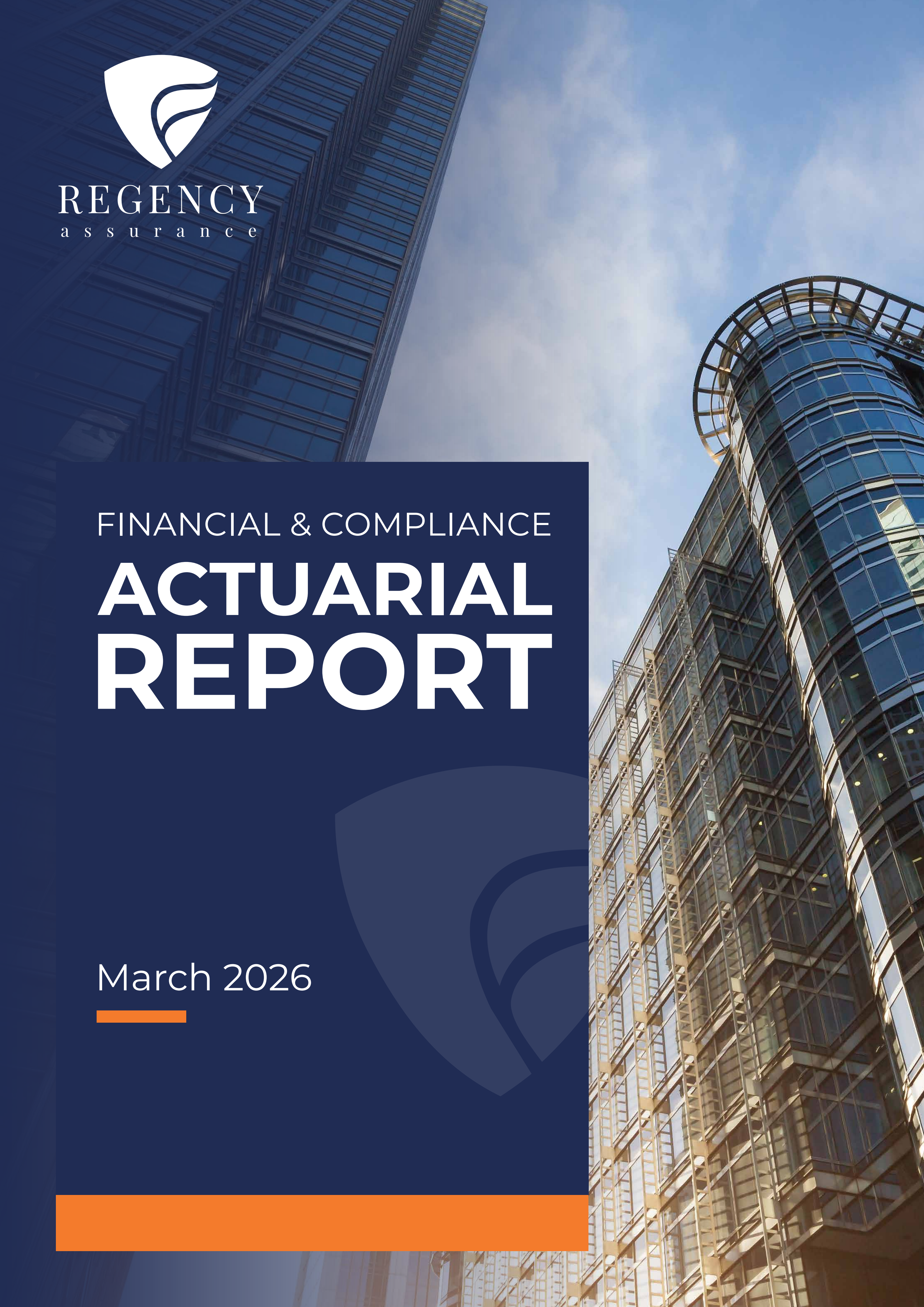

REGENCY
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FINANCIAL & COMPLIANCE

ACTUARIAL REPORT

March 2026

CONTEXT

Regency Assurance is a long term licensed insurance company regulated by the Financial Services Regulatory Commission and an underwriter of insurance risk.

Financial analysis and reporting is carried out by independent actuaries on behalf of Regency Assurance and regulatory stakeholders to ensure continued compliance within the regulatory framework as it relates to the company's financial position and confirms its ability to meet its underwriting liabilities.

Actuarial findings are reported to insurance managers and regulators quarterly as part of Regency's commitment to ensure it remains compliant to its financial and regulatory requirements and provides reserve adjustments to ensure these are maintained long term.

The contents of this document have been authored by both external independent analysis and internal interpretation of data; this report is an accumulation of these sources. Whilst effort has been made to ensure the accuracy and reliability of the contents, it should be noted that this is a secondary source and collection of understandings rather than the primary source of data.

Please note that this document is confidential and for internal use by Regency Assurance Directors and Officers only and any person outside of the organization in receipt of it should immediately disregard its contents and dispose of it in its entirety in a secure manner.

