BOWTIE LIFE INSURANCE COMPANY LIMITED

Disclosure Statement

At 31 December 2025

Disclosure Statement at 31 December 2025

This disclosure statement is prepared in accordance with the requirements under the Insurance (Valuation and Capital) Rules and the Insurance (Public Disclosure) Rules.

1 Company profile

(a) Authorized insurer's name

Bowtie Life Insurance Company Limited

(b) Nature of the business, and places of business operations

Bowtie Life Insurance Company Limited (the "Company" or "Bowtie") is authorized by the Insurance Authority (the "IA") of Hong Kong to carry on long-term life and health insurance business, holding licences to underwrite Class A (Life and Annuity) and Class D (Permanent Health) businesses under the Insurance Ordinance (Cap. 41).

The Company has been licensed since 2018 and operates in Hong Kong, with a product map spanning personal protection, corporate/group benefits, and health/wellness services. For individual customers, the Company offers protection products such as VHIS plans, term life, term critical illness, accident, and cancer insurance, complemented by wellness offers. For corporate clients, the Company provides group life and group medical insurance as well as wellness offers.

The Company has expanded its ecosystem through a strategic joint venture to deliver an integrated health model, and a network of subsidiaries providing third-party administration, technology, and consultancy services. Furthermore, the Company has initiated an international expansion strategy to drive growth across Southeast Asia.

(c) Description of corporate structure

Bowtie is a limited liability company incorporated and domiciled under the laws of Hong Kong, with its registered office at 4/F, Bowtie Life Insurance Tower, 68 Johnston Road, Wan Chai, Hong Kong.

During the financial year ended 31 December 2025, the Company achieved significant strategic milestones. On 15 July 2025, the Company closed a Series C funding round, raising up to US$70 million in growth capital. This increased Sun Life Hong Kong ("Sun Life")'s ownership stake in Bowtie while Bowtie continues to operate as an associated company of Sun Life, continuing to operate under Bowtie's own brand and employee base.

The Company's principal subsidiaries comprise Claim Technology Services Limited (Hong Kong), a third-party administrator serving life insurers, and Bowtie Vietnam Company Limited (Vietnam) and Bowtie Singapore Pte. Ltd. (Singapore), which together support Bowtie's international expansion strategy through technology and consultancy capabilities. The Company also holds a 65% interest in Bowtie x JP Partners Medical Centre Limited, a joint venture incorporated in Hong Kong that anchors the Group's integrated health model through the provision of clinical outpatient and preventive healthcare.

2 Corporate governance framework

Bowtie's corporate governance framework is established in accordance with the IA's Guideline on Corporate Governance of Authorized Insurers (GL10) and the Hong Kong Companies Ordinance (Cap. 622), with the aim of maintaining effective oversight, sound risk management, and appropriate checks and controls across the Company's operations in support of our long-term obligations to policyholders and other stakeholders.

The framework operates through a structure comprising the Board of Directors, supported by three Board Committees - the Audit Committee, the Risk Committee and the Policy Approval Committee - each operating under Board-approved terms of reference. The Board delegates day-to-day management to the management team.

Board of Directors

The Board comprises six Directors, of whom two are Independent Non-Executive Directors ("INEDs"). To ensure a clear balance of authority, the roles of Chairperson and CEO are separated: Non-Executive Chairperson Ms Laura Money leads the Board in its governance duties, while the CEO Mr Michael Chan manages the Company under Board oversight. The Board oversees the Company's corporate & business strategy, risk management, financial reporting & controls, capital management, internal control effectiveness, people and remuneration policy and legal & regulatory compliance. All Directors are required to continuously meet the fit and proper criteria under the IA's Guideline (GL4).

Board Committees

Three Board Committees operate under Board-approved terms of reference:

- The Audit Committee assists the Board in overseeing the integrity of the Company's financial reporting, the effectiveness of internal controls and the objectivity of internal and external auditors.
- The Risk Committee assists the Board in overseeing the Group's overall risk appetite, risk framework, capital management, and compliance and regulatory matters, including reviewing and approving risk appetite statements, the Own Risk and Solvency Assessment ("ORSA") and capital plans.
- The Policy Approval Committee reviews and approves the Group's key corporate policies to ensure they remain appropriate and consistent with regulatory requirements and the Group's risk appetite.

Three Lines of Defence
The Company operates a three-lines-of-defence model. The first line comprises business functions that own and manage risks in day-to-day operations. The second line encompasses the risk management and compliance functions providing independent oversight and challenge. The third line is the internal audit function providing independent assurance to the Board and Audit Committee.

