is an adjustment that Elama makes when assessing the present value of future cash flows to reflect the compensation it would need to bear the risk of uncertainty in the value and timing of cash flows arising from non-financial risks. Elama uses the confidence interval methodology for calculating the risk adjustment. Elama assumes that the distribution and number of losses in the past reflects the size and number of future losses, based on which the distribution of total losses has been found. Elama has also assessed the change in loss provisions over time and found an estimated distribution of this change. Based on the distributions found, Elama has calculated the size of the non-financial risk adjustment at the 85% confidence level.

#### *Termination of recognition and amendment of the agreement*

Elama ceases to recognise the contract when it has expired – i.e. when the obligations specified in the contract expire or they have been fulfilled or cancelled.

Elama also ceases to recognise the contract if its terms and conditions are changed in a way that would have significantly changed the recognition of the contract, considering that the new terms and conditions would always have existed. In such a case, a new contract based on the amended terms and conditions shall be reflected. If the

amendment of the agreement does not result in the termination of recognition, Elama will treat the changes in cash flows caused by the amendment as changes in the cash flow estimates for performance.

#### *Presentation*

Portfolios of insurance contracts, which are assets and liabilities, and portfolios of reinsurance contracts, which are assets and liabilities, are presented separately in the statement of financial position. Any recognised cash flow assets or liabilities that arise before the recognition of a group of contracts are included in the carrying amount of the respective contract portfolios.

Elama allocates the amounts recognised in the statement of comprehensive income as the result of insurance services before reinsurance, which includes income from insurance contracts and insurance service expenses.

The income and expenses of reinsurance contracts are presented separately from the income and expenses of insurance contracts.

All changes in the adjustment of risk related to non-financial risks are included in the result of insurance services.

#### *Income from insurance contracts*

Elama records all insurance contracts under a PAA. In the case of contracts measured on the basis of a PAA, the insurance income is the sum of the premiums expected in each period for the provision of services during that period. Elama allocates expected insurance premiums to each period according to the expected timing of the insured risk.

#### *Insurance service costs*

Insurance service expenses arising from insurance contracts are generally recognised in the statement of comprehensive income when they are incurred. They consist of the following elements:

- Costs related to concluding an insurance contract;
- losses incurred and other costs of insurance services;
- losses from loss-making contracts and the reversal of those losses, if any;
- Adjustments to liabilities for losses incurred that are not due to the impact of the time value of money, financial risk or changes in these losses.

#### *Financial income and expense of insurance contracts*

The financial income and expense of insurance contracts includes the change in the carrying amount of the insurance contract group due to:

- a) the impact and change of the time value of money;
- b) impact and changes in financial risk.

Elama records the financial income or expense of insurance contracts for the period in the income statement.

#### *Net cost of reinsurance contracts*

The net cost of reinsurance contracts includes the reinsurance premiums paid, minus the amounts recovered from reinsurers. The amounts payable for reinsurance and the amounts recovered from reinsurance are shown on different lines of the income statement.

Live recognises reinsurance premiums paid in the statement of comprehensive income if it receives services from reinsurance contracts. The distribution of reinsurance premiums

paid for each period is the sum of the premiums expected for receiving services during the period.

## **Financial assets**

### *Classification*

Financial assets must be classified into one of three measurement categories:

- assets recognised at adjusted cost;
- assets recognised at fair value through other comprehensive income statements;
- Assets that are recognised at fair value through profit or loss.

The classification of a debt instrument depends on the company's business model in the management of financial assets and on whether the contractual cash flows of the asset include only principal and interest payments (hereinafter also referred to as SPPI). If the debt instrument is held for collection purposes and the SPPI requirement is met, the instrument may be recognised at adjusted cost. Debt instruments that meet the SPPI requirement and are held in a portfolio in which the entity holds assets for both collection and sale purposes may be recognised at fair value through the statement of comprehensive income. Financial assets that do not include cash flows in the SPPI must be measured at fair value through the income statement.

Equity instruments held for trading purposes must always be recognised at fair value through profit or loss.

Elama divides financial assets into assets that are recognised at adjusted acquisition cost and assets that are recognised at fair value through profit or loss.

### *Registration and termination of recognition*

Purchases and sales of financial assets under normal market conditions are recognised on the transaction date, i.e. the date on which the entity undertakes to buy or sell assets. The recognition of financial assets is terminated when the rights to the cash flows arising from the financial assets expire or are transferred, which is why the company transfers essentially all risks and rewards.

### *Measurement*

Financial assets are recorded at fair value at initial registration.

In subsequent valuations, Elama uses the following principles to find fair value:

- Level 1 – prices quoted on active markets for identical assets or liabilities. These typically include listed stocks and exchange-traded bonds.
- Level 2 – Inputs are not quoted on active markets, but are based on observable market data (e.g. monitoring quoted prices of similar assets or liabilities in active or inactive markets).
- Level 3 – Market data is not available for estimation. Estimates are based on the company's own assumptions, including models, forecasts, or other factors.

### *Debt instruments*

Bonds, which are expected to be only cash flows from principal and interest payments, are recognised by Elama at adjusted acquisition cost. The remaining debt instruments are classified as measurable at fair value through profit or loss.

### *Shares*

Elama recognises shares and other equity instruments at fair value with changes through profit or loss.

### *Shares of real estate funds*

Elama reflects the shares of real estate funds at fair value with changes through profit or loss.

### *Impairment*

The company estimates the expected credit loss of debt instruments at adjusted cost based on future information. The impairment methodology to be applied depends on whether the credit risk has increased significantly. The measurement of expected credit losses takes into account: (i) an unbiased and probability-weighted amount that is determined by evaluating a number of possible different outcomes, (ii) the time value of money, and (iii) reasonable and reasonable information available at the end of the reporting period without undue cost or effort about past events, current conditions and forecasts of future economic conditions. Elama has assessed the credit risk of counterparties as at the balance sheet date and adjusted the value of debt instruments.

For receivables against buyers that do not have a significant financing component, Elama will take into account the impairment of claims to the extent of the expected credit loss during the period of validity upon initial recognition of receivables.

### ***Cash and equivalents***

Cash and cash equivalents include cash in cash, demand deposits and term deposits with a maturity of up to three months. The cash flow statement has been prepared using the direct method.

### ***Property, plant and equipment and right-of-use assets***

Objects of property, plant and equipment are recognised at acquisition cost, which is reduced by accumulated depreciation and impairment losses arising from the impairment of assets.

Assets with a significant acquisition cost and an expected useful life of more than one year are registered as property, plant and equipment. Objects of insignificant value are included in the costs when they are acquired. The acquisition cost consists of the purchase price, not refundable taxes and expenses directly related to the acquisition.

Depreciation is recognised in the statement of comprehensive income using the straight-line method as property, plant and equipment over the useful life of the objects accounted for. The depreciation rate for buildings is 3,33% per annum, 20% per annum for office furniture and equipment, and 33,33% per annum for IT equipment.

The depreciation periods assigned to property, plant and equipment are reviewed annually to determine whether any circumstances have arisen that could materially alter the useful life of a fixed asset or a group of fixed assets. The impact of changes in estimates is reflected in the reporting period and subsequent periods.

Lease rights (right-of-use assets) used based on long-term contracts are also recognised as property, plant and equipment. Elama recognises right-of-use assets for significant leases that fall within the scope of IFRS 16 Lease Accounting. A lease agreement is defined as the right to control the use of the property specified in the agreement for a fee during the agreed period. The lessee must have the right to decide on the use of the property and is also entitled to the benefit from the use of the entire property. The lessor must not have a substantive possibility to replace the leased property.

The acquisition cost corresponds to an amount equal to the lease liabilities and the lease prepayments made before the start of the lease period, discounted using an alternative loan interest rate.

The depreciation of the asset used based on the right of use is calculated using the straight-line method from the beginning of the lease period until the end of the useful life

of the asset, which is considered to be the end of the expected lease period. The property of the right of use and the lease obligation will be revalued if the estimate of the lease payments changes or the lease agreement is extended.