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INSURANCE RESERVE

As of March 2026 for Regency Assurance

I, Douglas A. Eckley, am a member of the American Academy of Actuaries and a professor at George Mason University. I have been hired by Regency Assurance Ltd (the Company) to provide this reserve opinion.

Douglas A Eckley
MAAA
HRFA Associates

RESERVE (and DAC) AMOUNTS as of MARCH 2026

Regency Assurance Accounting Notes

Reserve values submitted exclusively to the Financial Services Regulatory Commission, appointed Insurance Management company and Regency Assurance authorised officers. Q1 reserve opinions confirmed to have been applied to accounts of March 2026.

RELIANCES

I relied upon information provided by the Company that included, but was not limited to, the following:

- Insurance contract terms
- Techniques used by the Company to control losses, such as reinsurance, underwriting, and contract terms
- Underwriting procedures
- A listing of sales from January to March 2026 inclusive
- Listings of claims paid from January to March 2026 inclusive
- A listing of Financial Services contracts in-force as of March 2026

MINOR AMOUNT OF INVESTMENT RISK UNDER THE CONTRACTS.

DISCUSSION

The level of reserves must be considered in light of the risks that the Company assumes.

The Company issues contracts that provide primarily health insurance and Guaranteed Investment Contracts, but also limited amounts of life insurance on occasion. Proceeds under these contracts are held in the general account of the Company (in other words, the company has not established any segregated portfolios).

The Company began issuing health coverages in the year 2016. Here the Company bears the risk of claim volatility.

During the year 2022 the Company began providing financial services by issuing Guaranteed Investment Contracts ("GIC's"). I have reviewed the contract provisions and found no secondary guarantees and no provisions that would entail disintermediation risk. The interest crediting rates are reasonable relative to the terms to maturity. The liability shown above is the full accrued value plus a 2.5% add-on discussed in the next paragraph.

The GIC's contain a 1% life insurance cover, which entails a small reserve also shown above. This reserve is the present value of anticipated future life insurance claims over the life of the existing contracts.

I have examined the coverages under each of the health insurance contracts in effect as of March 2026. Here are the key points that I gathered from that examination and from my discussions with the Company:

- The Company bears a minor amount of investment risk under the contracts. This risk is limited because the contracts are written on a one-year term basis. At renewal, the Company has the prerogative to adjust the premium according to anticipated claims experience at that time.
- The contracts do not provide for a payout to the policyholder, upon surrender by the policyholder, of the policy, other than a potential refund of unearned premium.
- The contracts provide for the regular assessment of periodic premiums.
- The contracts are of the annual renewable type, and the Company can decline to renew or adjust the premium amount consistently with emerging claims experience.

The Company has achieved a sufficient size to limit variability of results, as a percentage of premium, due to statistical fluctuations in claims experience.

My analysis of the financial services business included a comparison of assets to liabilities. Currently a significant portion of the assets backing the GIC's are in near-cash form. This is a conservative posture in that the risk of changes in market value due to market interest rate changes is minimized. Also I analyzed currency denominations and cash flow durations. I found some risk related to currency mis-matching. I quantified that risk and the result was the "Cash Flow Testing Reserve" shown above of $987,283. I will continue to monitor this aspect of the financial services business of the Company.

OPINION

The reserve amounts identified above, net of the DAC balance shown, are sufficient to cover foreseeable claim payment obligations that may arise from the business of the Company.

Douglas A Eckley

Douglas A Eckley, MAAA
12th June 2026

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MANAGEMENT REPORT

INTRODUCTION

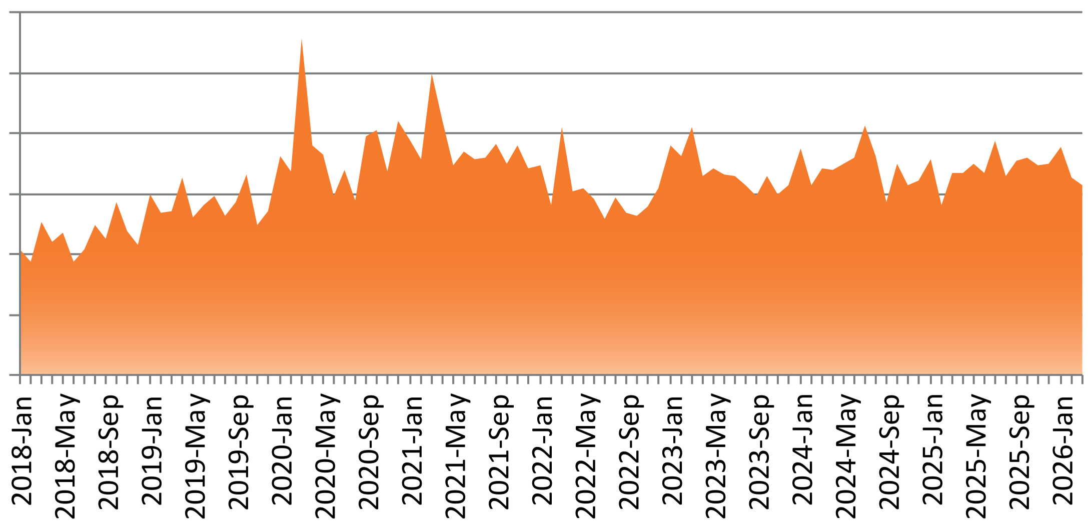
The purpose of this report is to provide management with useful financial information in a visual format. On occasion, this information may assist management in the day-to-day decision making that is required to best operate the company.