Key Persons in Control Functions
Key persons in control functions - comprising the Chief Risk Officer & Appointed Actuary (risk management & actuarial), Chief Financial Officer (financial control), Compliance Officer (compliance), Internal Audit Officer (internal audit) and Chief Commercial Officer (intermediary management) - are appointed by and accountable to the Board in accordance with GL4 and GL10.

External Auditors
On 27 December 2025, Deloitte Touche Tohmatsu was appointed to fill the casual vacancy following the resignation of PricewaterhouseCoopers on 28 November 2025. Both auditors confirmed there are no matters or disagreements regarding the transition that need to be brought to shareholders' and stakeholders' attention.

3 Financial position

(a) Balance sheet determined under the Insurance (Valuation and Capital) Rules

(Unit: in HKD thousands)	As at 31 December 2025					As at 31 December 2024				
	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	**Total**	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Total assets	809,058	552,724	0	0	403,293	362,321	309,787	0	0	131,332
Cash and deposits	407,867	73,051	0	0	334,816	183,303	77,072	0	0	106,231
Debt securities	0	0	0	0	0	0	0	0	0	0
Equities (including portfolio investments)	0	0	0	0	0	0	0	0	0	0
Derivative financial instruments	0	0	0	0	0	0	0	0	0	0
Properties	0	0	0	0	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0	0	0	0	0
Reverse repurchase agreement	0	0	0	0	0	0	0	0	0	0

(Unit: in HKD thousands)	As at 31 December 2025					As at 31 December 2024				
	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	**Total**	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Other financial assets	309,843	307,383	0	0	2,460	110,824	103,376	0	0	7,448
Policyholder's account assets in respect of unit linked products or retirement scheme	0	0	0	0	0	0	0	0	0	0
Reinsurance assets	40,634	40,634	0	0	0	47,821	47,821	0	0	0
Tax assets	34	0	0	0	34	0	0	0	0	0
Other assets	50,681	131,656	0	0	65,983	20,372	81,518	0	0	17,652
Total liabilities	547,304	490,647	0	0	203,616	231,545	227,888	0	0	82,454
Insurance liabilities	141,057	141,057	0	0	0	74,015	74,015	0	0	0
Reinsurance liabilities	5,127	5,127	0	0	0	5,961	5,961	0	0	0
Repurchase agreement	0	0	0	0	0	0	0	0	0	0
Derivative financial instruments	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	314,601	296,050	0	0	18,552	121,267	121,267	0	0	0
Tax liabilities	0	0	0	0	0	0	0	0	0	0
Other liabilities	86,519	48,414	0	0	185,064	30,303	26,646	0	0	82,454
Net assets	261,754	62,076	0	0	199,678	130,776	81,898	0	0	48,878

(b) Material change or other commentary on balance sheet items (if any)

Cash and Deposits

Cash and deposits increased by HK$225 million on year-over-year (“YoY”) basis, primarily driven by an increase in paid-up share capital of US$40 million (equivalent to HK.$314 million) received from Sun Life on 15 July 2025 through the issuance of preference shares.

Other Financial Assets

Other financial assets increased by HK$199 million on YoY basis, primarily attributable to premium receivables from new reinsurance business assumed by the Company commencing in year 2025, with remaining movement reflecting the continued growth of the Company’s core insurance operations.

Insurance Liabilities

The insurance liabilities increased by HK$67 million on YoY basis, primarily driven by new business contributions and natural business growth.

Other Financial Liabilities

The other financial liabilities increased by HK$193 million on YoY basis, primarily attributable to claims payable from new reinsurance business assumed by the Company commencing in year 2025, along with the increased reinsurance premium payable from new business contribution and natural business growth.

4 Investments

(a) Assumptions and methods used for valuation of investments

The Company's investments, comprising principally bank deposits, are classified and measured in accordance with HKFRS 9. Assets held to collect contractual cash flows representing solely payments of principal and interest are measured at amortized cost using the effective interest method. The Company held no debt securities, equities, or derivative financial instruments as at 31 December 2025 and accordingly no fair value hierarchy valuation techniques were applied for investments during the financial year.

(b) Material change in assumptions and methods, or other commentary on investments (if any)

There has been no material change in the assumptions or methods used for valuing investments during the financial year. No new categories of investment assets were acquired during the financial year that would require a change in valuation approach.

