

QUERCUS RE DAC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD 08 APRIL 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

QUERCUS RE DAC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

CONTENTS

| | Page |
|------------------------------------------|-------------|
| COMPANY INFORMATION | 3 |
| DIRECTORS' REPORT | 4 - 5 |
| STATEMENT OF DIRECTORS' RESPONSIBILITIES | 6 |
| INDEPENDENT AUDITOR'S REPORT | 7 - 12 |
| STATEMENT OF COMPREHENSIVE INCOME | 13 |
| STATEMENT OF FINANCIAL POSITION | 14 |
| STATEMENT OF CHANGES IN EQUITY | 15 |
| STATEMENT OF CASH FLOWS | 16 |
| NOTES TO THE FINANCIAL STATEMENTS | 17 - 27 |

QUERCUS RE DAC

COMPANY INFORMATION

Directors

Leanne Burke (appointed 8 April 2024) (resigned 24 April 2024)
Kevin Brennan (appointed 8 April 2024) (resigned 24 April 2024)
Michael Spellman (appointed 24 April 2024)
John O'Reilly (appointed 24 April 2024)
Peter Hughes (appointed 24 April 2024)

Company Secretary & Registered Office

Aon Insurance Managers Dublin Limited
15 George's Quay, Dublin 2, Ireland. D02 VR98

Registered Number of Incorporation

761388

Independent Auditors

Forvis Mazars
Chartered Accountants and Statutory Audit Firm
Block 3 Harcourt Centre
Harcourt Road, Dublin 2

Solicitors

Walkers (Ireland) LLP
The Exchange, George's Dock
IFSC
Dublin 1, D01 W3P9

Administrator

Aon Insurance Managers Dublin Limited
15 George's Quay
Dublin 2
D02 VR98

Banker & Custodian

The Bank of New York Mellon, London Branch
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

Indenture Trustee

The Bank of New York Mellon
240 Greenwich Street
Floor 7E, New York
New York 10286, U.S.A.

Ceding Insurer

Groupama Assurances Mutuelles
8-10 rue d'Astorg
75383, Paris Cedex 08
France

Claims Reviewer & Loss Reserve Specialist

Towers Watson (Bermuda) Ltd
Wellesley House, 90 Pitts Bay Road
Pembroke
HM 08, Bermuda

Listing Agent

Ocorian Securities (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street, HM 10
Hamilton
Bermuda

QUERCUS RE DAC

DIRECTORS' REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

The Directors submit their report together with the audited financial statements for the financial period from 08 April 2024 (date of incorporation) to 30 June 2025.

INCORPORATION AND COMMENCEMENT TO TRADE

Quercus Re DAC (the "Company") was incorporated in Ireland on 08 April 2024. The Company commenced trading on 18 July 2024.

RESULTS

The results for the financial period are outlined on pages 13 - 27.

PRINCIPAL ACTIVITIES

The Company is a reinsurance special purpose vehicle, regulated by the Central Bank of Ireland as a special purpose vehicle under the European Union (Insurance and Reinsurance) Regulations 2015, whose registered office is 15 George's Quay, Dublin 2, D02 VR98, Ireland, whose principal activity is to place risks associated with windstorm in France (including Corsica but excluding Départements Régions et Collectivités d'Outre mer, and Nouvelle Calédonie) and Monaco. Risk is assumed by the Company under a Reinsurance Agreement with Groupama Assurances Mutuelles for the period 19 July 2024 until 30 June 2027. The Company passes these risks on to investors through the issuance of variable rate notes, listed on the Bermuda Stock Exchange.

On 18 July 2024, the Company issued €150,000,000 Principal at-Risk Variable Rate Notes due 8 July 2027.

The notes issued by the Company are with limited recourse to certain assets of the Company. Noteholders will only have recourse to the Collateral Account and Note Payment Account relating to the Notes. In addition to the windstorm perils associated with the Reinsurance Agreement, investors in the notes issued by the Company (the "Noteholders") are exposed to the credit risk of Groupama Assurances Mutuelles (as Ceding Insurer), and The Bank of New York Mellon (as Indenture Trustee).

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The funding of the running costs of the Company is provided for by Groupama Assurances Mutuelles through the Reinsurance Agreement. During the period, the Company received €1,865,462 of gross expense reimbursement from Groupama Assurances Mutuelles to fund the operating costs of the Company.

The Directors expect that present activities will continue subject to the terms of the existing Reinsurance Agreement with Groupama Assurances Mutuelles.

SAFEKEEPING OF INVESTMENTS IN FINANCIAL ASSETS

On the Principal at-Risk Variable Rate Notes issued by the Company, all the proceeds paid to the Company were placed in a collateral account maintained with the Indenture Trustee (The Bank of New York Mellon). All funds in the collateral account were used to purchase unsecured debt securities (the "EBRD Notes") issued by the European Bank for Reconstruction and Development (EBRD) pursuant to its existing Global Medium Term Note Programme. The Bank of New York Mellon is also the custodian and holds the investments as custodian for the indenture trustee.