The categories provided are:

OVERVIEW

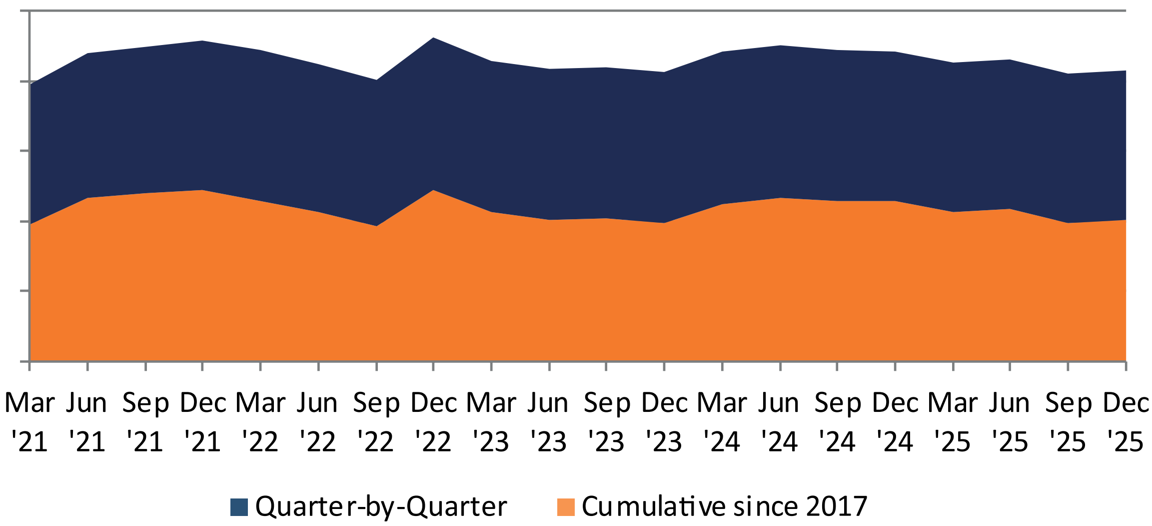
Over the past 24 months, health insurance premium has stabilized at a relatively high level, as shown in this graph:

ANNUALISED PREMIUM PLACED:



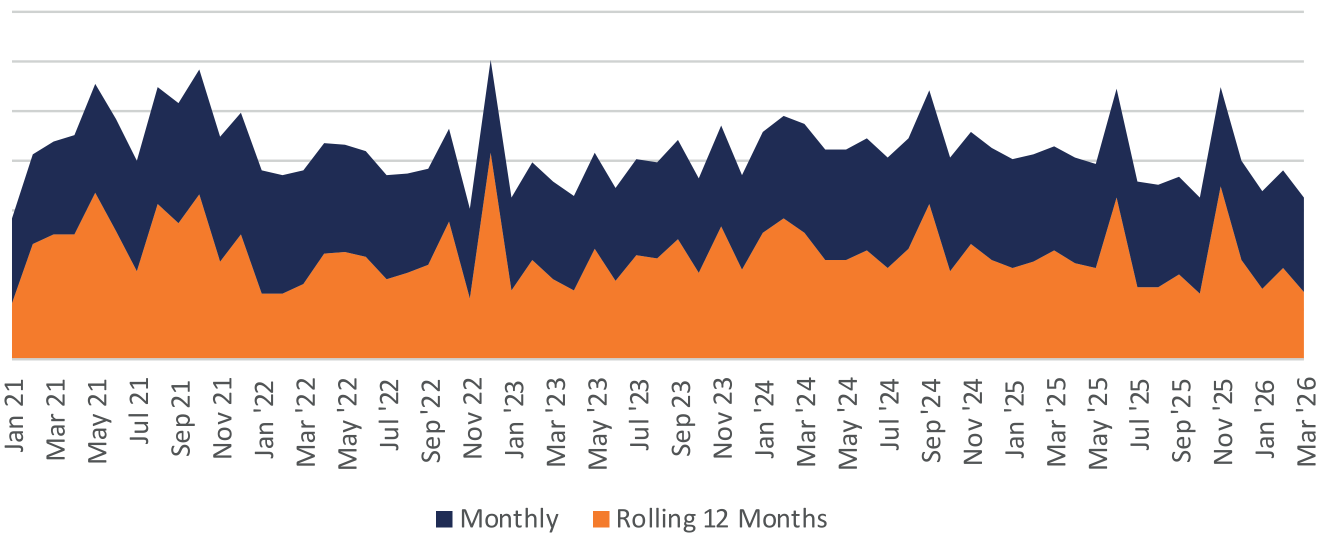
QUARTERLY LOSS RATIOS:

Quarterly loss ratios over the last two years have been consistent and have held at reasonably low levels:



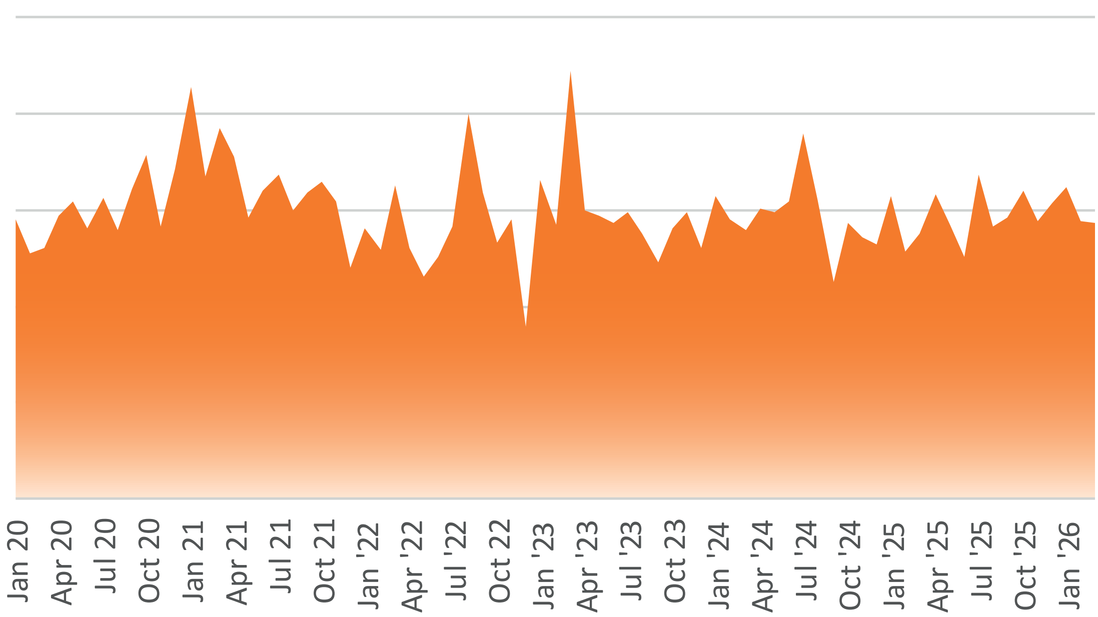
MONTHLY LOSS RATIOS:

The next graph, being monthly instead of quarterly, is a more granular look at the same statistic. The rolling 12 months line was increasing for a time, but has since levelled off nicely. The steady pattern of the rolling line is one of the keys to the success of this company.



During 2025, we saw stability, and early in 2026 we see relatively low levels of claims. We will see if this excellent news continues as the year unfolds.

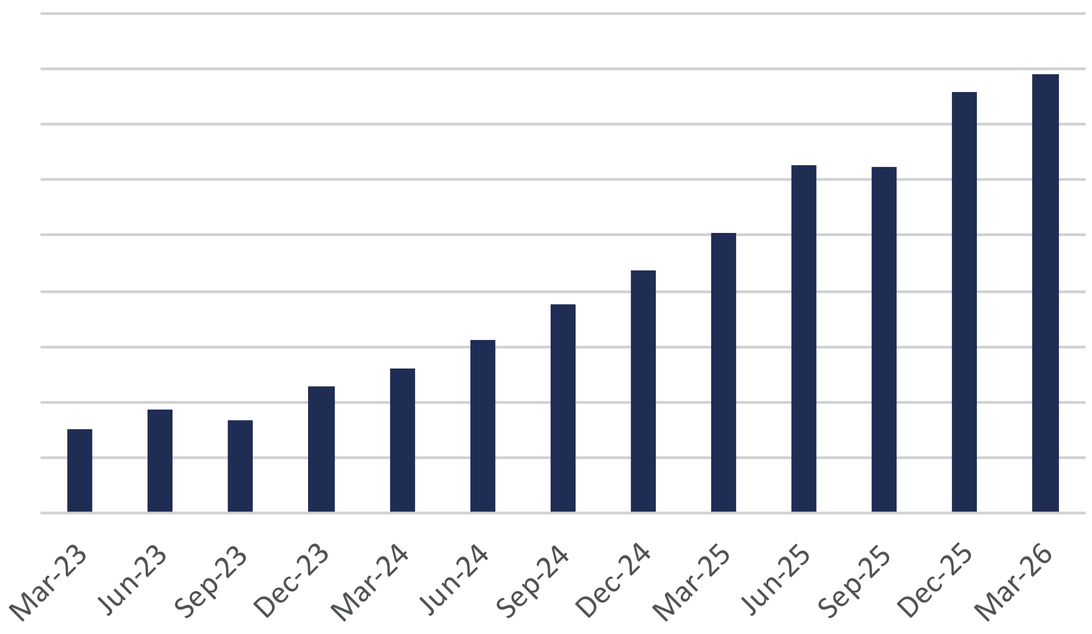
MONTHLY REGENCY FOR EXPATS PREMIUM INCOME:



REGENCY FINANCIAL SERVICE FUNDS UNDER MANAGEMENT

The RFS (Regency Financial Services) line of business is very different than the insurance line in that LEVEL premium implies INCREASING balances under management. The following graph shows this:

This graph shows the situation, and includes the trend line fit by the ordinary least squares method (note the steady nature of the trendline):



REGENCY LINES OF BUSINESS

During 2022 the company entered a new line of business, designated internally as "RFS". Thus far the line consists of Guaranteed Investment Contracts. I reviewed the contract provisions and found no secondary guarantees and no provisions that would entail disintermediation risk. The interest crediting rates are reasonable relative to the terms to maturity. The liability carried is the full accrued value.