Elama moved into new premises in June 2024, for which a five-year lease agreement has been signed. Living reflects the right to use office premises as tangible fixed assets. Elama has the right to submit a proposal to extend the lease agreement before the end of the lease period, but the contract will not become indefinite in any case. It is not considered probable to exercise the option to extend, which is why the tangible fixed assets of the right of use are depreciated over a five-year period.

### ***Intangible fixed assets***

Software created specifically for the company's use is registered as an intangible fixed asset if it has a significant acquisition cost and participates in the production of income over a longer period of time.

Intangible fixed assets are initially recorded at their acquisition cost, which consists of the purchase price and the direct costs related to the acquisition. Acquired software is recognised as intangible assets, which are depreciated according to their useful life using the straight-line depreciation method at an average rate of 20% per year. The depreciation of intangible fixed assets assumes that their final value is zero.

Each reporting period is assessed to see if there is evidence that the software may have declined in value. Impairment losses are recognised when the carrying amount of an asset or cash-generating entity exceeds its recoverable value. Losses arising from impairment of assets are recognised in the statement of comprehensive income, if necessary.

The depreciation periods of intangible fixed assets are reviewed annually to see if circumstances have arisen that could materially alter their useful life. The impact of changes in estimates is reflected in the reporting period and subsequent periods.

### ***Impairment of fixed assets***

On each balance sheet date, it is assessed whether there are signs of impairment of fixed assets. If there are doubts indicating that the value of the asset will fall below its book value, a test of the recoverable value of the asset will be performed. The recoverable value of an asset is equal to the higher of two indicators: either the fair value of the asset (minus sales costs) or the value in use found based on discounted cash flows. If, as a result of testing, it turns out that the recoverable value of the asset is lower than its book value, the object of the asset is written down to its recoverable value. If it is not possible to perform an asset value test on a single asset object, the recoverable value is found for the smallest asset group (cash-generating unit) to which the asset belongs. Asset write-downs are recognised as an expense for the reporting period. If the test of the recoverable value of assets that have previously been written down reveals that the recoverable value has risen above the residual book value, the previous impairment is cancelled, and the accounting cost of the asset is increased. The upper limit is the residual accounting value of the asset, which would have been formed in the intervening years, considering normal depreciation.

### ***Revenue***

#### *Income from insurance contracts*

In the case of contracts measured based on a PAA, the insured income is equal to the sum of the premiums expected for the provision of services in each period during that period.

### *Financial Returns*

Financial income includes income from financial instruments and the imputed change in assets and liabilities due to the change in the risk-free rate curve when discounting assets and liabilities.

Income from financial assets includes interest and dividend income, net income from the sale of financial assets, and net income at fair value from revaluation of financial assets classified through profit/loss.

### **Corporate Income Tax**

According to the laws of the Republic of Estonia, the company's profit for the accounting year is not taxed in Estonia. Income tax is paid on dividends, gifts, donations, reception expenses, non-business-related payments and transfer price adjustments. Until 31.12.2024, the tax rate was 20% and the amount of tax payable was 20/80 of the net disbursement. The lower tax rate of 14%, i.e. 14/86 of the net amount of dividends, applied to regularly paid dividends, was valid until 31.12.2024.

From 01.01.2025, the tax rate is 22% and the amount of tax payable is 22/78 of the net disbursement.

Due to the peculiarities of the taxation system, there are no temporary differences between the taxable values of assets and liabilities and the residual book values, and therefore there are no deferred income tax assets and liabilities.

Corporate income tax payable on dividends is recorded as income tax expense and liability at the time of declaring the dividends, regardless of the period for which the dividends are declared or when the dividends are actually paid. The obligation to pay income tax arises on the 10th day of the month following the payment of dividends.

### **Currency conversion**

Elama uses the currency of its economic environment – the euro – as its accounting and presentation currency. Commercial transactions in foreign currencies are revalued according to the exchange rate of the European Central Bank valid on the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted using the exchange rate of the European Central Bank valid on the balance sheet date. Exchange differences arising from revaluation are recognised in the statement of comprehensive income as other income or other expenses, while exchange rate differences arising from the revaluation of deposits are recognised in investment income or investment expenses.

### **Financial liabilities**

The company has the following financial liabilities: payables to suppliers and debt obligations.

Payables to suppliers are obligations incurred during normal business activities to pay suppliers for goods or services purchased. Debts that are due to be paid within a period of up to one year or a normal business cycle are considered short-term liabilities. The remaining payables to suppliers are recognised as long-term liabilities. Payables to suppliers are initially recorded at fair value and are recorded at adjusted acquisition cost after initial registration using the internal interest rate method.

Debt obligations are initially recorded at fair value less transaction costs and are recorded at adjusted acquisition cost after initial registration.

Financial liabilities are discontinued when they are satisfied, terminated or expired.

### ***Lease liabilities***

At initial recognition, the lease liability is measured at the present value of the fixed lease payments. The lease liability is revalued if the related valuation changes or the lease agreement is amended. Lease liabilities are recorded under the item "Other liabilities". A lease period is defined as an expected lease period. This includes an uninterrupted period of leases, adjusted for periods of possible extension or termination that the company is sufficiently confident in using.

Elama has assessed the present value of the lease payment obligation arising from the lease agreement using an alternative loan interest rate.

### ***Employee benefits***

Short-term benefits to employees, including remuneration under the employment contract, performance pay, holiday pay and social tax and unemployment insurance tax calculated based on legislation, are recognised in operating expenses on an accrual basis. No additional benefits (including supplementary pension and share options) have been established for employees.

### ***Events after the reporting date***

The financial statements reflect significant circumstances affecting the valuation of assets and liabilities that occurred between the balance sheet date of 31.12.2025 and the date of preparation of the financial statements, but are related to transactions that took place during the reporting period or earlier periods.

## ***Annex 2. Accounting Assessments and Judgments***

In the preparation of the reports, a number of accounting estimates and judgments have been used, which affect the assets and liabilities recorded in the report and the notes to the disclosed potential assets and liabilities. Although these decisions have been made to the best of the management's knowledge, they may not coincide with the actual result later.

The most important accounting estimates in the application of accounting principles are presented as follows:

- classification of insurance, reinsurance and investment contracts;
- an assessment of whether the contract transfers a significant insured risk and whether the insurance contract contains the characteristics of a direct participation;
- level of aggregation of insurance and reinsurance contracts: the identification of portfolios of contracts and groups of contracts that are loss-making at first recognition and have no significant chance of becoming loss-making at a later stage;
- measurement of insurance and reinsurance contracts: choice of methods for assessing risk adjustments related to non-financial risks and level of confidence level;
- adjustment of EIOPA's risk-free rate curve to the illiquidity risk component when choosing discount rates;
- When registering intangible fixed assets, Elama estimates that the respective IT development costs contribute significantly to the creation of future operating profit, are separately identifiable and the company has control over the use of the software parts to be developed.

### ***Annex 3. Risk management***

From the point of view of Elama as an economic entity, the risks are divided into external and internal risks.

External risks are risks that arise outside of Elama independently of Elama's own activities (e.g. the activities of competitors, legislation, financial risks).

Internal risks are risks that arise within an entity (risk of assessment and pricing of insurance risk, personnel risk, IT risk).

Risk assessment is carried out in accordance with the procedure established by the Management Board of Elama, which establishes procedural rules for identifying and managing existing risks and reducing future impacts. The process of risk assessment and management is continuous.

From the point of view of the economic development of the company, it is important to define the risks of the company and deal with their management. The insurance company has highlighted three main risk areas: insurance risk, financial risks and operational risk. The following are summary definitions of the respective risk areas.

The objectives of risk management are to reduce insurance risk by adjusting premium rates and continuously controlling reserves. In addition, to continue to keep liquidity and credit risk low and to better manage operational risk by introducing a newer and more compact information system.