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks of the Company and the methods in place to manage and control these risks are set out in Note 21 on pages 24 to 26 of these financial statements

HOLDING COMPANY

The ultimate holding company is Walkers Ireland Shareholding Services Limited, which holds the shares in trust for one or more charitable organisations.

QUERCUS RE DAC

DIRECTORS' REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

DIRECTORS

The current Directors are as follows:

Michael Spellman
John O'Reilly
Peter Hughes

The details regarding the changes in Director's appointments that have occurred during the financial period are as stated on page 3.

DIVIDENDS

The Directors do not recommend the payment of a dividend.

INTERESTS OF DIRECTORS AND SECRETARY

At the beginning and end of the financial period the Directors and Secretary had no interests in the share capital, in debentures or in loan stock of the Company.

RESEARCH AND DEVELOPMENT

The Company did not engage in any research and development activity during the period.

POLITICAL DONATIONS

The Electoral Act, 1997 as amended by the Electoral (Amendment) (Political Funding) Act, 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial period. The Directors, on enquiry have satisfied themselves that no such donation in excess of this amount has been made by the Company.

ACCOUNTING RECORDS

The Directors have appointed Aon insurance Managers Dublin Limited in order to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014. The accounting records of the Company are maintained at 15 George's Quay, Dublin 2, Ireland, D02 VR98.

COMPLIANCE POLICY STATEMENT

As a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act 1997, the Company is exempt from the directors' compliance policy statement requirements under Companies Act 2014 Section 943(1)(g).

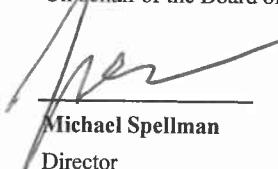
AUDIT INFORMATION

In accordance with Section 332 of Companies Act, 2014, the Directors who held office at the date of the approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

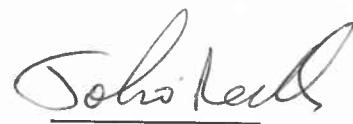
The Directors appointed Forvis Mazars, Chartered Accountants and Statutory Audit Firm on 6 January 2025, to act as auditors of the company. Forvis Mazars have expressed their willingness to act as auditors in accordance with Section 383 (1) of the Companies Act 2014.

On behalf of the Board of Directors



Michael Spellman
Director

Date: 24 September 2025



John O'Reilly
Director

QUERCUS RE DAC

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Financial Reporting Standard 103 'Insurance Contracts'.

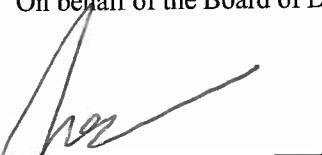
Under company law the directors must not approve the Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and its profit for that year. In preparing the Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, note the effect and reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors confirm to the best of their knowledge that they have complied with the above requirements in preparing the financial statements.

On behalf of the Board of Directors



Michael Spellman
Director



John O'Reilly
Director

Date: 24 September 2025

Independent auditor's report to the members of Quercus Re DAC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Quercus Re DAC ('the Company'), for the period ended 30 June 2025, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, and notes to the Company financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and FRS 103 "Insurance Contracts".

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2025, and of its profit for the period then ended;
- have been properly prepared in accordance with FRS 102 and FRS 103; and
- have been properly prepared in accordance with the requirements of the Irish Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), applied as required for the types of entity determined to be appropriate in the circumstances. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the director's assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- An assessment of the reasonableness of management's going concern assessment including discussions/enquiries with management and review of the financial performance and financial position of the Company at the period-end date for indicators of any going concern uncertainties;
- Review of the terms of the relevant contracts underpinning the structure of the Company specifically in respect to the maturity date of the Company's debt securities issued and extension clauses;

- Evaluation of the limited recourse nature of the Company's debt securities issued;
- Confirmation with management that no event occurred post period end which would result in a reinsurer payment under the terms of the Reinsurance Agreement in place; and
- Evaluation on the sufficiency of disclosures in the financial statements pertaining to the going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures.

| Key audit matter – Event risk | How the matter was addressed |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Company is, in accordance with the terms of the Reinsurance Agreement, obligated to make payments following the occurrence of a covered event resulting in a reinsurer payment. As a result of the Reinsurance Agreement, the Company and holders of the notes issued by the Company are at risk where a covered event occurs in the covered area during the risk period as set out in the Reinsurance Agreement. If, during the risk period, there is one or more covered events that result in a reinsurer payment under the Reinsurance Agreement, investors in the notes could lose all or a portion of their investment.</p> <p>We considered the likelihood that covered events that would require a reinsurer payment have not been recognised in the financial statements to be a key audit matter due to the material impact that such events would have on the financial position of the Company.</p> <p>Refer to Note 2(o) on page 20 for the relevant accounting policy, and to Note 18 (Debt securities issued) and Note 21 (Event risk) on</p> | <p>We addressed the risk through the following procedures:</p> <ul style="list-style-type: none"> ▪ Confirmed independently with the Ceding Insurer that there have been no covered events during the period that would require a reinsurer payment under the Reinsurance Agreement between the Company and the Ceding Insurer; ▪ Confirmed independently with the Claims Reviewer and Loss Reserve Specialist that it is not aware of any such event notice that would require a reinsurer payment during the period; and ▪ Assessed the appropriateness of the related disclosures in the financial statements. <p>Based on the procedures performed, we did not identify any events which would result in a reinsurer payment.</p> |

| | |
|-----------------------------------------------------------------------|--|
| page 24 and page 25, respectively, for the relevant note disclosures. | |
|-----------------------------------------------------------------------|--|

