



TRISURA[®]

Trisura Group Ltd.

Condensed Interim Consolidated Financial Statements (unaudited)

For the three months ended March 31, 2026

TRISURA GROUP LTD.
Condensed Interim Consolidated Financial Statements (unaudited)

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TRISURA GROUP LTD.**Condensed Interim Consolidated Statements of Financial Position (unaudited)**

(in thousands of Canadian dollars, except as otherwise noted)

As at	<i>Note</i>	March 31, 2026	December 31, 2025
Assets			
Cash and cash equivalents		261,281	287,752
Investments	4,6	1,935,893	1,833,543
Other assets	8	44,546	50,340
Reinsurance contract assets	7.2	2,785,275	2,754,756
Capital assets and intangible assets		44,935	43,257
Deferred tax assets		42,793	37,473
Total assets		5,114,723	5,007,121
Liabilities			
Insurance contract liabilities	7.1	3,805,755	3,777,101
Other liabilities	9	161,877	170,582
Debt outstanding	11	198,971	134,772
		4,166,603	4,082,455
Shareholders' equity			
Common shares	12	464,376	472,127
Contributed surplus		10,816	13,983
Retained earnings		442,144	404,735
Accumulated other comprehensive income (loss)		30,784	33,821
		948,120	924,666
Total liabilities and shareholders' equity		5,114,723	5,007,121

See accompanying notes to the Condensed Interim Consolidated Financial Statements

TRISURA GROUP LTD.**Condensed Interim Consolidated Statements of Income (unaudited)**

(in thousands of Canadian dollars, except as otherwise noted)

For the three months ended March 31,	<i>Note</i>	2026	2025
Insurance revenue	7.1	779,640	779,606
Insurance service expenses	7.1	(585,866)	(585,213)
Net income (expense) from reinsurance contract assets	7.2	(155,090)	(156,323)
Insurance service result		38,684	38,070
Net investment income (loss)	14	21,196	18,197
Net gains (losses)	15	243	(1,931)
Net credit impairment reversals (losses)		(976)	(2,616)
Total investment income (loss)		20,463	13,650
Finance income (expenses) from insurance contracts	7.1	(12,223)	(49,891)
Finance income (expenses) from reinsurance contracts	7.2	10,462	43,413
Net insurance finance income (expenses)		(1,761)	(6,478)
Net financial result		18,702	7,172
Net insurance and financial result		57,386	45,242
Other income		5,727	5,461
Other operating expenses		(13,045)	(10,801)
Other finance costs		(1,462)	(908)
Income before income taxes		48,606	38,994
Income tax expense	17	(11,197)	(10,004)
Net income attributable to shareholders		37,409	28,990
Weighted average number of common shares outstanding during the period (in thousands) – basic		47,534	47,779
Earnings per common share (in dollars) – basic	13	0.79	0.61
Earnings per common share (in dollars) – diluted	13	0.77	0.60

See accompanying notes to the Condensed Interim Consolidated Financial Statements

TRISURA GROUP LTD.**Condensed Interim Consolidated Statements of Comprehensive Income (unaudited)**

(in thousands of Canadian dollars, except as otherwise noted)

For the three months ended March 31,	2026	2025
Net income attributable to shareholders	37,409	28,990
Items that may be or are reclassified subsequently to Net income		
Net unrealized gains (losses) on FVOCI investments	(15,943)	10,201
Reclassification of net losses (gains) on FVOCI investments	8	2,809
Income tax benefit (expense)	3,834	(3,018)
	(12,101)	9,992
Items that will not be reclassified subsequently to Net income		
Net unrealized gains (losses) on FVOCI equity investments	(481)	(903)
Realized gains (losses) on FVOCI equity investments	67	553
Income tax benefit (expense)	105	84
	(309)	(266)
Cumulative translation gains (losses)	9,373	(497)
Other comprehensive income (loss)	(3,037)	9,229
Total comprehensive income	34,372	38,219

See accompanying notes to the Condensed Interim Consolidated Financial Statements

TRISURA GROUP LTD.