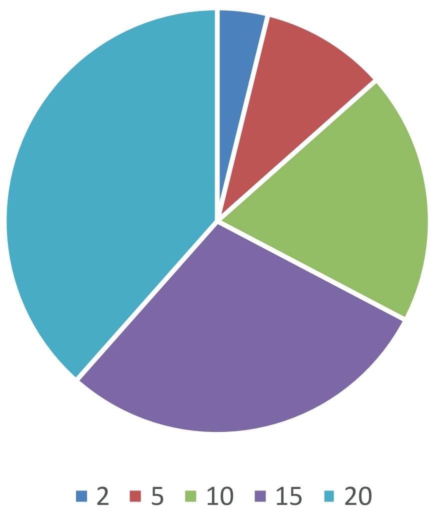
Starting this quarter, my analysis of the financial services business extended to a comparison of assets to liabilities. The comparison included comparing currency denominations and cash flow durations. I found some risk related to mis-matching. I quantified that risk and the result was the "Cash Flow Testing Reserve" (see the reserve opinion dated 10th November 2025). I will continue to monitor this aspect of the financial services business of the Company.

Reviewing the RFS data file, I noticed the following:

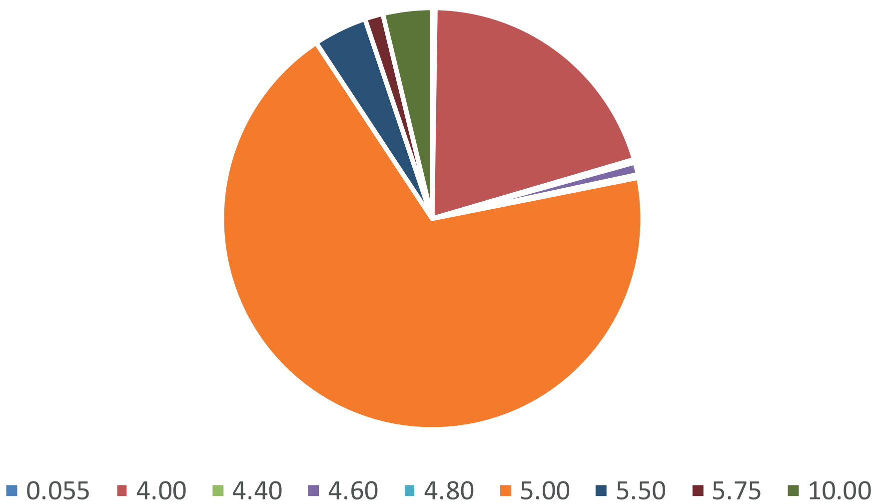
1) One particular deposit shows a crediting rate of 0.55%. This may be an error (perhaps a miscoded decimal place).
2) Some contracts show blank in the crediting rate field. This results from a contract that accrues via increasing the number of allocated units, rather than by adding interest.

As indicated by the graphs below, the dominant term to maturity is 5 years, which entails less risk than longer maturities. Also as indicated, the dominant interest crediting rates are in the 4% to 5% range. These appear to be in tune with returns available in the market.

DEPOSITS BY YRS-TO-MATURITY:



DEPOSITS BY CREDITING RATE:

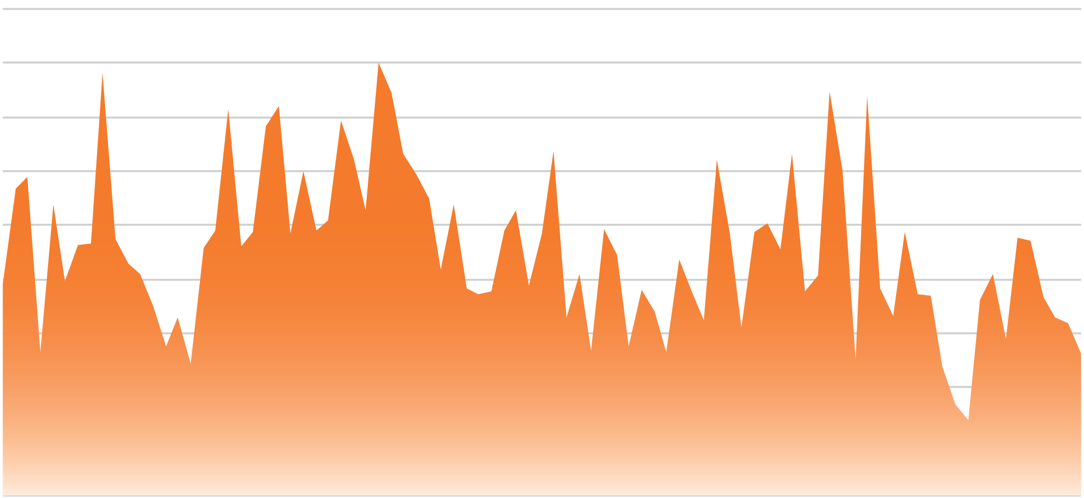


CLAIMS FLOW

This important category contains
3 graphs

1. CLAIMS APPROVED:

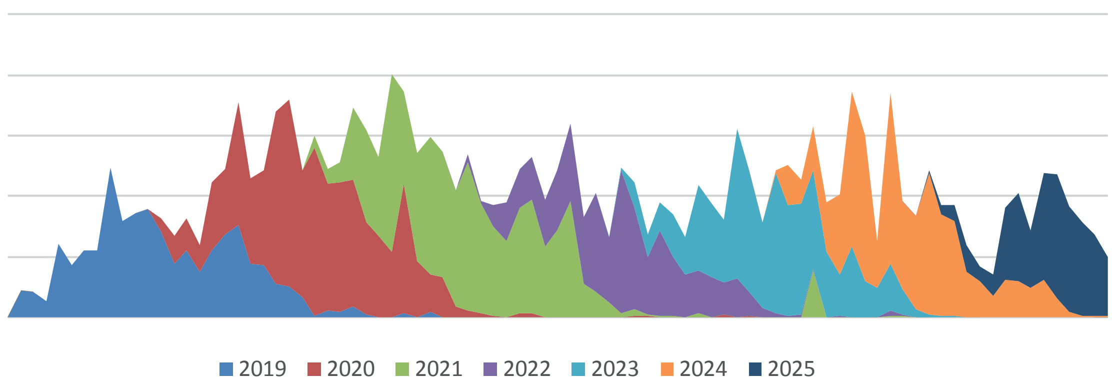
CLAIM AMOUNTS PAID BY MONTH: 2019 TO-DATE



This graph shows dollars of claims approved for payment by month, including a linear trend line. It contains mostly good news: the company is growing strongly but in a controlled manner.

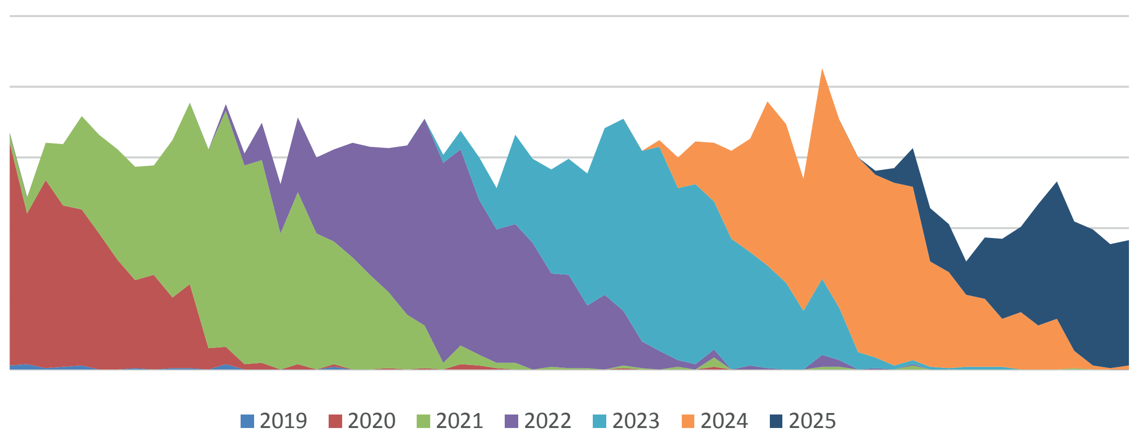
The following graph shows data from January 2019 thru March 2026. The tailing off over the recent 3 months represents, to the best of my belief, a clog in the processing pipeline.

2. CLAIMS APPROVED BY ISSUE YEAR:



This graph provides a breakdown of the data in graph #1. The lines (one for each year starting with 2019) add up to the data shown in graph #1. Each line looks at only the dollar claim amounts from policies issued in the year indicated. Importantly, the patterns of the lines on the graph are fairly consistent.

3. CLAIM COUNTS BY ISSUE YEAR:



This graph is similar to #2, but instead of showing dollars of claims, it shows counts of claims. For this reason the lines show less volatility (one claim for a large dollar amount does not distort the data; it is still just one claim). Starting with the first quarter of 2021 the company employed a new approach that counts, as separate claims, each service provided and covered within the same hospital stay. Therefore this graph begins with January 2021.