Our application of materiality

We apply the concept of materiality in planning and performing the audit and in evaluating the impact of misstatements, if any. Materiality is an expression of the relative significance or importance of a matter in the context of the financial statements. Misstatements in the financial statements are material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken based on the financial statements.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

| | |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overall materiality | €2,305,634 |
| How we determined it | 1.5% of total assets |
| Rationale for benchmark applied | In determining our materiality, we considered those financial metrics which we believed to be relevant and concluded that total assets was the most relevant benchmark. We applied this benchmark because in our view this is the metric against which the recurring performance of the Company is commonly measured by its primary users. |
| Performance materiality | <p>€1,383,381</p> <p>Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.</p> <p>Performance materiality was determined at 60%, by taking into account factors such as:</p> <ul style="list-style-type: none"> ▪ Consideration that this is a year one audit; ▪ Assessment of the control environment; and ▪ The volume and nature of the entity's transactions. |
| Reporting threshold | We agreed with those charged with governance that we would report to them misstatements identified during our audit above €69,169 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons. |

Overview of the scope of the audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the Company, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Directors and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management

determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Companies Act 2014, corruption and fraud, and we considered the extent to which non-compliance might have a direct effect on the determination of material amounts and disclosures in the financial statements. We also considered the other applicable laws and regulations including Central Bank of Ireland regulatory requirements.

In identifying and assessing risks of material misstatement in respect to irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- Obtaining an understanding of the legal and regulatory framework applicable to the Company, the industry in which it operates;
- Inquiry of those charged with governance and management as to whether the Company is in compliance with laws and regulations, and discussing the policies and procedures in place regarding compliance with laws and regulations;
- Inspecting correspondence with the Central Bank of Ireland;
- Reviewing minutes of Board of director meetings;
- Discussing amongst the engagement team the identified laws and regulations, and remaining alert to any indications of non-compliance; and
- Focusing on areas of laws and regulations that could reasonably be expected to have a direct effect on the determination of material amounts and disclosures in the financial statements such as Companies Act 2014.

Our procedures in relation to fraud included but were not limited to:

- Making inquiries of those charged with governance and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud such as opportunities for fraudulent manipulation of financial statements;
- Inquiries with those involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;
- Testing the appropriateness of journal entries;

- Assessing for any evidence of management bias through judgements and estimates; and
- Reviewing for evidence of any significant one-off or unusual transactions.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities. The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under “Key audit matters” within this report.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at:

http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the Board of Directors, we were appointed by the Company on 06 January 2025 to audit the financial statements for the period ending 30 June 2025 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments is 1 year.

The non-audit services prohibited by IAASA's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Board of Directors we are required to provide in accordance with ISA (Ireland) 260.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Patrick Gorry
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 29 September 2025

QUERCUS RE DAC

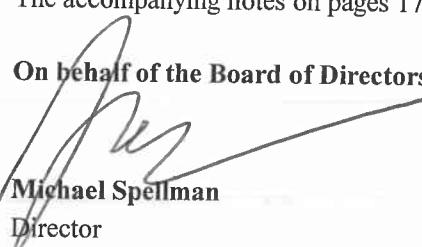
STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

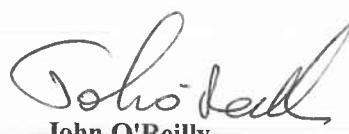
| | Notes | 2025 € |
|-------------------------------------------------|-------|---------------------|
| Gross premiums written | 3 | 12,611,375 |
| Unearned premium | 4 | (1,044,708) |
| Net earned premium income | 3 | 11,566,667 |
| Interest income | 5 | 4,067,109 |
| Other income | 6 | 1,893,890 |
| Net Income | | 17,527,666 |
| Administrative expenses | 7 | (1,892,890) |
| Interest expense on debt securities issued | 8 | (15,633,776) |
| Total Expenses | | (17,526,666) |
| Profit on ordinary activities before tax | | 1,000 |
| Tax charge on profit of ordinary activities | 11 | 250 |
| Profit on ordinary activities after tax | | 750 |
| Attributable to : | | |
| Equity holders of the company | | 750 |
| Total comprehensive income | | 750 |

The accompanying notes on pages 17 to 27 form an integral part of these financial statements.