Condensed Interim Consolidated Statements of Changes in Equity (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

	Note	Common shares	Contributed surplus	Retained earnings	AOCI ⁽¹⁾	Total
Balance as at January 1, 2026		472,127	13,983	404,735	33,821	924,666
Net income		-	-	37,409	-	37,409
Other comprehensive income (loss)		-	-	-	(3,037)	(3,037)
Total comprehensive income		-	-	37,409	(3,037)	34,372
Share issuance	12	1,487	-	-	-	1,487
Repurchases of common shares	12	(9,385)	(187)	-	-	(9,572)
Shares purchased under RSU ⁽²⁾ plan	12	147	-	-	-	147
Share based payments		-	(2,980)	-	-	(2,980)
Balance as at March 31, 2026		464,376	10,816	442,144	30,784	948,120

	Common shares	Contributed surplus	Retained earnings	AOCI ⁽¹⁾	Total
Balance at January 1, 2025	481,797	9,796	262,489	31,184	785,266
Net income	-	-	28,990	-	28,990
Other comprehensive income (loss)	-	-	-	9,229	9,229
Total comprehensive income	-	-	28,990	9,229	38,219
Share issuance	-	-	-	-	-
Shares purchased under RSU ⁽²⁾ plan	(2,521)	-	-	-	(2,521)
Share based payments	-	(1,147)	-	-	(1,147)
Balance as at March 31, 2025	479,276	8,649	291,479	40,413	819,817

(1) Accumulated other comprehensive income (loss)

(2) Restricted Share Units

See accompanying notes to the Condensed Interim Consolidated Financial Statements

TRISURA GROUP LTD.

Condensed Interim Consolidated Statements of Cash Flows (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

For the three months ended March 31,	Note	2026	2025
Operating activities			
Net income		37,409	28,990
Items not involving cash:			
Depreciation and amortization		1,243	696
Unrealized losses (gains)		(2,118)	946
Net credit impairment losses (reversals)		976	2,616
Stock option expense		615	513
Change in working capital	18	539	40,171
Realized losses (gains) on investments		(855)	(667)
Income taxes paid		(16,378)	(939)
Interest paid		(459)	(337)
Net cash flows from (used in) operating activities		20,972	71,989
Investing activities			
Proceeds on disposal of investments		90,504	77,534
Purchases of investments		(194,409)	(183,135)
Purchases of capital assets		(1,713)	(867)
Purchases of intangible assets		(187)	(104)
Net cash flows from (used in) investing activities		(105,805)	(106,572)
Financing activities			
Shares issued	12	1,487	-
Shares repurchased	12	(9,385)	-
Shares purchased under RSU plan	12	147	(2,521)
Issuance of note payable	11	198,971	-
Loans repaid	11	(134,772)	-
Principal portion of lease payments		(378)	(565)
Net cash flows from (used in) financing activities		56,070	(3,086)
Net increase (decrease) in cash and cash equivalents during the period		(28,763)	(37,669)
Cash, beginning of period		271,422	250,383
Cash equivalents, beginning of period		16,330	19,995
Cash and cash equivalents, beginning of period		287,752	270,378
Impact of foreign exchange on cash and cash equivalents		2,292	(1,533)
Cash, end of period		247,334	191,171
Cash equivalents, end of period		13,947	40,005
Cash and cash equivalents, end of period		261,281	231,176

See accompanying notes to the Condensed Interim Consolidated Financial Statements

TRISURA GROUP LTD.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 1 – The Company

Trisura Group Ltd. (the “Company”) was incorporated under the Business Corporations Act (Ontario) (the “Act”) on January 27, 2017. The Company’s head office is located at 333 Bay Street, Suite 1610, Box 22, Toronto Ontario, M5H 2R2.