5 Insurance liabilities

(a) Total insurance liabilities determined under the Insurance (Valuation and Capital) Rules

Insurance Liabilities of Long Term Business

(Unit: in HKD thousands)	As at 31 December 2025						
	All long term business					Applicable to Hong Kong branches of non-HK insurers: reinsurance business with offshore risk if fund of reinsurance business with offshore risk is established	Total long term business
	Participating business	Linked long term (Class C)	Retirement scheme category I (Class G)	Retirement scheme category II (Class H)	Other long term business		
Total insurance liabilities (gross of reinsurance)	0	0	0	0	141,057	0	141,057
Of which: long term insurance liabilities	0	0	0	0	66,771	0	66,771
Outstanding claims	0	0	0	0	70,497	0	70,497
Current estimate[1]	0	0	0	0	(7,796)	0	(7,796)
Margin over current estimate	0	0	0	0	4,071	0	4,071
Prepaid premiums	0	0	0	0	0	0	0
Other long term insurance liabilities	0	0	0	0	0	0	0
Of which: general insurance liabilities	0	0	0	0	74,286	0	74,286
Reinsurance assets	0	0	0	0	40,634	0	40,634
Reinsurance liabilities	0	0	0	0	5,127	0	5,127

[1] Excludes outstanding claims, prepaid premiums and other long term insurance liabilities which are disclosed separately.

(Unit: in HKD thousands)	As at 31 December 2024						
	All long term business					Applicable to Hong Kong branches of non-HK insurers: reinsurance business with offshore risk if fund of reinsurance business with offshore risk is established	Total long term business
	Participating business	Linked long term (Class C)	Retirement scheme category I (Class G)	Retirement scheme category II (Class H)	Other long term business		
Total insurance liabilities (gross of reinsurance)	0	0	0	0	74,015	0	74,015
Of which: long term insurance liabilities	0	0	0	0	74,015	0	74,015
Outstanding claims	0	0	0	0	85,080	0	85,080
Current estimate[1]	0	0	0	0	(14,260)	0	(14,260)
Margin over current estimate	0	0	0	0	3,196	0	3,196
Prepaid premiums	0	0	0	0	0	0	0
Other long term insurance liabilities	0	0	0	0	0	0	0
Of which: general insurance liabilities	0	0	0	0	0	0	0
Reinsurance assets	0	0	0	0	47,821	0	47,821
Reinsurance liabilities	0	0	0	0	5,961	0	5,961

[1] Excludes outstanding claims, prepaid premiums and other long term insurance liabilities which are disclosed separately.

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at 31 December 2025									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensati on	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (<u>gross</u> of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total general insurance liabilities excluding other general insurance liabilities (<u>gross</u> of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Outstanding claims liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Premium liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Margin over current estimate for outstanding claims liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Margin over current estimate for premium liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total general insurance liabilities excluding other general insurance liabilities (<u>net</u> of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

(Unit: in HKD thousands)	As at 31 December 2024									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (gross of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total general insurance liabilities excluding other general insurance liabilities (gross of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Outstanding claims liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Premium liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Margin over current estimate for outstanding claims liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Margin over current estimate for premium liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total general insurance liabilities excluding other general insurance liabilities (net of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

(b) Assumptions and method used to derive the assumptions for determining insurance liabilities

The major assumption input to the insurance liabilities cover the followings:

- Expected claims cost
- Mortality and morbidity
- Lapse
- Discount rate

The mortality and morbidity assumptions are derived based on the Company's own experience, industry experience, industry and government studies, and external reinsurers.

Regular experience studies have been carried out to monitor the Company's own experience. Any material variance in experience will be monitored and corresponding change in the assumption will be proposed by our actuaries upon their professional assessment.

For discount rate, given that all of our products are non-participating and denominated in HKD, HKD risk-free rate is applied for the insurance liabilities. Reference is made to the information available quarterly from the IA.

(c) Material change in assumptions and methods used to derive the assumptions, or other commentary on insurance liabilities (if any)

There were no material changes in assumptions and methods to derive the assumptions during the financial year ended 31 December 2025.

There was a change in product classification and methodology for Group medical business in the year. The insurance liability was no longer calculated as long-term insurance liability and it was newly reported as a general insurance liability.

6 Financial performance

(a) Financial performance in total and at a segmented level, including premiums, investment returns and claims

Performance Analysis on Premiums and Claims

(Unit: in HKD thousands)	For the financial year ended 31 December 2025				For the financial year ended 31 December 2024			
	Total	Long term business	Of which belongs to: long term business – participating business	General business	**Total**	Long term business	Of which belongs to: long term business – participating business	General business
Gross premiums[2]	551,139	551,139	0	Not applicable	159,890	159,890	0	Not applicable
Regular premiums	Not applicable	551,139	0	Not applicable	Not applicable	159,890	0	Not applicable
Single premiums	Not applicable	0	0	Not applicable	Not applicable	0	0	Not applicable
Net premiums	405,282	405,282	0	Not applicable	102,634	102,634	0	Not applicable
Regular premiums	Not applicable	405,282	0	Not applicable	Not applicable	102,634	0	Not applicable
Single premiums	Not applicable	0	0	Not applicable	Not applicable	0	0	Not applicable
Gross claims paid	413,716	413,716	0	Not applicable	99,461	99,461	0	Not applicable
Net claims paid	306,145	306,145	0	Not applicable	50,665	50,665	0	Not applicable

[2] For long term business, it refers to premiums received and receivable during the financial year. For general business, it refers to written premiums.