On behalf of the Board of Directors


Michael Spellman
Director

Date: 24 September 2025


John O'Reilly
Director

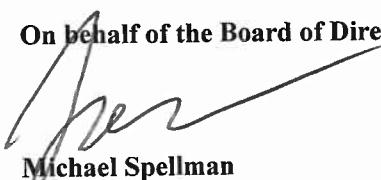
QUERCUS RE DAC

STATEMENT OF FINANCIAL POSITION As at 30 June 2025

| | Notes | 2025 € |
|-----------------------------------------------|-------|--------------------|
| Assets | | |
| Loans and receivables | 12 | 150,000,000 |
| Other receivables and prepayments | 15 | 36,711 |
| Premium receivable | 14 | 3,011,375 |
| Interest receivable | 16 | 507,892 |
| Cash and cash equivalents | 13 | 152,978 |
| Total Assets | | 153,708,956 |
| Equity and Liabilities | | |
| Called up share capital (presented as equity) | 17 | 2 |
| Retained earnings | | 750 |
| Total Equity | | 752 |
| Liabilities | | |
| Debt securities issued | 18 | 150,000,000 |
| Interest payable to noteholders | 19 | 2,474,559 |
| Tax liabilities | | 250 |
| Unearned premium | 4 | 1,044,708 |
| Other accruals | 20 | 188,687 |
| Total Liabilities | | 153,708,204 |
| Total Equity and Liabilities | | 153,708,956 |

The accompanying notes on pages 17 to 27 form an integral part of these financial statements.

On behalf of the Board of Directors



Michael Spellman
Director



John O'Reilly
Director

Date: 24 September 2025

QUERCUS RE DAC

STATEMENT OF CHANGES IN EQUITY

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | Called up share capital (presented as equity) | Retained earnings | Total equity |
|-------------------------------------------|-----------------------------------------------------|-------------------|--------------|
| | € | € | € |
| Opening balance as at 08 April 2024 | - | - | - |
| Share capital issued | 2 | - | 2 |
| Total comprehensive income for the period | - | 750 | 750 |
| Closing balance as at 30 June 2025 | 2 | 750 | 752 |

QUERCUS RE DAC

STATEMENT OF CASH FLOWS

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | 2025 |
|------------------------------------------------------|----------------------|
| | € |
| Cash flow from operating activities | |
| Profit on ordinary activities before taxation | 1,000 |
| <i>Adjustments for:</i> | |
| Interest income | (4,067,109) |
| Interest expense on debt securities issued | 15,633,776 |
| | <hr/> |
| | 11,567,667 |
| <i>Working capital adjustments:</i> | |
| Increase in other receivables and prepayments | (36,711) |
| Increase in premium receivable | (3,011,375) |
| Increase in unearned premium | 1,044,708 |
| Increase in other accruals | 188,687 |
| | <hr/> |
| Cash generated from operations | 9,752,976 |
| Interest received | 3,559,217 |
| Interest paid | (13,159,217) |
| | <hr/> |
| Net cash flow from operating activities | 152,976 |
| Cash flows from investing activities | |
| Investment in EBRD notes | (150,000,000) |
| | <hr/> |
| Net cash flow used in investing activities | (150,000,000) |
| Cash flows from financing activities | |
| Proceeds from issue of share capital | 2 |
| Proceeds from issuance of debt securities | 150,000,000 |
| | <hr/> |
| Net cash flow from financing activities | 150,000,002 |
| Net increase in cash and cash equivalents | 152,978 |
| Cash and cash equivalents at beginning of period | - |
| | <hr/> |
| Cash and cash equivalents at end of period | 152,978 |

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company is a reinsurance special purpose vehicle, regulated by the Central Bank of Ireland as a special purpose vehicle under the European Union (Insurance and Reinsurance) Regulations 2015, whose registered office is 15 George's Quay, Dublin 2, D02 VR98, Ireland, whose principal activity is to place risks associated with windstorms in France (including Corsica but excluding Départements Régions et Collectivités d'Outre mer, and Nouvelle Calédonie) and Monaco. Risk is assumed by the Company under a Reinsurance Agreement with Groupama Assurances Mutuelles for the period 19 July 2024 until 30 June 2027. The Company passes these risks on to investors through the issuance of variable rate notes, listed on the Bermuda Stock Exchange.

On 18 July 2024, the Company issued €150,000,000 Principal at-Risk Variable Rate Notes due 8 July 2027.

The notes issued by the Company are with limited recourse to certain assets of the Company. Noteholders will only have recourse to the Collateral Account and Note Payment Account relating to the Notes. In addition to the windstorm perils associated with the Reinsurance Agreement, investors in the notes issued by the Company (the "Noteholders") are exposed to the credit risk of Groupama Assurances Mutuelles (as Ceding Insurer), and The Bank of New York Mellon (as Indenture Trustee).