The Company has investments in wholly owned subsidiaries through which it conducts insurance operations. Those operations are primarily in Canada and the United States.

The Company’s Canadian business operates as a Canadian property and casualty insurance company, licensed in all provinces and territories. The Company’s US business operates as a US property and casualty insurance company. The US business operates as a surplus lines insurer that can write business on a non-admitted basis in all states and as an admitted insurer that can write business on most states. Certain lines of the business operate as a hybrid fronting carrier where a large portion of gross premiums written are ceded to reinsurers.

The common shares of the Company are publicly traded on the Toronto Stock Exchange under the symbol “TSU”.

Note 2 – Basis of presentation

These Condensed Interim Consolidated Financial Statements have been prepared in accordance with IAS Standards (IAS 34 Interim Financial Reporting), as issued by the International Accounting Standards Board (“IASB”). The Condensed Interim Consolidated Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2025. These statements have been prepared in accordance with IFRS® Accounting Standards (“IFRS”) as issued by the IASB.

The Condensed Interim Consolidated Financial Statements comprise the financial results of the Company and all entities controlled by the Company, on a consolidated basis of presentation. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. In accordance with IFRS, presentation of assets and liabilities on the Condensed Interim Consolidated Statements of Financial Position is in order of liquidity. The Company’s functional and presentation currency is Canadian dollars.

These Condensed Interim Consolidated Financial Statements were authorized for issuance by the Company’s Board of Directors on May 7, 2026.

Note 3 - Summary of material accounting policies

The accounting policies applied during the three months ended March 31, 2026 and 2025 are the same as those described and disclosed in *Note 2 – Summary of material accounting policies* of the December 31, 2025 Consolidated Financial Statements, unless updated below.

a) IFRS 7 and IFRS 9 – Classification and Measurement of Financial Instruments

In May 2024, the IASB issued ‘Amendments to the Classification and Measurement of Financial Instruments’ to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 *Financial Instruments*. The amendments are effective for reporting periods beginning on or after January 1, 2026. The amendments emphasize that for most transactions, derecognition of financial assets and liabilities occurs on the settlement date.

The Company has elected to apply these amendments to all in-scope transactions, excluding cash flows governed by IFRS 17 *Insurance Contracts*, with no restatement to the comparative information. These amendments do not have a material impact on the Company’s financial statements.

b) IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosures in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 enhances disclosure requirements in the following areas: the statement of profit and loss, aggregation and disaggregation of financial information, and management-defined performance measures. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and will be applied retrospectively. The Company is currently assessing potential impacts of this new standard on the presentation and disclosure in the financial statements.

TRISURA GROUP LTD.**Notes to the Condensed Interim Consolidated Financial Statements (unaudited)**

(in thousands of Canadian dollars, except as otherwise noted)

Note 4 – Investments**4.1 Classification of cash and investments**

The following table presents the classification of cash and cash equivalents, short-term securities and investments:

As at March 31, 2026	FVOCI	FVTPL	Amortized cost	Total
Cash and cash equivalents	-	-	261,281	261,281
Investments				
Short-term securities	-	-	15,305	15,305
Fixed income ⁽¹⁾	1,441,672	151,382	-	1,593,054
Common shares	-	62,281	-	62,281
Preferred shares	114,225	78,255	-	192,480
Alternatives	-	72,773	-	72,773
Total investments	1,555,897	364,691	15,305	1,935,893
Total cash, cash equivalents and investments	1,555,897	364,691	276,586	2,197,174

As at December 31, 2025	FVOCI	FVTPL	Amortized cost	Total
Cash and cash equivalents	-	-	287,752	287,752
Investments				
Short-term securities	-	-	15,305	15,305
Fixed income ⁽¹⁾	1,331,791	163,762	2,000	1,497,553
Common shares	-	60,734	-	60,734
Preferred shares	112,015	78,254	-	190,269
Alternatives	-	69,682	-	69,682
Total investments	1,443,806	372,432	17,305	1,833,543
Total cash, cash equivalents and investments	1,443,806	372,432	305,057	2,121,295

(1) As at March 31, 2026, included in Fixed income are exchange-traded debt funds amounting to \$128,032 (December 31, 2025 - \$140,356).