Performance Analysis on Investment Returns

(Unit: in HKD thousands)	For the financial year ended 31 December 2025					For the financial year ended 31 December 2024				
	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	**Total**	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Investment returns	8,490	527	0	0	7,963	3,060	1,273	0	0	1,787

(b) Material change or other commentary on financial performance (if any)

Premiums

Gross premiums increased by HK$391 million, with net premiums increased by HK$303 million on YoY basis, driven by continued growth of the Company's in-force insurance business, together with new reinsurance business assumed by the Company commencing in year 2025.

Claims

Gross claims paid increased by HK$314 million with net claims paid increased by HK$255 million on YoY basis. The increase in net claims was consistent with the growth in premium income and the corresponding growth in the size of the Company's in-force book.

Investment returns

Investment returns increased by HK$5 million on YoY basis, driven primarily by higher interest income on larger average cash and deposit balances following the capital injection from Sun Life in July 2025.

(c) Underwriting Results for general business (for pricing adequacy disclosure purposes)

Underwriting Results of General Business

(Unit: in HKD thousands)	For the financial year ended 31 December 2025									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Gross premium	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Net premium	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Net undiscounted best estimate combined business results, relating to current year	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Net undiscounted best estimate combined business results, relating to prior year	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Undiscounted underwriting results - profit / (loss)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

(Unit: in HKD thousands)	For the financial year ended 31 December 2024									
	Direct insurance							Reinsurance		Total general Business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportiona l	Non-proportional	
Gross premium	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024
Net premium	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024
Net undiscounted best estimate combined business results, relating to current year	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024
Net undiscounted best estimate combined business results, relating to prior year	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024
Undiscounted underwriting results – profit / (loss)	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024	Not disclosed in FY2024

(d) Material change or other commentary on underwriting results (if any)

Not applicable

7 Capital adequacy

(a) Prescribed capital amount at total level and risk capital amount ("RCA") by sub-risk, determined in accordance with the Insurance (Valuation and Capital) Rules (without applying the transitional arrangement under Part 7 of the Insurance (Valuation and Capital) Rules)

Prescribed Capital Amount

(Unit: in HKD thousands)	As at 31 December 2025	As at 31 December 2024
Market risk (diversified RCA)	4,610	1,648
Interest rate risk RCA	187	400
Credit spread risk RCA	0	0
Equity risk RCA	0	0
Property risk RCA	0	0
Currency risk RCA	4,560	1,502
Diversification benefits within market risk	(137)	(254)
Life Insurance Risk (diversified RCA)	37,594	26,906
Mortality risk RCA	1,747	705
Longevity risk RCA	0	0
Life catastrophe risk RCA	23,550	15,603
Morbidity risk RCA	13,744	10,960
Expense risk RCA	2,153	1,794
Lapse risk RCA	14,469	11,029
Diversification benefits within life insurance risk	(18,069)	(13,186)
General Insurance Risk (diversified RCA)	26,904	0
Reserve and premium risk RCA	26,904	0
Natural catastrophe risk RCA	0	0
Man-made non-systemic catastrophe risk RCA	0	0
Man-made systemic catastrophe risk RCA	0	0
Mortgage insurance risk RCA	0	0
Diversification benefits within general insurance risk	0	0
Counterparty default and other risk RCA	7,473	2,805
Diversification benefits among risk modules	(25,384)	(3,133)
Operational risk RCA	15,359	8,468
Adjustment for loss absorbing capacity cap	0	0
Adjustment for tax effect	0	0
Any other items which the IA may specify to adjust	0	0
Prescribed capital amount	66,556	36,695

(b) Composition of capital base determined in accordance with the Insurance (Valuation and Capital) Rules

Capital Base

(Unit: in HKD thousands)	As at 31 December 2025	As at 31 December 2024
Unlimited Tier 1 capital	261,754	130,776
Limited Tier 1 capital	0	0
Tier 2 capital	0	0
Capital base	261,754	130,776

(c) Ratio of capital base to prescribed capital amount

	As at 31 December 2025	As at 31 December 2024
Ratio of capital base to prescribed capital amount	393%	356%

(d) Material change or other commentary on prescribed capital amount, capital base, and ratio of capital base to prescribed capital amount (if any)

The prescribed capital amount was mainly contributed by life insurance risk, general insurance risk and operational risk. This was aligned with the Company's business strategy in focusing on insurance operation and providing protection insurance. On a YoY basis, the prescribed capital amount was increased by HK$30 million and it was primarily contributed by new business and natural business growth. Within the year, there was a change in product classification and methodology for Group medical business. The capital amount originated from the business was no longer calculated as life insurance risk. Instead, the general insurance risk was newly reported.