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of the financial statements

Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act 2014, and all regulations to be construed as one with the Act. The financial statements for the financial period ended 30 June 2025 have been prepared in accordance with the Company's accounting policies under Financial Reporting Standard 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Financial Reporting Standard 103 ("FRS 103") "Insurance Contracts" issued by the Financial Reporting Council being applicable in the UK and Republic of Ireland, amended where necessary in order to comply with the Companies Act 2014.

Going concern:

The financial statements for the period 8 April 2024 (date of incorporation) to 30 June 2025 have been prepared on a going concern basis. The Directors are satisfied that the Company is a going concern and that it is appropriate for the financial statements to be prepared on such basis.

b) Basis of measurement

The financial statements have been prepared under the historical cost convention.

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Key accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. At the statement of financial position date there are no assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

d) Interest income

Interest income is recognised using the effective interest rate method in line with the contractual terms of the underlying financial assets. Interest income is reported in the statement of comprehensive income.

e) Administration expenses and expense reimbursement

The funding of the running costs of the Company is provided by the Ceding Insurer under the Reinsurance Agreement. These costs and the related income are accounted for on an accruals basis.

f) Insurance contract classification

Reinsurance risk is transferred to the Company when the Company agrees to compensate the Ceding Insurer if a specified uncertain future event (other than a change in financial variable) adversely affects the Ceding Insurer. Any contracts not meeting the definition of a reinsurance contract, are classified as investment contracts or derivative contracts as appropriate.

g) Premiums on insurance contracts

Net earned premium income is calculated as gross premium written less unearned premium. Gross written premium reflects business incepted during the year in accordance with the terms of the Reinsurance Agreement with Groupama Assurances Mutuelles. Unearned premiums are those portions of premium written in the period that relate to insurance cover after the period end.

h) Taxation

The Company is an Irish registered company and is structured to qualify as a securitisation company under Section 110 of the Taxes Consolidation Act, 1997. The Company generates minimal net income for Irish corporation tax purposes which is liable to Irish corporation tax at 25%.

i) Interest expense

Interest expense is recognised on an effective interest basis in accordance with the contractual terms of the underlying financial liabilities. Interest expense is reported in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates, the Company's functional currency. The financial statements are prepared in Euro (€), which is the Company's functional and presentation currency.

Foreign currency transactions are recorded initially at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities at the end of the financial period denominated in foreign currencies are translated in Euro at the exchange rates prevailing at the end of the accounting year with resulting profits and losses recorded in the statement of comprehensive income for the period.

Monetary assets are money held and amounts to be received in money; all other assets are non-monetary assets.

k) Provisions

A provision is set up whenever the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company accounts for its financial instruments in accordance with the recognition and measurement principles of IAS 39, as permitted by FRS 102.

When financial instruments are recognised initially, they are measured at fair value. The Company classifies its financial instruments as follows:

- Financial assets are classified as loans and receivables
- Debt securities issued are classified as financial liabilities at amortised cost

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments. Loans and receivables are initially recognised at fair value – which is the cash consideration to originate or purchase the loan including any transactional costs – and measured subsequently at amortised cost. Interest on loans and receivables is included in the statement of comprehensive income using the effective interest rate. In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in the statement of comprehensive income as “Loan impairment charges”.

Recognition of financial assets

Purchases and sales of financial assets are recognised on the trade date, the date on which the Company commits to purchase or sell the financial asset. Financial instruments are initially recognised at fair value. Changes in value of financial assets are subsequently measured at amortised cost.

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to the cash flows on that financial asset are cancelled, expire or are transferred to another party, or if the Company retains the contractual rights but enters into a contract under which the relevant cash flows must be duly paid under a 'pass- through arrangement'.

Impairment of assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been impacted. The Company has carried out an assessment of impairment using the indicators per IAS 39 para 58 and are of the opinion that there is no impairment of financial assets.

Financial liabilities

Financial liabilities are initially recognised at fair value, being their issue proceeds (fair value of consideration received). Financial liabilities are subsequently measured at amortised cost.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit and loss.

m) Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks and other short term highly liquid investments with a maturity of three months or less at the date of purchase. Cash equivalents are carried at amortised cost, which approximates fair value.

n) Called up share capital (presented as equity)

Called up ordinary share capital is classified as equity in the statement of financial position.

o) Recognition of liabilities under reinsurance contracts

Following the occurrence of one or more potential Covered Events, the Ceding Insurer may give written notices (an Event Notice and a Proof of Loss Claim) to the Company, the Claims Reviewer and the Indenture Trustee requesting that the Claims Reviewer provide a Claims Reviewer Report with respect to such potential Covered Event

Pursuant to the Claims Reviewer Agreement, the Company shall cause the Claims Reviewer to, after receipt of written notices, issue a report (each, a "Claims Reviewer Report") to the Company, the indenture trustee and the Ceding Insurer.

Concurrently, the corresponding liability relating to notes issued to noteholders will be derecognised, in accordance with the derecognition of financial liabilities accounting policy, as described elsewhere in the Accounting Policy disclosure note to the financial statements.