#### ***Insurance risk***

An insurance risk is a possibility to incur damage due to unexpected events (insured events) defined in the insurance cover.

The company's insurance risk covers the following areas of insurance:

- motor third party liability insurance;
- motor casco insurance;
- travel insurance;
- carrier's liability insurance;
- insurance against financial losses;
- property insurance.

Insurance risk management mainly consists of three areas: the definition of adequate premium rates, insurance indemnities and provisions. In addition, both proportional and non-proportional reinsurance are used to manage insurance risk.

The purpose of Elama is to hold enough assets to cover the liabilities arising from the risks arising from insurance contracts. Rules have been established for the assessment and correction of loss amounts, and losses are also regularly analysed for the purpose of detecting insurance fraud. Estimates of the extent of the damage are used to estimate the extent of the damage to avoid an unexpected increase in damage in a direction that is unsuitable for Elama.

#### ***Risks related to premium rates***

The main source of insurance risk is the use of insufficient premium rates in the sale of insurance contracts. Insurance premium rates have been found considering possible future payouts and costs and the competitiveness of the pricing policy. Elama conducts regular product analyses, during which the adequacy of insurance premium rates is analysed and, based on the results of the analysis, major adjustments are made in the design of pricing models, if necessary. Additional adjustments are made based on actuarial analyses and financial statements.

### *Risks related to claims handling*

The insured event to be indemnified is determined based on the valid terms and conditions corresponding to the type of insurance. An exception can be considered mandatory motor third party liability insurance, which is subject to the Estonian Motor Third Party Liability Insurance system.

It is important to follow the rules and norms to manage the risks arising from loss events. The rules of compensation are based on the rules of treatment created based on internal experience. In exceptional cases, common opinions and beliefs are followed.

### *Risks related to technical provisions*

Expert judgements, a chain-to-ladder method based on historical data, and various calculation methods for personal injuries are used to determine technical provisions. The adequacy of reserves is analysed regularly, but not less than once a year, and, if necessary, corrections are made to the methods of estimating technical provisions.

In order to hedge insurance risks, the insurance company's insurance risks are covered by reinsurance contracts, which are determined separately for each type.

### *Susceptibility to insurance risk*

Sensitivity to insured risk expresses the effect of changes in certain parameters in the insurer's activities. Small differences in parameters can make a big difference in the final result, so it is important to study different indicators.

#### **As of 31.12.2025**

Parameter	Change in parameter	Before reinsurance			After reinsurance		
		Impact (EUR)	Impact on outcome (%)	Impact on equity (%)	Impact (EUR)	Impact on outcome (%)	Impact on equity (%)
Losses incurred	1%	-49 885	-24,9%	-0,8%	-40 427	-20,2%	-0,6%
	-1%	49 885	24,9%	0,8%	40 427	20,2%	0,6%
The change in the inflation rate	0,5 pp	-24 533	-12,3%	-0,4%	-17 205	-8,6%	-0,3%
	-0,5pp	24 299	12,1%	0,4%	15 993	8,0%	0,3%
Increase in fixed costs	5%	-136 507	-68,2%	-2,1%	-136 507	-68,2%	-2,1%
	-5%	136 507	68,2%	2,1%	136 507	68,2%	2,1%

#### **As of 31.12.2024**

Parameter	Change in parameter	Before reinsurance			After reinsurance		
		Impact (EUR)	Impact on outcome (%)	Impact on outcome (%)	Impact (EUR)	Impact on outcome (%)	Impact on equity (%)
Losses incurred	1%	-41 074	-5,9%	-0,7%	-29 825	-4,3%	-0,5%
	-1%	41 074	5,9%	0,7%	29 825	4,3%	0,5%
The change in the inflation rate	0,5 pp	-44 715	-6,4%	-0,7%	-31 661	-4,5%	-0,5%
	-0,5 pp	44 298	6,4%	0,7%	29 889	4,3%	0,8%

Increase in fixed costs	5%	-132 197	-19,0%	-2,2%	-132 197	-19,0%	-2,2%
	-5%	132 197	19,0%	2,2%	132 197	19,0%	2,2%

The table illustrates the impact of risk parameters on the company's net profit and equity. One parameter is considered at a time, leaving the other indicators unchanged. From the point of view of an insurance company, the most important indicators are claims and indemnities, which affect the company's net profit. The latter is also affected by several different costs related to claims handling, the costs of concluding insurance contracts and other costs that ensure the functioning of the company. Ela has no reason to believe that claims and compensation could increase drastically in the short term without a sharp increase in sales. For an insurance company, the impact of liabilities on equity is important. Elama's biggest liabilities are liabilities arising from insurance contracts, in addition to liabilities from reinsurance contracts and other business activities. Elama considers a sudden increase in insurance contract provisions unlikely.

#### *Concentration of insurance risk*

The concentration of insured risk determines the extent to which an event (or several events) can have a significant impact on the insurer's liabilities. One form of risk concentration – several insurance contracts that are similar in some way – add up to one major risk. For example, natural disasters that occur in a certain area endanger all insured objects located there at the same time.

Looking at the insurance portfolio by type, mandatory motor third party liability insurance covers the largest part of it. As a result of the above, a large part of the company's insured objects are located in Estonia. In Elama's opinion, natural disasters that would cause great damage are not frequent in Estonia.

In the case of motor third party liability insurance, the age and location of policyholders are monitored to find important groups where the insurance risk is higher than average.

The following tables show the concentration of net liabilities of insurance contracts by type of contract (Annex 4):

Type of insurance	As of 31.12.2025			As of 31.12.2024		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
Motor third party liability insurance	11 585 979	-4 710 084	6 875 895	14 235 526	-5 669 652	8 565 874
Motor casco insurance	1 420 248	0	1 420 248	285 431	0	285 431
Carrier's liability insurance	158 489	0	158 489	113 243	0	113 243
Travel insurance	98 228	0	98 228	77 568	0	77 568
Property and financial damage insurance	674 090	741	674 831	6 078	0	6 078
<b>Total insurance contracts</b>	<b>13 937 035</b>	<b>-4 709 343</b>	<b>9 227 692</b>	<b>14 717 845</b>	<b>-5 669 652</b>	<b>9 048 193</b>

#### *Development of losses*

In the formation of losses, the indemnities paid by all types of insurance, handling costs, recourse received, IBNR and changes in the provision for unsatisfied claims have been considered.

According to IFRS 17, when establishing the provisions for losses, Elama considers that the probability and the extent of future experience are less favourable than expected, which is reflected in the risk adjustment.

In general, the uncertainty about the final costs in the settlement of losses is greatest when the loss is at an early stage. As time passes and the amount of information increases, the final cost of damages becomes more certain.

### Liabilities for past losses (motor third party liability insurance):

Loss year	2025	2024	2023	2022	2021	2020	2019 and earlier	Total
<b>Undiscounted foreseeable losses</b>								
During the reporting period	3 698 926	4 065 191	5 060 716	5 801 582	4 474 076	4 469 442		
1 year later		4 479 433	5 336 038	6 320 026	4 505 011	5 316 475		
2 years later			5 478 232	6 327 418	4 347 950	5 826 940		
3 years later				5 863 194	4 247 466	5 710 223		
4 years later					4 212 654	6 250 905		
5 years later						8 111 324		
<b>Total undiscounted foreseeable losses</b>	<b>3 698 926</b>	<b>4 479 433</b>	<b>5 478 232</b>	<b>5 863 194</b>	<b>4 212 654</b>	<b>8 111 324</b>	<b>9 726 233</b>	<b>41 569 996</b>
<b>Indemnified losses</b>								
During the reporting period	2 704 566	2 891 370	3 604 519	3 529 242	3 006 149	3 303 321		
1 year later		3 783 495	4 742 453	5 302 971	4 007 510	4 119 298		
2 years later			4 843 833	5 563 357	4 069 337	4 412 457		
3 years later				5 618 805	4 126 193	4 520 743		
4 years later					4 135 910	4 685 127		
5 years later						4 796 539		
<b>Cumulative benefits</b>	<b>2 704 566</b>	<b>3 783 495</b>	<b>4 843 833</b>	<b>5 618 805</b>	<b>4 135 910</b>	<b>4 796 539</b>		<b>25 883 148</b>
<b>Liabilities for total losses</b>	<b>994 360</b>	<b>695 938</b>	<b>634 399</b>	<b>244 389</b>	<b>76 744</b>	<b>3 314 786</b>	<b>9 726 233</b>	<b>15 686 848</b>
<b>Discounting</b>								<b>-6 447 450</b>
<b>Risk adjustment</b>								<b>458 873</b>
<b>Liabilities for total losses</b>								<b>9 698 271</b>

Losses of other insurance products, including comprehensive insurance, property insurance, land vehicle owner's liability insurance and travel insurance, are generally indemnified within one year of the occurrence of the damage, which is why no table of damage is presented for these types of insurance.