The capital base was increased by HK$131 million on a YoY basis, primarily driven by an increase of the cash position following the Series C capital injection, partially offset by the increase in insurance liability from new business contributions and business growth.

The ratio of capital base to prescribed capital amount increased by 37% across the year, primarily due to the strengthening of the capital position.

8 Risk Management

(a) Risk appetite and risk governance framework

Bowtie's risk governance framework is overseen by the Risk Committee with the Chief Risk Officer responsible for the executive management support.

Bowtie's risk governance framework follows a three-lines-of-defence model and is overseen by the Risk Committee of the Board, which advises the Board on risk appetite, risk profile, and reviews the effectiveness of the risk management framework and associated policies and operating guidelines. The Chief Risk Officer is responsible for executive management support to the Risk Committee, leading the risk management function as the second line of defence and reporting to the Committee on the Company's risk profile.

Bowtie manages its risk profile within a Board-approved risk appetite, which defines the types and level of risk the Company is willing to accept in pursuit of its strategic and business objectives. The risk appetite is articulated through a combination of qualitative risk principles and quantitative risk tolerances, covering the Company's key risks.

(b) Insurance risk management

Bowtie's Risk Committee is responsible for the oversight of the insurance risks, with the Chief Risk Officer and the Appointed Actuary being responsible for the executive management support.

Insurance risk is a core component of Bowtie's business strategy and is actively managed across different functions. The insurance risk undertaken by Bowtie primarily comprises mortality, morbidity and policyholder behavior risks. Insurance risks are governed in accordance with the insurance risk policies, and are identified through the planning and/or product development cycle, with quantified assessments conducted at the time of pricing and repricing when experience emerges. Monitoring of insurance risk is conducted to ensure experience is quantified against expected outcomes, with management actions being taken where necessary to ensure robust and adequate risk control. Concentration risk is subject to limits set out in the Company's underwriting and claims operating guidelines, and periodically monitored by the reporting functions. The concentration limits are set in accordance to the risk appetite profile of the company. Reinsurance is the primary risk transfer strategy for insurance risks being taken and governed by the internal reinsurance risk policy.

(c) Investment risk management

Bowtie's Risk Committee is responsible for the oversight of the investment risks, with the Chief Financial Officer being responsible for the executive management support.

Investments are segregated between insurance funds and shareholder funds, each with a respective investment strategy to support its objectives while taking into account a balanced risk return profile, asset-liability matching, and appropriate risk limits which match the risk appetite of the organization. Bowtie's market risk exposure primarily comprises currency and interest rate risk.

(d) Other risk management (if any)

Beyond the aforementioned risks, given the nature of our business operations we consider cybersecurity and operational risks as other key risks to Bowtie and have its own respective set of risk management policies within the risk management framework to ensure that we are able to properly identify, monitor and manage the risk exposures in accordance with our risk appetite.

9 Statement of Compliance

(i) I am satisfied with the completeness, accuracy and consistency of the information disclosed in this disclosure statement in respect of Bowtie Life Insurance Company Limited;

(ii) I am satisfied that the information in this disclosure statement is prepared in accordance with the Insurance (Public Disclosure) Rules and the Insurance (Valuation and Capital) Rules (subject to any variation or relaxation applied thereto);

(iii) I am satisfied that the information in this disclosure statement can be reconciled with the relevant specified annual forms, on each of which an auditor's report is provided, of Bowtie Life Insurance Company Limited's annual returns for the financial year to which this disclosure statement relates, as submitted under rule 4(1) of the Insurance (Submission of Statements, Reports and Information) Rules; and

(iv) I am satisfied that Bowtie Life Insurance Company Limited has complied with all capital requirements that apply to it under the Insurance (Valuation and Capital) Rules (as relaxed or varied, if applicable), during the financial year to which this disclosure statement relates.

Name:	**Chan Kwan Yu Michael**
Position:	**Co-Founder & CEO**
Company Name:	**Bowtie Life Insurance Company Limited**