

SCR results for year-end 2026

1. Introduction

1.1 Overview

This report summarises the Solvency Position of Smart Insurance Ltd (the Company) for year-end 2026 with comparison to the previous year-end.

The Solvency Ratio increased by 2.2% from 142.1% to 144.3% since the previous year. Analysis of the drivers of the results is provided in Section 2.

1.2 Background

The capital regime for an insurance undertaking in the EU is governed by the Solvency II Directive. This directive requires insurance undertakings to report their solvency to the supervisory authorities on a regular basis, typically quarterly or annually.

1.3 Scope

The scope of this report covers the annual results of Smart Insurance Ltd in terms of:

- Solvency Capital Requirement (SCR)
- Own Funds
- Solvency Ratio

2. Results

Table 1 below summarises the solvency position of the entity for year-end 2026.

Table 1 – Summary of Solvency Position 2026 vs 2025

| €m | 2026 | 2025 | Movement | Movement % |
|-------------------------|---------------|---------------|-------------|-------------|
| Market | 125.3 | 110.3 | 15.0 | 13.6% |
| Counterparty Default | 77.2 | 60.5 | 16.7 | 27.6% |
| Life | 70.5 | 75.3 | -4.8 | -6.4% |
| Health | 55.5 | 62.2 | -6.7 | -10.8% |
| Diversification | -66.0 | -61.7 | -4.3 | 7.0% |
| Basic SCR | 262.5 | 246.6 | 15.9 | 6.4% |
| Operational Risk | 23.5 | 21.5 | 2.0 | 9.3% |
| Deferred Tax Adjustment | -35.0 | -33.5 | -1.5 | 4.5% |
| Total SCR | 251.0 | 234.6 | 16.4 | 7.0% |
| Own Funds | 362.2 | 333.3 | 28.9 | 8.7% |
| Solvency Ratio | 144.3% | 142.1% | 2.2% | 1.6% |

The table shows that:

- The Total SCR increased by 7.0% from €234.6m to €251.0m since the previous year. The largest contributor to the increase in the Total SCR by €16.4m is the increase in €2.0m by Operational Risk risk.
- The Own Funds increased by 8.7% from €333.3m to €362.2m since the previous year.
- The Solvency Ratio increased by 2.2% from 142.1% to 144.3% since the previous year.
- The Market, Counterparty Default BSCR increased over the year but Life, Health BSCR decreased.

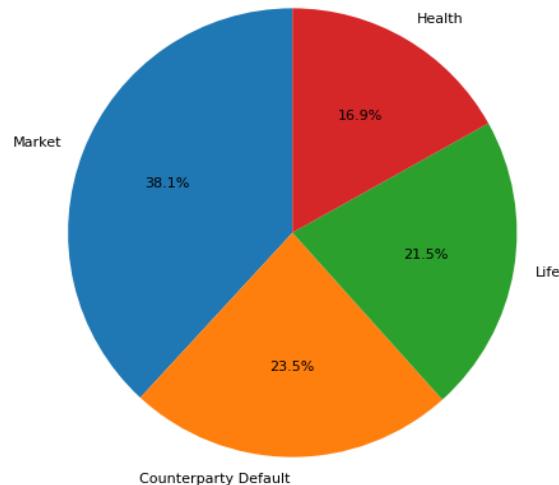


Figure 1: Composition of the Basic SCR - 2026

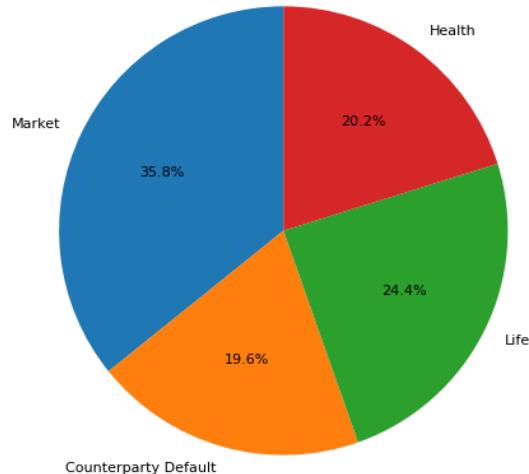


Figure 2: Composition of the Basic SCR - 2025

The proportion of Market, Counterparty Default BSCR increased over the year but proportion of Life, Health BSCR decreased. The increase in Life and Health risks is due to growth in business volume. Most of the growth came from Health Risks due to the introduction of a new product called ProtectMe.

3. Conclusion

The Company's solvency ratio of 144.3% is above its target of 125.0%.