

# TEMPLE INSURANCE COMPANY

## Statement of Financial Position

December 31, 2025 with comparative figures for December 31, 2024  
(Canadian dollars in thousands)

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|                                  | <u>2025</u>         | <u>2024</u>         |
|----------------------------------|---------------------|---------------------|
| <b>Assets</b>                    |                     |                     |
| Cash                             | \$ 35,981           | \$ 71,592           |
| Accrued investment income        | 6,034               | 4,641               |
| Current tax assets               | 12                  | 12                  |
| Investments available for sale   | 875,622             | 809,216             |
| Insurance contract assets        | 5,153               | 4,141               |
| Reinsurance contract held assets | 598,025             | 781,713             |
| Investment property              | 2,179               | 2,169               |
| Property and equipment           | 723                 | 971                 |
| Deferred tax assets              | 6,577               | 6,468               |
| Other assets                     | <u>8,965</u>        | <u>5,873</u>        |
| Total assets                     | <u>\$ 1,539,271</u> | <u>\$ 1,686,796</u> |

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|   | <u>2025</u>         | <u>2024</u>         |
|---|---------------------|---------------------|
| <b>Liabilities and Shareholder's Equity</b> |                     |                     |
| Provisions, accruals and other liabilities  | \$ 191,093          | \$ 182,660          |
| Insurance contract liabilities              | 1,046,925           | 1,202,791           |
| Pension liability                           | 342                 | 811                 |
| Post-employment medical benefits            | <u>91</u>           | <u>83</u>           |
| Total liabilities                           | <u>1,238,451</u>    | <u>1,386,345</u>    |
| Shareholder's equity                        |                     |                     |
| Capital stock                               | 246,055             | 246,055             |
| Contributed surplus                         | 27,910              | 27,910              |
| Earned surplus                              | 14,199              | 14,852              |
| Accumulated other comprehensive income      | <u>12,656</u>       | <u>11,634</u>       |
| Total shareholder's equity                  | <u>300,820</u>      | <u>300,451</u>      |
| Total liabilities and shareholder's equity  | <u>\$ 1,539,271</u> | <u>\$ 1,686,796</u> |

# TEMPLE INSURANCE COMPANY

## Statement of Profit or Loss

Year ended December 31, 2025 with comparative figures for December 31, 2024  
(Canadian dollars in thousands)

|  | <u>2025</u>      | <u>2024</u>      |
|--|------------------|------------------|
| Insurance revenue  | \$ 350,511       | \$ 431,957       |
| Insurance service expenses                                 | <u>(145,104)</u> | <u>(377,743)</u> |
| Insurance service result from insurance contracts          | 205,407          | 54,214           |
| Allocation of reinsurance premiums                         | (120,614)        | (175,602)        |
| Amounts recoverable from reinsurers                        | <u>(102,762)</u> | <u>142,830</u>   |
| Net expenses from reinsurance contracts held               | <u>(223,376)</u> | <u>(32,772)</u>  |
| Insurance service result                                   | (17,969)         | 21,442           |
| Investment income (expenses)                               |                  |                  |
| Interest revenue on financial assets not measured at FVTPL | 29,291           | 26,501           |
| Net investment (loss)                                      | 4,677            | (3,527)          |
| Provision for credit loss                                  | (87)             | (103)            |
| Net finance (expenses) from insurance contracts            | (38,177)         | (40,305)         |
| Net finance income from reinsurance contracts held         | <u>21,363</u>    | <u>23,232</u>    |
| Net investment result                                      | 17,067           | 5,798            |
| Other (expenses) income                                    | <u>(353)</u>     | <u>186</u>       |
| (Loss) Income before income taxes                          | (1,255)          | 27,426           |
| Income taxes:  |                  |                  |
| Current  | (76)             | (4,945)          |
| Deferred   | <u>(231)</u>     | <u>12,380</u>    |
|  | <u>(307)</u>     | <u>7,435</u>     |
| Net (Loss) income  | <u>\$ (948)</u>  | <u>\$ 19,991</u> |

The full financial statements are available at our Head Office in Toronto.