With regard to redemption of EBRD notes, to be undertaken concurrent with the above processes, the accounting policy will mirror the recognition and derecognition of financial assets, as described elsewhere in the Accounting Policy disclosure note to the financial statements.

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 GROSS PREMIUMS WRITTEN

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | 2025 |
|-------------------------------------------------------------|-------------------|
| | € |
| (a) Analysis of gross premium written by class of business: | |
| Reinsurance | <u>12,611,375</u> |
| (b) Analysis of gross premium written, net premium earned: | |
| Gross premium written | <u>12,611,375</u> |
| Net earned premium income | <u>11,566,667</u> |

The risk premium spread for the first annual risk period which runs from 19 July 2024 to 30 June 2025 is 8.0% and the risk premium spread for the second annual risk period which runs from 1 July 2025 to 30 June 2026 is 7.83%.

4 UNEARNED PREMIUM

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | 2025 |
|------------------|------------------|
| | € |
| Unearned premium | <u>1,044,708</u> |
| | <u>1,044,708</u> |

5 INTEREST INCOME

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | 2025 |
|-------------------------------|------------------|
| | € |
| Interest income on EBRD notes | <u>4,067,109</u> |
| | <u>4,067,109</u> |

6 OTHER INCOME

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | 2025 |
|-----------------------------|------------------|
| | € |
| Gross expense reimbursement | 1,890,331 |
| Net forex gain | 3,559 |
| | <u>1,893,890</u> |

Under the Reinsurance Agreement in place, the Company is entitled to €1,000 fee income and gross expense reimbursement to fund the ongoing expenses of the Company.

7 ADMINISTRATIVE EXPENSES

For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025

| | 2025 |
|---------------------------------|------------------|
| | € |
| Initial set up fees | 1,422,861 |
| Corporate service provider fees | 255,872 |
| Director fee | 15,000 |
| Audit and tax fees | 39,299 |
| Other fees and expenses | 159,858 |
| | <u>1,892,890</u> |

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 INTEREST EXPENSE ON DEBT SECURITIES ISSUED

| | |
|------------------------------------------------------------------------------------|-------------------|
| For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025 | 2025 |
| | € |
| Interest expense on debt securities issued | <u>15,633,776</u> |
| | <u>15,633,776</u> |

9 EMPLOYEES AND REMUNERATION

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| For the financial period from 8 April 2024 (date of incorporation) to 30 June 2025 | 2025 |
| | € |
| Directors fees paid during the financial period | <u>11,250</u> |
| Directors fees payable at period end | <u>7,500</u> |
| The company has no employees. Administration services are provided under a service level agreement with Aon Insurance Managers Dublin Limited. | |

10 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

| | |
|---------------------------------------------------------------------------------|---------------|
| The profit on ordinary activities before taxation is arrived at after charging: | 2025 |
| | € |
| Audit of individual accounts (ex VAT) | <u>20,000</u> |
| Taxation compliance services (ex VAT) | <u>2,950</u> |
| | <u>22,950</u> |
| Emoluments: Directors remuneration | |
| For services as Directors | <u>15,000</u> |
| | <u>15,000</u> |

11 TAXATION ON ORDINARY ACTIVITIES

| | |
|-----------------------------------------------|--------------|
| | 2025 |
| | € |
| Profit on ordinary activities before taxation | <u>1,000</u> |
| Corporation tax at 25% | |
| Tax charge for the period | <u>250</u> |

12 LOANS AND RECEIVABLES

| | |
|------------|--------------------|
| | As at 30 June 2025 |
| | € |
| EBRD notes | <u>150,000,000</u> |
| | <u>150,000,000</u> |

The Company has used the proceeds from the issue of the Variable Rate Notes to purchase EBRD Notes, which are deposited in the applicable collateral account. Following the purchase of the EBRD Notes and until one business day prior to the applicable redemption date, each collateral account is expected to contain only the applicable EBRD Notes unless such EBRD Notes are redeemed early. When the EBRD Notes are redeemed, the cash proceeds of such redemption will be deposited in the applicable collateral account and may be invested in the applicable Money Market Funds. The EBRD Notes accrue interest based on 3 month Euribor rate. The interest rate spread for the period was 2.066% to 3.577%.

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 LOANS AND RECEIVABLES (CONTINUED)

| Movement in the financial period: | As at 30 June 2025 |
|-----------------------------------|--------------------|
| Balance at beginning of period | € - |
| Purchase of EBRD notes | 150,000,000 |
| Balance at end of period | <u>150,000,000</u> |

The financial assets are collateral for the Notes issued by the Company. In the event there is no claim (reinsurer payment) during any annual risk period, any funds made available through their disposal will be used to repay the principal and accrued interest of the Notes. In the event of a claim, the reinsured will take priority over the noteholders with regards to the payment of the redemption of the collateral for the Notes.