	Estimate of the present value of future cash flows	Risk adjustment	Total
Motor third party liability insurance	9 239 398	458 873	9 698 271
Motor casco insurance	603 472	42 627	646 099
Carrier's liability Insurance	138 091	9 547	147 638
Travel insurance	4 451	329	4 780
Property insurance	71 135	5 313	76 448
<b>Total</b>	<b>10 056 547</b>	<b>516 689</b>	<b>10 573 236</b>

### *Reinsurance*

Reinsurance contracts are contracts under which a company takes over the insurance risks of another insurer with the aim of paying the insurer an agreed amount of compensation in the event of an insured event under the insurance contract concluded between the insurer and the policyholder.

In the case of motor third party liability insurance, a two-layer loss ceiling, i.e. XL reinsurance, is used. Elama's deductible under the XL contract in 2025 was 1 million euros, and based on reinsurance contracts concluded for 2026, Elama's deductible is 0,75 million euros. To reduce the net deductible of the XL contract Elama, proportional reinsurance with a quota share of 30,0% was also used in the case of motor third party liability insurance and motor casco insurance in 2025. A quota share reinsurance contract with a 30% ceded part has also been concluded in motor third party liability insurance for 2026.

For other lines of business, reinsurance was not used.

### *Credit risk in insurance business*

Credit risk is a risk, the realisation of which may result in loss due to the insolvency of the other party. Live credit risk is caused by non-payment of invoices by a customer, intermediary or reinsurer.

Intermediaries bear the credit risk of their clients. The credit risk of intermediaries is hedged by regulations, such as the termination of a marketing authorisation. In order to hedge the credit risk of reinsurers, the solvency and reliability of the reinsurance undertaking are analysed before each reinsurance contract is concluded.

Receivables from reinsurance are broken down by credit ratings as follows:

Rating	31.12.2025	%	31.12.2024	%
AA-	1 224 429	26,0%	1 495 795	26,4%
A+	1 610 596	34,2%	2 066 192	36,4%
A	273 142	5,8%	305 661	5,4%
A-	103 606	2,2%	118 305	2,1%
B++	47 093	1,0%	54 887	1,0%
Unrated	1 445 768	30,7%	1 623 142	28,6%
<b>Total</b>	<b>4 709 344</b>	<b>100%</b>	<b>5 669 652</b>	<b>100%</b>

As of 31.12.2025, the overdue amount of exposures to risk was 137 699 euros, of which 127 300 euros was received in January 2026.

#### *Liquidity risk in insurance business*

The liquidity risk arising from insurance contracts is related to the obligations of the insurer. In order to fulfil its obligations, Elama keeps part of its financial resources in current accounts and short-term deposit deposits, which allows it to obtain funds quickly enough if necessary.

The tables below present the portfolios of insurance contracts issued by maturity, based on estimates of the present value of future cash flows expected to be paid out in the periods presented.

<b>As of 31.12.2025</b>	<b>Within 12 months</b>	<b>After 12 months</b>	<b>Total</b>
<b>Liabilities from insurance contracts</b>			
Motor third party liability insurance	3 529 518	8 056 559	11 586 077
Motor casco insurance	1 422 314	1 144	1 423 457
Carrier's liability Insurance	149 354	9 135	158 489
Travel insurance	98 224	5	98 228
Property insurance	657 115	16 976	674 090
<b>Total</b>	<b>5 856 525</b>	<b>8 083 818</b>	<b>13 940 343</b>

<b>As of 31.12.2024</b>	<b>Within 12 months</b>	<b>After 12 months</b>	<b>Total</b>
<b>Liabilities from insurance contracts</b>			
Motor third party liability insurance	2 759 497	11 476 029	14 235 526
Motor casco insurance	285 431	0	285 431
Carrier's liability Insurance	108 254	4 989	113 243
Travel insurance	72 515	5 052	77 568
Property insurance	6 078	0	6 078
<b>Total</b>	<b>3 231 775</b>	<b>11 486 070</b>	<b>14 717 845</b>

Elama has separately assessed future cash flows related to losses, which are expected to take place more than 12 months after the balance sheet date.

<b>Expected cash flow</b>	<b>2025</b>	<b>2024</b>
12 – 24 months later	870 508	463 011
25 – 36 months later	444 131	352 959
37 – 48 months later	384 874	299 635
37 – 48 months later	376 951	355 629
49 – 60 months later	266 510	262 415
More than 60 months later	5 740 844	9 752 422
<b>Total</b>	<b>8 083 818</b>	<b>11 486 070</b>

### Market Risk in Insurance Operations

Market risk is the risk that changes in market prices will have an impact on Elama's income from insurance contracts. Hedging the market risk arising from insurance activities is to maintain Elama's competitiveness. To maintain this, Elama adjusts prices, offers different types of insurance and monitors the dynamics of the rest of the insurance market.

### Financial risks

Different financial risks are credit, liquidity risk and market risk, with the latter being divided into currency risk, interest rate risk and other price risk.

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to another because it is unable to meet an obligation. In this context, the other side can be understood as the banks where deposits are held, as well as the issuers of bonds. In addition, credit risk may be caused by non-payment of invoices by the customer, intermediary or reinsurer. To hedge credit risk, changes in the creditworthiness of the counterparty are constantly monitored. Elama has assessed the credit risk of counterparties as at the balance sheet date and found the expected amount of credit losses. The credit risk of receivables is reflected in the chapter on insurance risk.

Elama's deposits are up to 1 year long, so in this annual report, the deposit rating has been assessed using the long-term bank deposit rating.

Deposits are distributed by credit ratings as follows (Note 14):

Rating	31.12.2025	%	31.12.2024	%
A-	1 504 556	100,0%	5 041 778	71,5%
BBB+	0	0,0%	2 014 400	28,5%
<b>Total</b>	<b>1 504 556</b>	<b>100%</b>	<b>7 056 178</b>	<b>100%</b>

Demand deposits are divided by credit ratings as follows (Note 11):

Rating	31.12.2025	%	31.12.2024	%
A+	2 205 876	62,2%	707 225	35,7%
A	0	0,0%	853 470	43,1%
A-	549 031	15,5%	179 102	9,0%
BBB+	690 208	19,5%	214 756	10,8%
Unrated	102 164	2,9%	27 854	1,4%
<b>Total</b>	<b>3 547 279</b>	<b>100%</b>	<b>1 982 408</b>	<b>100%</b>

Bonds and shares recognised at adjusted acquisition cost and real estate fund units are divided by credit ratings as follows (Note 14):

Rating	31.12.2025	%	31.12.2024	%
A+	504 436	7,8%	504 073	25,0%
A	755 371	11,7%	0	0,0%
A-	503 345	7,8%	408 072	20,2%
BBB	874 422	13,6%	1 105 717	54,8%
BBB-	214 151	3,3%	0	0,0%
B	191 167	3,0%	0	0,0%
Unrated	3 392 277	52,7%	0	0,0%
<b>Total</b>	<b>6 435 170</b>	<b>100%</b>	<b>2 017 862</b>	<b>100%</b>

Bonds recognised at fair value through profit or loss are divided by credit ratings as follows:

<b>Rating</b>	<b>31.12.2025</b>	<b>%</b>	<b>31.12.2024</b>	<b>%</b>
BBB+	525 604	14,3%	1 127 107	31,7%
BBB	475 178	12,9%	0	0,0%
BBB-	0	0,0%	505 465	14,2%
BB	213 295	5,8%	0	0,0%
Unrated	2 459 819	67,0%	1 919 182	54,0%
<b>Total</b>	<b>3 673 896</b>	<b>100%</b>	<b>3 551 754</b>	<b>100%</b>

#### *Liquidity risk*

Liquidity risk is the risk that an insurance company will not be able to realise its investments and other assets to meet its financial obligations in a timely manner. It is estimated that all Elama's obligations, except for the provisions of insurance contracts, will be fulfilled during the year. Liquidity risk has been mitigated by investing in term deposits of up to one year and by keeping a sufficient buffer in the current account.