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 4 – Investments (Continued)

4.2 Unrealized gains and losses and carrying value of investments

The amortized cost and carrying value of investments as at March 31, 2026 and December 31, 2025 were as follows:

As at March 31, 2026	FVTPL	FVOCI and amortized cost investments				Total
	investments					investments
	At carrying value	Amortized cost	Unrealized gains	Unrealized losses	Carrying value	At carrying value
Short-term securities	-	15,305	-	-	15,305	15,305
Fixed income	151,382	1,437,277	4,395	-	1,441,672	1,593,054
Common shares	62,281	-	-	-	-	62,281
Preferred shares	78,255	112,805	1,420	-	114,225	192,480
Alternatives	72,773	-	-	-	-	72,773
	364,691	1,565,387	5,815	-	1,571,202	1,935,893

As at December 31, 2025	FVTPL	FVOCI and amortized cost investments				Total
	investments					investments
	At carrying value	Amortized cost	Unrealized gains	Unrealized losses	Carrying value	At carrying value
Short-term securities	-	15,305	-	-	15,305	15,305
Fixed income	163,762	1,312,893	20,898	-	1,333,791	1,497,553
Common shares	60,734	-	-	-	-	60,734
Preferred shares	78,254	110,072	1,943	-	112,015	190,269
Alternatives	69,682	-	-	-	-	69,682
	372,432	1,438,270	22,841	-	1,461,111	1,833,543

Impairment losses on financial investments subject to impairment assessment

For the three months ended March 31, 2026 and 2025, an analysis of changes in the fair value and the corresponding ECL is as follows:

	For the period ended March 31, 2026			For the period ended March 31, 2025		
	12mECL	LTECL	Total	12mECL	LTECL	Total
Beginning fair value	1,330,792	999	1,331,791	1,015,562	4,552	1,020,114
New assets purchased	187,913	-	187,913	166,471	-	166,471
Assets derecognized or matured	(72,592)	-	(72,592)	(69,950)	-	(69,950)
Change in fair value	(16,869)	5	(16,864)	7,392	159	7,551
Net foreign exchange income (loss)	11,424	-	11,424	(783)	-	(783)
Movement between 12mECL and LTECL	(498)	498	-	(4,877)	4,877	-
Ending fair value	1,440,170	1,502	1,441,672	1,113,815	9,588	1,123,403

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 4 – Investments (Continued)

	For the period ended March 31, 2026			For the period ended March 31, 2025		
	12mECL	LTECL	Total	12mECL	LTECL	Total
Beginning ECL	6,834	14	6,848	3,523	2,066	5,589
New assets purchased	1,364	-	1,364	824	-	824
Assets derecognized or matured	(128)	-	(128)	(41)	-	(41)
Movement in ECL	(264)	4	(260)	955	878	1,833
Movement between 12mECL and LTECL	(12)	12	-	(124)	124	-
Ending ECL	7,794	30	7,824	5,137	3,068	8,205

4.3 Pledged assets

In the normal course of insurance and reinsurance operations, the Company must secure its obligations under certain insurance and reinsurance contracts by collateralizing them with letters of credit or trust arrangements. As at March 31, 2026, the Company has pledged cash, cash equivalents and short-term deposits amounting to \$168 (December 31, 2025 – \$163), under insurance and reinsurance trust arrangements and are therefore not readily available for general use by the Company.

As at March 31, 2026, the Company pledged \$24,747 (December 31, 2025 – \$14,426) of fixed income investments, and \$6,075 (December 31, 2025 – \$2,525) of cash and cash equivalents, as security deposits to various US state insurance departments to be held in trust for various states and are therefore not readily available for general use by the Company.