13 CASH AND CASH EQUIVALENTS

| | As at 30 June 2025 |
|---------------------------------|--------------------|
| Cash held at BNY Mellon | € 152,978 |
| Total cash and cash equivalents | <u>152,978</u> |

14 PREMIUM RECEIVABLE

| | As at 30 June 2025 |
|--------------------------|--------------------|
| Premium receivable | € 3,011,375 |
| Total premium receivable | <u>3,011,375</u> |

15 OTHER RECEIVABLES & PREPAYMENTS

| | As at 30 June 2025 |
|-----------------------------------------|--------------------|
| Gross expense reimbursement receivable | € 24,872 |
| Prepayments | 11,839 |
| Total other receivables and prepayments | <u>36,711</u> |

Other receivables are due within 12 months from financial period end.

16 INTEREST RECEIVABLE

| | As at 30 June 2025 |
|-----------------------------------|--------------------|
| Interest receivable on EBRD notes | € 507,892 |
| Total interest receivable | <u>507,892</u> |

17 CALLED UP SHARE CAPITAL (PRESENTED AS EQUITY)

| | As at 30 June 2025 |
|------------------------------------------------------------|--------------------|
| Authorised | |
| 1,000 ordinary shares of €1.00 each | <u>1,000</u> |
| Allotted and called up and fully paid share capital | |
| 2 ordinary shares of €1.00 each | <u>2</u> |

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 DEBT SECURITIES ISSUED

As at 30 June 2025

| | € |
|--------------------------------------------------------|--------------------|
| Principal At-Risk Variable Rate Notes due 08 July 2027 | 150,000,000 |
| | <u>150,000,000</u> |

Due to the limited recourse nature of the Variable Rate Notes, the repayment of the principal and accrued interest of the notes is dependent upon funds being available to meet such liabilities as they fall due. If the Company has insufficient funds available for the purpose of redeeming the principal outstanding on any class of notes in full or interest thereon, such amounts shall not be payable to the Noteholders, this is also discussed in Note 21. If one or more covered events requiring a reinsurer payment under the reinsurance agreement occurs, the notes will be derecognised to the extent of the value of the claim made in relation to the covered event(s).

Interest on the Variable Rate Notes is equal to the risk premium received plus permitted investment income.

19 INTEREST PAYABLE TO NOTE HOLDERS

As at 30 June 2025

| | € |
|---------------------------------|------------------|
| Interest payable to noteholders | 2,474,559 |
| | <u>2,474,559</u> |

20 OTHER ACCRUALS

As at 30 June 2025

| | € |
|------------------|----------------|
| Accrued expenses | 188,687 |
| | <u>188,687</u> |

Accrued expenses are due within 12 months from financial period end.

21 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Strategy in using financial instruments

As stated in the Directors' Report, the principal activity of the Company is limited to placing risks associated with windstorm in France (including Corsica but excluding Départements Régions et Collectivités d'Outre mer, and Nouvelle Calédonie) and Monaco. Risk is assumed by the Company under a Reinsurance Agreement with Groupama Assurances Mutuelles for the period 19 July 2024 until 30 June 2027. The Company passes these risks on to investors through the issuance of variable rate notes, listed on the Bermuda Stock Exchange.

The financial liabilities provided the funding to purchase the Company's investment in EBRD notes. Financial assets and liabilities represent the majority of the assets and liabilities of the Company.

The strategies used by the Company in achieving its objectives regarding the use of its loans and receivables and financial liabilities were set when the Company entered into the transactions. The Company has attempted to match the properties of its financial liabilities to its assets to avoid the risk generated by mismatches of investment performance against its obligations

The key risks of the Company are set out in the offering circular, offering circular supplement and transaction documents entered into on or around 15 July 2024. The financial risks the Company is exposed to include market risk (interest rate risk and currency risk), event risk, credit risk and liquidity risk. All of the risk of the Company is ultimately borne by the Noteholders. The Directors seek to assess, monitor and manage any potential adverse risks on the Company's financial performance by appropriate methods as discussed below.

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Interest rate risk

Interest rate risk is the risk that fair value of the future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company primarily finances its operations through the issue of Variable Rate Notes upon which interest is payable. The Company receives income under the Reinsurance Agreement and EBRD Notes sufficient to cover interest due on the notes issued. Accordingly, the Directors believe that the Company is not exposed to interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's material assets and liabilities are denominated in Euro. Consequently, the Directors believe that there is no material currency risk to the Company.

Event risk

The Company has issued Variable Rate Notes in order to obtain funds to support its obligations under the Reinsurance Agreement to make certain payments to Groupama Assurances Mutuelles. As a result of the Reinsurance Agreement, the Company and holders of the notes issued by the Company are at risk in the event that a windstorm across France (including Corsica but excluding Départements Régions et Collectivités d'Outre mer, and Nouvelle Calédonie) and Monaco occurs during the risk period. Under the terms of the Reinsurance Agreement, the Company is obligated to indemnify Groupama Assurances Mutuelles in the event of a windstorm loss that exceeds the attachment level determined in accordance with the provisions set out in the agreement.