#### *Market risk*

Market risk is related to general fluctuations in exchange rates, interest rates and the values of financial assets, affecting their values in an unfavourable direction.

*The interest rate risk* is related to the change in the value of the financial instruments chosen by Elama in a direction that causes financial losses to Elama.

In order to reduce the interest rate risk, Elama has invested a significant part of its available funds in fixed-rate term deposits.

Elama bond investments are made in fixed-yield bonds with an interest rate that is significantly higher than the average market interest rate. Elama plans to hold investments until the maturity of the bond, which is why the temporary decrease in the market price of the security due to changes in interest rates does not affect Elama's decision to hold the security.

Financial investments by maturity are presented in Note 14.

Elama is also exposed to interest rate risk through liabilities of losses and the corresponding reinsurance assets, where cash flows are not expected to be paid out within a year from the occurrence of the losses. Elama exposure to interest rates in insurance and reinsurance contracts is as follows:

	<b>2025</b>	<b>2024</b>
<b>Insurance contract assets</b>		
Reinsurance	3 819 871	5 936 851
<b>Total</b>	<b>3 819 871</b>	<b>5 936 851</b>
<b>Insurance contract liabilities</b>		
Motor third party liability insurance	8 056 559	11 476 029
Motor casco insurance	1 144	0
Carrier's liability Insurance	9 135	4 989
Travel insurance	5	5 052
Other lines of insurance	16 976	0
<b>Total</b>	<b>8 083 818</b>	<b>11 486 070</b>

Elama has assessed the sensitivity of the assets and liabilities of insurance contracts as well as the market price of debt instruments to possible changes in the interest rate.

	Change in the interest rate	2025		2024	
		Impact on the outcome	Impact on equity	Impact on the outcome	Impact on equity
Insurance and reinsurance contracts	+50pp	4,6%	0,1%	1,7%	0,2%
Debt instruments	+50pp	-58,3%	-1,8%	-16,5%	-1,9%
Insurance and reinsurance contracts	-50pp	-4,6%	-0,1%	-1,7%	-0,2%
Debt instruments	-50pp	61,4%	1,9%	18,1%	2,1%

*Currency risk* is related to the change in the exchange rate of financial assets denominated in a foreign currency, affecting the future cash flows of assets denominated in a foreign currency. To reduce currency risks, the available funds in the banks are kept in euros. As of 31.12.2025, Elama had no assets or liabilities in other currencies.

*Other price risk* is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. To reduce the risk, Elama has placed the available funds in term deposits.

### ***Fair value***

Elama financial assets consist mainly of deposits and corporate bonds. In addition, Elama's investment portfolio includes a limited number of shares of companies traded on the market. In the case of level 1 freely traded bonds, Elama checks the market price of the bond when determining the fair value. In the case of Level 2 bonds, Elama has used a *yield-to-call* methodology to assess fair value.

Deposits are made on market terms with a maturity of up to one year, which is why the fair value does not differ significantly from the book value.

As of 31.12.2025	Carrying amount	Fair value, incl.	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>					
Bonds at fair value	3 673 896	3 673 896	841 761	2 832 136	0
Stocks and equity funds	914 253	914 253	914 253	0	0
Real estate fund units	210 050	210 050	0	210 050	0
<b>Total</b>	<b>4 798 199</b>	<b>4 798 199</b>	<b>1 756 014</b>	<b>3 042 186</b>	<b>0</b>
<b>Assets whose fair value is disclosed</b>					
Deposits	1 504 556	1 504 556	0	0	1 504 556
Bonds, adjusted cost	5 310 867	5 637 799	4 471 162	1 166 637	0
<b>Total</b>	<b>6 815 422</b>	<b>7 142 354</b>	<b>4 471 162</b>	<b>1 166 637</b>	<b>1 504 556</b>
<b>Total financial investments</b>	<b>11 613 621</b>	<b>11 940 553</b>	<b>6 227 175</b>	<b>4 208 823</b>	<b>1 504 556</b>

As of 31.12.2024	Carrying amount	Fair value, incl.	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>					
Bonds at fair value	2 757 310	2 757 310	505 465	2 251 845	0
Stocks and equity funds	794 444	794 444	794 444	0	0
<b>Total</b>	<b>3 551 754</b>	<b>3 551 754</b>	<b>1 299 909</b>	<b>2 251 845</b>	<b>0</b>
<b>Assets whose fair value is disclosed</b>					
Deposits	7 056 178	7 056 178	0	0	7 056 178
Bonds, adjusted cost	2 017 862	2 071 689	2 071 689	0	0
<b>Total</b>	<b>9 074 040</b>	<b>9 127 867</b>	<b>2 071 689</b>	<b>0</b>	<b>7 056 178</b>
<b>Total financial investments</b>	<b>12 625 794</b>	<b>12 679 621</b>	<b>3 371 598</b>	<b>2 251 845</b>	<b>7 056 178</b>

### ***Capital management***

The purpose of Elama's capital management is to comply with internal and regulatory capital requirements during business planning. As of 1 January 2016, the Solvency II Directive has been in force, which introduced new rules on capital requirements and free capital. Elama started using a standard formula to calculate the solvency capital requirement.

Elama has first-level own funds. Elama follows a tactic to ensure that own funds are quickly available. The criterion of the level of own funds and the control that the items are not encumbered are ensured by Elama Accounting and Management in accordance with the law and the guidelines of the Financial Supervision Authority. When it comes to dividend payments, the company's medium-term plan is conservative. Dividends will not be paid if the difference between Elama's own funds and the established tolerance limit is less than two million euros. After that, up to half of the profit of the previous balance sheet year can be paid out as dividends in one year, provided that it does not significantly damage the company's financial position.

The solvency capital requirement is calculated quarterly and, if necessary, the amount of own funds is adjusted. The management board of Elama has maintained a conservative policy in investing capital and assets that exceed the minimum required by law to ensure the interests of policyholders and the sustainability of Elama. When investing assets, the management board monitors that optimal returns and security of investments and diversification of investments are ensured, while maintaining Elama constant liquidity. In the activity of Elama, the change of capital occurs at the expense of the internally generated capital.

#### **Annex 4. Insurance and reinsurance contracts**

The following table shows the distribution of the groups of insurance and reinsurance contracts issued and the reinsurance contracts held according to whether they are in the position of assets or liabilities (see also Annex 5).