PREMIUM FLOW

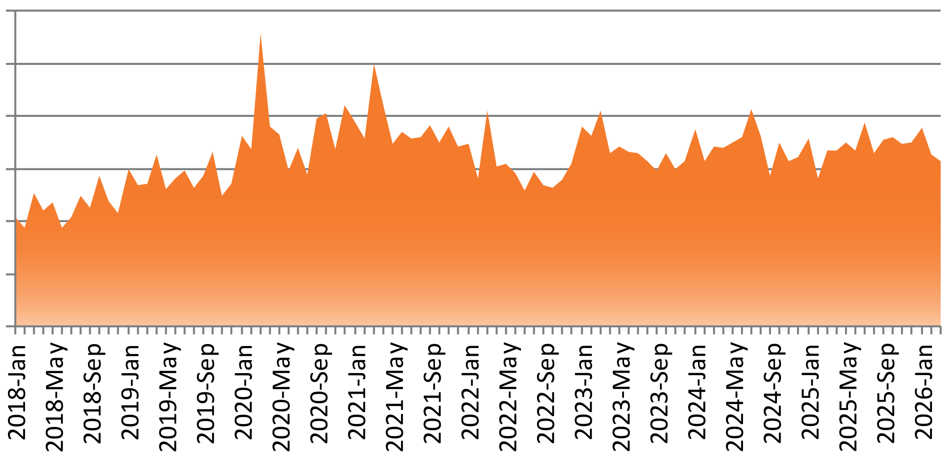
2 graphs are presented:

We see the strong growth of the company since inception. Interestingly, we see a spike in production every December for the last three years. Perhaps management has an explanation for this. From the actuarial perspective, it is not of major import since it is only one month out of 12.

But we also see a slight downtrend in monthly premium income for the RFE line of business over the past year. This was discussed in the Overview section of this report.

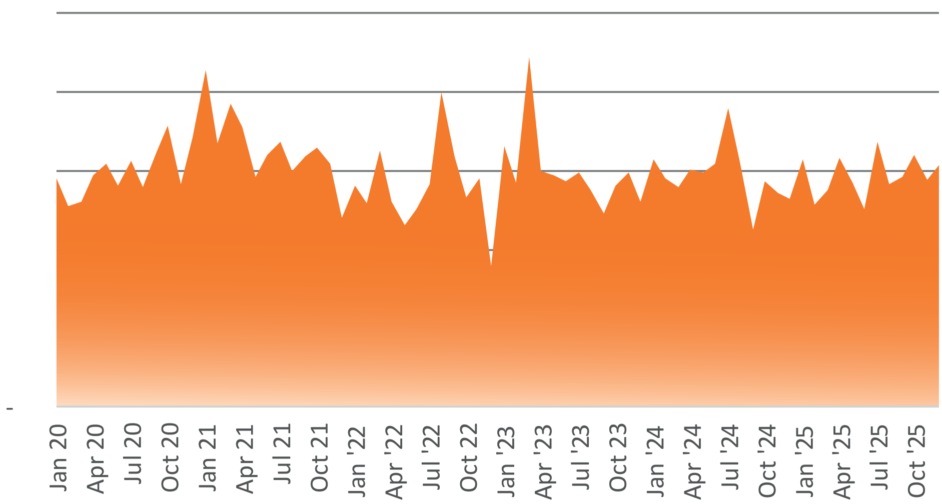
Of note, these graphs exclude premium from the RFS line of business. That line was discussed in a previous section.

ANNUALIZED PREMIUM PLACED



This first graph was presented in the Overview section of this report, but is shown again for the sake of comparison with the second graph.

MONTHLY REGENCY FOR EXPATS PREMIUM INCOME:

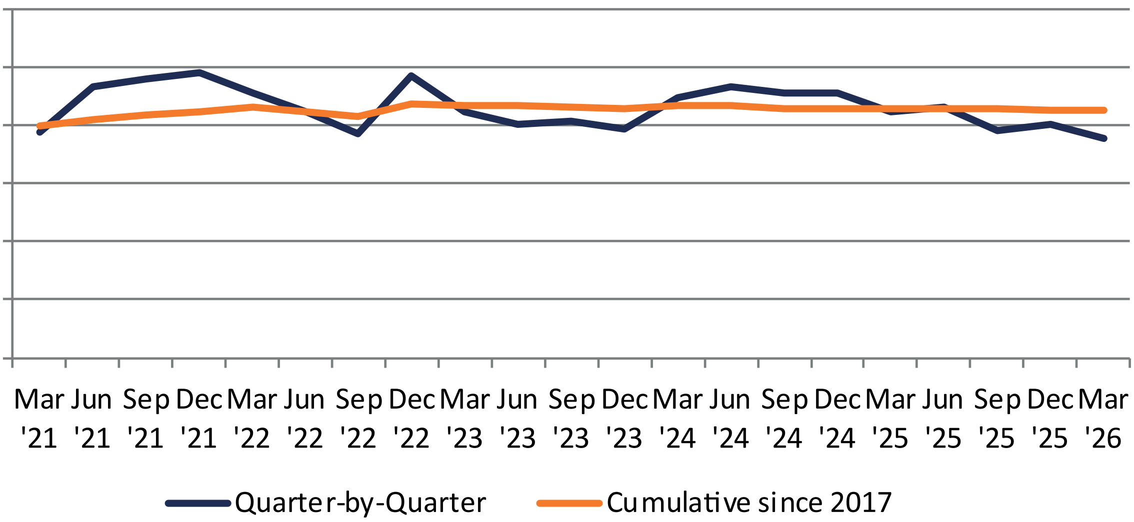


LOSS RATIO AND CUMULATIVE LOSS RATIO

The graph titled "Quarterly Loss Ratios" shows both (incremental and cumulative) data lines in this important area.