If during the risk period there is one or more covered events resulting in principal reductions with respect to the notes, investors in the Notes could lose all or a portion of their investment. The total Variable Rate Notes in issue at 30 June 2025 was €150,000,000 (Note 18).

No covered events that require a reinsurer payment occurred during the period.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. At the balance sheet date, financial assets exposed to credit risk include loans and receivables, cash and cash equivalents, interest receivable, other receivables and prepayments, and premium receivable. These assets are detailed in Notes 12 to 16. It is the opinion of the Company that the carrying amounts of these financial assets represent the maximum credit risk exposure at the balance sheet date.

Credit rating of counterparties

| Counterparty | Asset | Rating Moody's/Fitch |
|-------------------------------|-----------------------|-------------------------|
| EBRD | Loans and receivables | AAA |
| Bank of New York Mellon | Cash at bank | AA2 |
| Groupama Assurances Mutuelles | Premium receivable | A+ |

The Company's exposure and the credit ratings of its counterparties are regularly monitored by Management and advised to the Board. No financial assets are past due, nor impaired.

QUERCUS RE DAC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. All substantial risks and rewards associated with the Company's financial assets and liabilities are ultimately borne by the Noteholders.

The Company's obligations under the Notes are matched with the receipts of accrued interest and proceeds from the redemption of financial assets. The table below discloses the undiscounted contractual cash flows of the financial liabilities.

| Financial liabilities As at 30 June 2025 | Less than 1 month | Between 1 and 3 months | Between 3 and 12 months | Between 1 and 5 years | Over 5 years | Total |
|---------------------------------------------|-------------------|------------------------|-------------------------|-----------------------|--------------|-------------|
| | € | € | € | € | € | € |
| Interest payable to noteholders | - | 2,474,559 | - | - | - | 2,474,559 |
| Unearned premium | - | 1,044,708 | - | - | - | 1,044,708 |
| Accrued expenses | - | - | 188,687 | - | - | 188,687 |
| Debt securities issued | 1,235,000 | 2,470,000 | 11,115,000 | 164,990,417 | - | 179,810,417 |
| | 1,235,000 | 5,989,267 | 11,303,687 | 164,990,417 | - | 183,518,371 |

Variable rate notes

The Company's only sources of funds for repayment of the Outstanding Principal Amount of the Variable Rate Notes will be: (i) the principal amount of the EBRD Notes in the applicable Collateral Account, if any; and (ii) the net proceeds of the liquidation of any applicable Money Market Funds (net of any applicable withholding taxes and fees) in respect of the Negative Index Payments which have been invested therein (if any) and if an EBRD Put Event occurs which results in a redemption of the applicable EBRD Notes, in which case unless such EBRD Put Event has occurred prior to the Payment Date immediately prior to the applicable Redemption Date, the net proceeds of the liquidation of any Money Market Funds (net of any applicable withholding).

Payment of the Outstanding Principal Amount of the Notes is effectively subordinated to the obligations of the Company to the Ceding Insurer under the Reinsurance Agreement.

The Company's sole sources of funds for payment of interest on the Notes will be: (i) the Periodic Payments received from the Ceding Insurer under the applicable Reinsurance Agreement relating to the payment of interest to the holders of the Notes; and (ii) the applicable Permitted Investment Yield, if any. The Permitted Investment Yield is an amount equal to the actual investment earnings on the amounts invested in the Permitted Investments which have not been previously distributed.

In the event of the failure of the Ceding Insurer to make Periodic Payments when due under the applicable Reinsurance Agreement, the Company would likely be unable to make full payment of interest on the Outstanding Principal Amount of the Notes.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is Walkers Ireland Shareholding Services Limited, who hold all the shares of the Company.

23 RELATED PARTY TRANSACTIONS

The Company's related parties are the Administrator, the Share Trustee and the Directors. During the period the Company incurred fees relating to the management services provided by Aon Insurance Managers (Dublin) Limited amounting to €27,917, all of which was paid during the financial period. Michael Spellman is an employee of Aon Insurance Managers (Dublin) Limited. Michael Spellman did not receive any remuneration in respect to his Directorship. Director remuneration is disclosed in Note 9. The previous Directors who resigned on 24 April 2024 did not receive any remuneration.

Walkers Ireland Shareholding Services Limited acts as a share trustee which gives them the authority to influence the Company's governance by changing the board of directors however they must refrain from interfering in the Company's business activities and do not have powers to dispose of the shares, other than by way of a transfer to another share trustee company.

24 CAPITAL MANAGEMENT

The Company is not subject to externally imposed capital requirements. The Company was initially financed by €2 equity. Any subsequent transactions entered into by the Company are designed to enable the Company to pay its liabilities as they fall due.

25 CONTINGENT LIABILITIES AND COMMITMENTS

There are neither contingent liabilities nor commitments as at 30 June 2025.

26 EVENTS AFTER THE REPORTING PERIOD

There have been no significant events subsequent to period end that would require adjustment or disclosure in the financial statements.

27 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 24 September 2025.