	2025			2024		
	Asset	Liability	Net position	Asset	Liability	Net position
<b>Insurance contracts</b>						
Motor third party liability insurance	0	11 585 979	-11 585 979	0	14 235 526	-14 235 526
Motor casco insurance	0	1 420 248	-1 420 248	0	285 431	-285 431
Carrier's liability Insurance	0	158 489	-158 489	0	113 243	-113 243
Travel insurance	0	98 228	-98 228	0	77 568	-77 568
Property insurance	0	674 090	-674 090	0	6 078	-6 078
<b>Total insurance contracts</b>	<b>0</b>	<b>13 937 035</b>	<b>-13 937 035</b>	<b>0</b>	<b>14 717 845</b>	<b>-14 717 845</b>
<b>Reinsurance contracts</b>						
Motor third party liability insurance XL treaty	2 285 225	0	2 285 225	2 615 053	0	2 615 053
Quota Share treaty for motor third party and motor casco insurance	3 117 004	811 361	2 424 118	3 596 143	541 544	3 054 599
Property insurance quota treaty	6 973	6 972	1	0	0	0
<b>Total reinsurance contracts</b>	<b>5 409 201</b>	<b>699 858</b>	<b>4 709 344</b>	<b>6 211 196</b>	<b>541 544</b>	<b>5 669 652</b>

## ***Annex 5. Analysis of insurance contracts by losses incurred and remaining insurance cover liabilities***

The following comparison of the opening and closing balances shows how the amounts recorded in the income statement resulted in a change in the book value of the liability for remaining coverage and the liability for incurred claims by the end of the year.

As of 31.12.2025	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		Total
	Excluding the damage component	Damage component	Estimate of the present value of future cash flows	Risk correction	
Opening balance of insurance contract liabilities 01.01.2025	2 269 842	0	11 479 661	968 343	14 717 845
Opening balance of insurance contract assets 01.01.2025	0	0	0	0	0
<b>Net liabilities under insurance contract 01.01.2025</b>	<b>2 269 842</b>	<b>0</b>	<b>11 479 661</b>	<b>968 343</b>	<b>14 717 845</b>
Revenue from insurance contracts	-9 386 926				-9 386 926
Losses from onerous contracts		216 898			216 898
Amortization of insurance acquisition cash flows	1 209 093				1 209 093
Incurred benefits and expenses			10 381 925	827 174	11 209 099
Changes that relate to past service - adjustments in LIC			-2 540 149	-1 278 828	-3 818 977
<b>Insurance service result</b>	<b>-8 177 833</b>	<b>216 898</b>	<b>7 841 776</b>	<b>-451 654</b>	<b>-570 813</b>
<b>Financial cost of insurance contracts</b>			<b>-770 391</b>		<b>-770 391</b>
<b>Total changes in the statement of comprehensive income</b>	<b>-8 177 833</b>	<b>216 898</b>	<b>7 071 385</b>	<b>-451 654</b>	<b>-1,341,204</b>
<b>Cash flows</b>					
Insurance premiums received	10 214 640				10 214 640
Acquisition expenses paid	-1 159 748				-1 159 748
Costs of insurance services paid			-8 494 499		-8 494 499
<b>Total cash flows</b>	<b>9 054 893</b>		<b>-8 494 499</b>		<b>560 394</b>
<b>Net liabilities of insurance contracts 31.12.2025</b>	<b>3 146 901</b>	<b>216 898</b>	<b>10 056 547</b>	<b>516 689</b>	<b>13 937 035</b>
Final balance of insurance contract liabilities 31.12.2025	3 146 901	216 898	10 056 547	516 689	13 937 035
Final balance of insurance contract assets on 31.12.2025	0	0	0	0	0

As of 31.12.2024	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		Total
	Excluding the damage component	Damage component	Estimate of the present value of future cash flows	Risk correction	
Opening balance of insurance contract liabilities 01.01.2024	2 395 293	0	11 611 760	981 725	14 988 778
Opening balance of insurance contract assets 01.01.2024	0	0	0	0	0
<b>Net liabilities of the insurance contract 01.01.2024</b>	<b>2 395 293</b>	<b>0</b>	<b>11 611 760</b>	<b>981 725</b>	<b>14 988 778</b>
Revenue from insurance contracts	-6 999 226				-6 999 226
Losses from onerous contracts		0			0
Amortization of insurance acquisition cash flows	550 670				550 670
Incurred benefits and expenses			8 092 396	694 165	8 786 561
Changes that relate to past service - adjustments in LIC			-2 021 812	-707 547	-2 729 359
<b>Insurance service result</b>	<b>-6 448 556</b>	<b>0</b>	<b>6 070 584</b>	<b>-13 382</b>	<b>-391 354</b>
<b>Financial cost of insurance contracts</b>			<b>428 879</b>		<b>428 879</b>
<b>Total changes in the statement of comprehensive income</b>	<b>-6 448 556</b>	<b>0</b>	<b>6 499 463</b>	<b>-13 382</b>	<b>37 526</b>
<b>Cash flows</b>					
Insurance premiums received	6 822 622				6 822 622
Acquisition expenses paid	-499 518				-499 518
Costs of insurance services paid			-6 631 563		-6 631 563
<b>Total cash flows</b>	<b>6 323 104</b>		<b>-6 631 563</b>		<b>-308 458</b>
<b>Net liabilities under insurance contract 31.12.2024</b>	<b>2 269 842</b>	<b>0</b>	<b>11 479 661</b>	<b>968 343</b>	<b>14 717 845</b>
Final balance of insurance contract liabilities 31.12.2024	2 269 842	0	11 479 661	968 343	14 717 845
Final balance of insurance contract assets 31.12.2024	0	0	0	0	0

The following comparison of opening and closing balances shows how the amounts recorded in the income statement and cash flow statement resulted in a change in the book value of the assets for remaining coverage and assets for incurred claims by the end of the year.

As of 31.12.2025	Asset for remaining coverage (ARC)		Asset for incurred claims (AIC)		Total
	Excluding the loss-absorbing component	Loss Absorption Component	Estimate of the present value of future cash flows	Risk correction	
Opening balance of reinsurance assets 01.01.2025		0	5 731 380	479 816	6 211 196
Opening balance of the reinsurance liability 01.01.2025	-541 544	0	0	0	-541 544
<b>Net assets of the reinsurance contract as of 01.01.2025</b>	<b>-541 544</b>	<b>0</b>	<b>5 731 380</b>	<b>479 816</b>	<b>5 669 652</b>
Reinsurance premiums	-2 136 488				-2 136 488
Amounts recoverable for claims and expenses			1 536 998	104 054	1 641 053
Changes that relate to past service - adjustments in AIC			-381 525	-312 972	-694 497
Change in the risk of non-performance of reinsurance			-743		-743
<b>Net reinsurance income or expenses</b>	<b>-2 136 488</b>	<b>0</b>	<b>1 154 731</b>	<b>-208 918</b>	<b>-1 190 676</b>
<b>Financial income from reinsurance contracts</b>			<b>-452 750</b>		<b>-452 750</b>
<b>Total changes in the statement of comprehensive income</b>	<b>-2 136 488</b>	<b>0</b>	<b>701 981</b>	<b>-208 918</b>	<b>-1 643 425</b>
<b>Cash flows</b>					
Reinsurance premiums paid	1 978 175				1 978 175
Recoveries from reinsurance contracts			-1 295 058		-1 295 058
<b>Total cash flows</b>	<b>1 978 175</b>		<b>-1 295 058</b>		<b>683 117</b>
<b>Net assets of the reinsurance contract as at 31.12.2025</b>	<b>-699 858</b>	<b>0</b>	<b>5 138 303</b>	<b>270 898</b>	<b>4 709 344</b>
Final balance of reinsurance assets at 31.12.2025		0	5 138 303	270 898	5 409 201
Final balance of the reinsurance liability at 31.12.2025	-699 858	0	0	0	-699 858