The company is maintaining a consistent and low pattern of claims paid divided by premiums collected.

QUARTERLY LOSS RATIOS:



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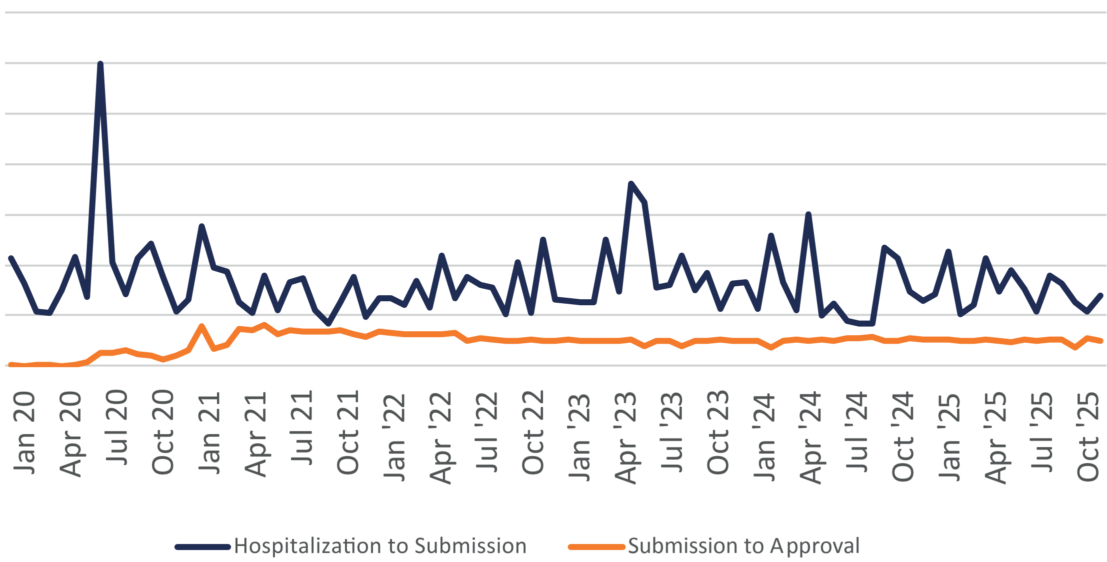
DELAY BETWEEN HOSPITALISATION AND SUBMISSION OF CLAIMS

This graph addresses an important but difficult statistic. The company does well with claims processing, as discussed above. But the time from hospitalization to submission is BEYOND the company's control. If it changes, then some of the data that management sees will need to be interpreted differently.

As can be seen, this statistic has continued steadily through 2022. A modest jump occurred during the early months of 2023 but this was due to temporary factors. As of today (end March 2026), we have returned to the excellent results previously seen. In my previous report I noted that during December itself, the processing time dropped to a new low that probably would not be maintained. I expected a quick return to normal patterns, and that has in fact happened.

SPEED OF CLAIM PROCESSING (IN DAYS)



DIRECTORS' COMMENTS & OUTLOOK FOR THE FUTURE

Stephen Coughlin
Director

Regency Assurance

"

Regency closes another strong year having stayed true to the fundamentals that have driven our growth: disciplined underwriting, sound management, and a long-term view of value creation. Across RFE, RFS and REB, our three core lines continue to reinforce one another and underpin the group's overall resilience.

RFE remains the backbone of the business. As a long-established, licensed international insurer serving a genuinely mobile client base, its relevance has only grown as clients navigate rising medical costs and broader economic uncertainty. We've kept a firm hand on affordability throughout, and our premium increases continue to rank among the most competitive in the market, a deliberate choice that keeps cover within reach for the people who depend on it.

On the financial services side, RFS continues to mature as a specialised, longer-duration offering built on Guaranteed Investment Contracts. The client relationships underpinning this book remain a source of real stability, and we continue to refine how assets are deployed to support it over time.

REB continues to pull its weight as part of our multi-brand approach, giving us reach into markets and client segments the core insurance business doesn't reach on its own. Beyond Travel, meanwhile, has moved past its launch phase and is scaling steadily, adding a genuine international travel dimension to what Regency offers and reinforcing the group's broader push into complementary product lines.

Taken together, this diversification, geographic and product, continues to strengthen the group's overall footing. It gives us more ways to respond as market conditions shift, and more room to pursue opportunities as they arise. On the operational side, claims handling has stayed within the parameters we expect, and the team's continued focus on efficient, customer-first processing remains one of the business's genuine strengths.

Regency heads into the year ahead with real momentum behind it. Our priorities remain product development, operational discipline, and continued expansion, and with the progress already made in 2026, we're approaching what comes next with confidence and drive.

Stephen Coughlin
Director

LIVE**LIFE**

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