As of 31.12.2024	Asset for remaining coverage (ARC)		Asset for incurred claims (AIC)		Total
	Excluding the loss-absorbing component	Loss Absorption Component	Estimate of the present value of future cash flows	Risk correction	
Opening balance of reinsurance assets on 01.01.2024	0	0	5 507 473	459 323	5 966 796
Opening balance of the reinsurance liability 01.01.2024	13 162	0	0	0	13 162
<b>Net assets of the reinsurance contract as of 01.01.2024</b>	<b>-13 162</b>	<b>0</b>	<b>5 507 473</b>	<b>459 323</b>	<b>5 953 634</b>
Reinsurance premiums	-2 038 047	0			-2 038 047
Amounts recoverable for claims and expenses			2 301 816	190 345	2 492 161
Changes that relate to past service - adjustments in AIC			-1 197 418	-169 852	-1 367 269
Change in the risk of non-performance of reinsurance			0		0
<b>Net reinsurance income or expenses</b>	<b>-2 038 047</b>	<b>0</b>	<b>1 104 399</b>	<b>20 493</b>	<b>-913 155</b>
<b>Financial income from reinsurance contracts</b>			<b>241 400</b>		<b>241 400</b>
<b>Total changes in the statement of comprehensive income</b>	<b>-2 038 047</b>	<b>0</b>	<b>1 345 798</b>	<b>-20 493</b>	<b>-671 756</b>
<b>Cash flows</b>					
Reinsurance premiums paid	1 509 665				1 509 665
Recoveries from reinsurance contracts			-1 121 891		-1 121 891
<b>Total cash flows</b>	<b>1 509 665</b>		<b>-1 121 891</b>		<b>387 774</b>
<b>Net assets of the reinsurance contract as of 31.12.2024</b>	<b>-541 544</b>	<b>0</b>	<b>5 731 380</b>	<b>479 816</b>	<b>5 669 652</b>
Final balance of reinsurance assets on 31.12.2024	0	0	5 731 380	479 816	6 211 196
Final balance of the reinsurance liability on 31.12.2024	541 544	0	0	0	541 544

### ***Annex 6. Revenue from insurance contracts and insurance service expenses***

	<b>2025</b>	<b>2024</b>
Motor third party liability insurance	5 336 257	6 146 525
Motor casco insurance	2 698 389	531 117
Travel insurance	382 243	161 521
Property insurance	58 272	2 348
Carrier's liability insurance	128 861	152 821
Financial loss insurance	782 903	4 894
<b>Total income from insurance contracts</b>	<b>9 386 926</b>	<b>6 999 226</b>
Losses incurred and claims handling costs	5 228 078	4 154 035
Acquisition expenses	1 209 093	550 670
Administration and other fixed costs	2 378 942	1 954 219
<b>Total cost of insurance service</b>	<b>8 816 113</b>	<b>6 658 924</b>

### ***Annex 7. Financial Returns Earned***

The following table shows the result of investing Elama assets. The financial income and expenses of insurance are presented in Notes 8 and 9.

	<b>2025</b>	<b>2024</b>
Interest income	697 650	457 001
Change in fair value	240 627	353 819
Change in estimated credit loss	-311 723	-24 427
Calculated dividends	29 765	0
Proceeds from the sale of shares	15 609	0
Investment costs	-2 256	-356
<b>Total</b>	<b>669 672</b>	<b>786 038</b>

### ***Annex 8. Financial cost of insurance contracts***

The table below explains the effect of the change in the discount rate used on liabilities arising from insurance contracts (see also Note 5).

	<b>2025</b>	<b>2024</b>
Interest allocated to insurance contracts	-251 188	-334 441
Change in interest rate assumptions	1 021 578	-94 438
<b>Total financial cost of insurance contracts (+ income)</b>	<b>770 390</b>	<b>-428 879</b>

### ***Annex 9. Financial income from reinsurance contracts***

The table below explains the effect of the change in the discount rate used in the calculation of assets arising from reinsurance contracts (see also Note 5).

	<b>2025</b>	<b>2024</b>
Interest allocated to reinsurance contracts	116 365	187 638
Change in interest rate assumptions	-569 114	53 762
<b>Total financial income (- cost) of reinsurance contracts</b>	<b>-452 750</b>	<b>241 400</b>

### ***Annex 10. Other income and expenses***

Other income from Elama was as follows:

	<b>2025</b>	<b>2024</b>
Compensation for handling costs received from the mediation of a foreign company	70 382	44 788
Expired liabilities	0	296 856
Income from the sale of fixed assets	0	835 455
Compensation for handling costs received from the mediation of an Estonian society	61 996	78 282
Other revenue	51 634	104 699
<b>Total</b>	<b>184 012</b>	<b>1 360 080</b>

Other income includes, among other things, the amounts received during the debt collection process that were previously written off as expenses.

Other expenses for living were as follows:

	<b>2025</b>	<b>2024</b>
Office expenses	5 955	67 763
EKsL membership fee	16 225	9 826
Legal aid	7 217	3 327
Rent interest expense	15 538	10 463
Audit expenses	83 260	145 102
Marketing costs	92 646	259 395
Internal audit service	17 994	6 637
Outsourced services	22 756	75 322
Other costs	89 608	111 888
<b>Total</b>	<b>351 198</b>	<b>689 723</b>

Other expenses include expenses with a smaller share, such as business travel expenses, training expenses, representation expenses, guest reception expenses, etc.

### ***Annex 11. Cash and equivalents***

	<b>31.12.2025</b>	<b>31.12.2024</b>
Demand deposits	3 046 925	1 982 408
Short-term deposits	500 354	0
<b>Total</b>	<b>3 547 279</b>	<b>1 982 408</b>

### ***Annex 12. Other requirements***

	<b>31.12.2025</b>	<b>31.12.2024</b>
<b>Receivables from insurance business</b>		
Recourse and residual asset receivables	111 257	169 583
<b>Total</b>	<b>111 257</b>	<b>169 583</b>
<b>Other requirements</b>		
Receivables from claim mediation of foreign companies	35 264	53 695
Receivables from claims mediation	115 811	63 817
<b>Total</b>	<b>151 074</b>	<b>117 513</b>
<b>All together</b>	<b>262 331</b>	<b>287 096</b>

Recourse claims include long-term claims that have not yet been paid, for which a recourse receipt schedule has been concluded. Residual assets receivables reflect residual assets that have been taken over pending sale. Recourse claims have been adjusted by the expected credit loss.

### ***Annex 13. Prepaid expenses and accruals***

	<b>31.12.2025</b>	<b>31.12.2024</b>
<b>Prepaid expenses and accruals</b>		
Advance payment of the supervision fee of the Financial Supervision Authority	49 745	44 027
Prepaid costs	51 004	30 411
Accrued receipts	2 060	772
<b>Total</b>	<b>102 810</b>	<b>75 210</b>

## **Annex 14. Financial investments**

The breakdown of financial assets by the method of recognition recorded in the statement of financial position of Elama is presented in the following table.

	<b>31.12.2025</b>	<b>31.12.2024</b>
<b>Assets recognised at amortized cost</b>		
Deposits	1 504 556	7 056 178
Bonds	5 310 867	2 017 862
<b>Total assets at adjusted amortized cost</b>	<b>6 815 423</b>	<b>9 074 040</b>
<b>Assets recognised at fair value through profit or loss</b>		
Bonds	3 673 896	2 757 310
Stocks and equity funds	914 253	794 444
Shares of real estate funds	210 050	0
<b>Total assets at fair value</b>	<b>4 798 199</b>	<b>3 551 754</b>
<b>Total financial investments</b>	<b>11 613 622</b>	<b>12 625 794</b>

The distribution of deposits from the reporting date to the redemption deadline is as follows:

	<b>31.12.2025</b>	<b>31.12.2024</b>
Term up to 3 months	1 504 556	1 013 178
Term 3 to 6 months	0	2 014 400
Term 6 to 9 months	0	2 014 400
Term 9 to 12 months	0	2 014 200
<b>Total</b>	<b>1 504 556</b>	<b>7 056 178</b>

The breakdown of bonds by issuer credit ratings is as follows:

	<b>31.12.2025</b>	<b>31.12.2024</b>
A+	2 177 124	909 559
BBB+	2 079 845	2 740 875
Unrated	4 727 793	1 124 738
<b>Total</b>	<b>8 984 763</b>	<b>4 775 172</b>

## Annex 15. Tangible fixed assets

	Right-of-use property	Buildings	Other property, plant and equipment	Total
<b>Acquisition cost</b>				
Acquisition cost as of 31.12.2023	0	287 346	23 720	311 066
Sale of asset	0	-287 346	0	-287 346
Acquisition of asset	322 583	0	0	322 583
Write-off of asset	0	0	-23 720	-23 720
Acquisition cost as at 31.12.2024	322 583	0	0	322 583
Acquisition of asset	16 154	0	0	16 154
Acquisition cost as of 31.12.2025	338 737	0	0	338 737
<b>Accumulated depreciation</b>				
Accumulated depreciation 31.12.2023	0	-217 263	-2145	-219 408
Depreciation expense for the reporting period	-37 635	-4 310	-0	-41 945
Accumulated depreciation of sold fixed assets	0	221 573	116 986	116 986
Accumulated depreciation of written off fixed assets	0	0	2 145	2 145
Accumulated depreciation 31.12.2024	-37 635	0	0	-37 635
Depreciation expense for the reporting period	-66 401	0	0	-66 401
Accumulated depreciation 31.12.2025	-104 036	0	0	-104 036
<b>Residual value</b>				
Residual value as at 31.12.2023	0	70 083	21 575	91 658
Residual value as at 31.12.2024	284 948	0	0	284 948
Residual value as at 31.12.2025	234 701	0	0	234 701

The lease agreement in which Elama is the lessee is reflected in the table *above in the Right of Use Property* column. Elama rents office space for its own use. The liabilities arising under the lease agreements are presented in Note 17 and the interest expense of the lease liabilities is presented in Note 10.

## Annex 16. Intangible fixed assets

	Intangible fixed assets	Total
<b>Acquisition cost</b>		
Acquisition cost as of 31.12.2023	0	0
Acquisition of intangible fixed assets	429 882	429 882
Acquisition cost as at 31.12.2024	429 882	429 882
Acquisition of intangible fixed assets	372 531	372 531
Acquisition cost as of 31.12.2025	802 413	802 413
<b>Accumulated depreciation</b>		
Accumulated depreciation 31.12.2023	0	0
Depreciation expense for the reporting period	-34 909	-34 909
Accumulated depreciation 31.12.2024	-34 909	-34 909
Depreciation expense for the reporting period	-121 420	-121 420
Accumulated depreciation 31.12.2025	-156 329	-156 329
<b>Residual value</b>		
Residual value as at 31.12.2023	0	0
Residual value as at 31.12.2024	394 973	394 973
Residual value as at 31.12.2025	646 083	646 083

## Annex 17. Other liabilities

	31.12.2025	31.12.2024
Tax arrears	115 535	118 263
Payables to contractors	245 975	97 961
Payables to suppliers	53 886	37 734
Lease liabilities	246 875	292 231
Estonian Motor Insurance Bureau membership fee	21 151	7 361
Unpaid returns to customers	11 779	44 159
Other liabilities	205	0
<b>Total</b>	<b>695 406</b>	<b>597 709</b>

Elama does not have short-term or low-value lease agreements.

Lease liabilities have developed as follows:	Lease liability
Initial recognition	322 583
Lease payments made	-40 815
Calculated interest	10 463
<b>Balance as at 31.12.2024</b>	<b>292 231</b>
Change in liabilities	16 154
Lease payments made	-77 049
Calculated interest	15 538
<b>Balance as at 31.12.2025</b>	<b>246 875</b>

## ***Annex 18. Equity***

### ***Share capital***

As of 31.12.2025, the share capital of Elama Kindlustus AS was 4 012 392 euros. The share capital is divided into 6.276 million shares without par value. Each share entitles to dividends, if they are announced, and one vote at the general meeting of shareholders.

	<b>31.12.2025</b>	<b>31.12.2024</b>
Paid-up share capital	4 012 392	4 012 392
Number of shares (pcs)	6 276 265	6 276 265

As of 31.12.2025, Elama had 19 shareholders. The largest shareholder is OÜ R-Holding, which owns 18,7% of the shares of Elama. The six largest shareholders own a total of 67,1% of Elama's shares.

### ***Share premium***

The share premium may be used to cover accumulated losses and increase the share capital through a bonus issue.

As of 31.12.2025, the share premium was 1 619 euros (31.12.2024: 1 619 euros)

### ***Reserve capital***

The reserve capital has been formed based on the provisions of the Insurance Activities Act in force until 31 December 2004 from the provisions of net profit and the voluntary reserve capital from the contributions made by the shareholders in 2024 and 2025. The Insurance Activities Act, which entered into force on 1 January 2005, no longer regulates the formation of reserve capital.

During 2025, the shareholders of Elama made contributions to the voluntary reserve capital in the amount of EUR 278 937.

As of 31.12.2025, the amount of the reserve capital of Elama was 1 573 391 euros (31.12.2024: 1 294 454 euros).

## ***Annex 19. Contingent liabilities***

Elama's profit for the accounting year was 200 264 euros, and retained earnings as at 31.12.2025 were 696 062 euros. It is estimated that Elama would be able to pay dividends in the amount of 699 134 euros in 2026, the corresponding income tax liability in 2026 would be 197 192 euros. Elama has decided not to pay dividends in 2026.

## ***Annex 20. Transactions with related parties***

Related parties are the shareholders of Elama, members of the management board and supervisory board of Elama, their close relatives and other persons over whom the said persons have a significant influence.

<b>Transactions</b>	<b>2025</b>	<b>2024</b>
Calculated insurance premiums for the members of the management board	3 101	3 767

Calculated insurance premiums for the members of the Supervisory Board	1 658	1 872
Calculated insurance premiums for the company related to the members of the supervisory board	8 410	745
Indemnities paid to the company related to the members of the supervisory board	9 228	0

In 2025, the remuneration calculated for the members of the management board was 235081 euros, to which social tax of 77 577 euros was added (in 2024, the remuneration calculated for a member of the management board was 255 619 euros, plus social tax of 84 354 euros). In 2025, the remuneration of the members of the Supervisory Board was 44 207 euros, to which a social tax of 14 588 euros was added (in 2024: 38 282 euros, plus a social tax of 12 633 euros).

Elama has not entered into service contracts with the members of the company's supervisory board, or the companies related to them.

There is no compensation for the members of the supervisory board upon resignation. In the event of termination of the contract, the members of the Management Board are provided with a one-time compensation in the amount of 9 months' gross remuneration. No performance pay has been calculated for the members of the Management Board and the Supervisory Board for 2025.

### ***Annex 21. Events after the reporting date***

The financial statements reflect all significant events affecting the valuation of assets and liabilities that occurred between the reporting date (31 December 2025) and the date of approval for publication of the financial statements (27 February 2026), but relate to transactions that took place during the reporting period or in an earlier period.

No such significant events have occurred since the reporting date.

## Signatures of the Management Board for the 2025 Annual Report

The Management Board of Elama Kindlustus AS has prepared the management report and annual accounts for 2025.

February 27, 2026



Jaanus Seppa  
Member of the Management Board  
Board



Tanel Kurs  
Member of the Management  
Board

## Profit distribution proposal

Retained earnings from previous periods	696 062
Profit for 2025	200 264
Total distributable profit as at 31.12.2025	896 326

The Management Board proposes not to pay dividends and to transfer the profit for 2025 in full to the retained earnings line of previous periods.

## List of shareholders holding more than 10% of shares

The list of shareholders owning more than 10% of the shares of Elama Kindlustus AS as of 31.12.2025 was as follows.

1. OÜ R-Holding, shareholding 18,66%
2. Tavid AS, shareholding 18,21%

## List of activities

### **Areas of activity for the reporting period 01.01–31.12.2025 Income from insurance contracts**

Non-life insurance (65121)	EUR 9 386 926
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### **Planned areas of activity for the reporting period 01.01–31.12.2026**

Non-life insurance (65121)	
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