Note 5 – Fair value and notional amount of derivatives

The following sets out the fair value and notional amount of derivatives as at March 31, 2026 and December 31, 2025:

As at	March 31, 2026			December 31, 2025		
	Notional amount	Fair value		Notional amount	Fair value	
Asset		Liability	Asset		Liability	
Foreign currency contracts						
Forwards	142,507	111	449	143,047	622	549
Equity contracts						
Swap agreement	11,931	12,786	-	12,371	13,032	-
	154,438	12,897	449	155,418	13,654	549
Term to maturity						
less than one year	154,438	12,897	449	155,418	13,654	549

The Company uses foreign currency forward contracts to reduce its exposure to fluctuations in the exchange rates that could arise from its USD, EUR and GBP denominated investments, including investments in subsidiaries. The notional amounts of the forwards as at March 31, 2026 are \$87,728 USD (December 31, 2025 – \$88,301 USD), €12,068 EUR (December 31, 2025 – €12,068 EUR) and £1,320 GBP (December 31, 2025 – £1,320 GBP). The Company also uses swap agreements to mitigate exposure to equity market fluctuations associated with its share based compensation. These derivatives are recorded at fair value (see Note 6, Note 8, Note 9) and gains and losses are recorded in net gains (losses) (see Note 15).

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 6 – Fair value measurement

The following sets out the financial instruments measured at fair value and classified in accordance with the fair value hierarchy as at March 31, 2026 and December 31, 2025:

As at March 31, 2026	Total fair value	Level 1	Level 2	Level 3
Fixed income	1,593,054	-	1,593,054	-
Common shares	62,281	62,281	-	-
Preferred shares	192,480	178,525	13,955	-
Alternatives	72,773	-	-	72,773
Total investments	1,920,588	240,806	1,607,009	72,773
Derivative financial assets	12,897	-	12,897	-
Financial assets	1,933,485	240,806	1,619,906	72,773
Financial liabilities	449	-	449	-

As at December 31, 2025	Total fair value	Level 1	Level 2	Level 3
Fixed income	1,495,553	-	1,495,553	-
Common shares	60,734	60,734	-	-
Preferred shares	190,269	176,264	14,005	-
Alternatives	69,682	-	-	69,682
Total investments	1,816,238	236,998	1,509,558	69,682
Derivative financial assets	13,654	-	13,654	-
Financial assets	1,829,892	236,998	1,523,212	69,682
Financial liabilities	549	-	549	-

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the hierarchy as at March 31, 2026 and December 31, 2025. For the three months ended March 31, 2026 and March 31, 2025, there were no transfers between levels.

	March 31, 2026	December 31, 2025
Balance at beginning of period	69,682	68,379
Realized and unrealized gains (losses)	1,579	3,922
Purchase of securities	1,341	5,321
Sale of securities	(904)	(5,328)
Foreign exchange	1,075	(2,612)
Balance at end of period	72,773	69,682

The following table presents quantitative information about the significant fair value inputs utilized by the Company for Level 3 assets:

	Fair value as at March 31, 2026	Fair value as at December 31, 2025	Valuation technique
Private equity funds	72,773	69,682	Net asset value ⁽¹⁾

(1) Based on the net asset value of the equity fund and market transactions which approximate the fair value of the investment.

TRISURA GROUP LTD.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 7 – Insurance and reinsurance contracts

7.1 Roll-forward of Insurance contract liabilities ("ICL") showing LRC and LIC

Insurance operations	2026			Total
	LRC	LIC		
		Present value of future cash flows	Risk adj. for non-financial risk	
Opening balance of ICL, as at January 1, 2026	541,410	2,859,989	375,702	3,777,101
Insurance revenue	(779,640)	-	-	(779,640)
Insurance service expenses:				
Incurred claims and other directly attributable expenses	16,994	357,384	36,813	411,191
Changes that relate to past service	-	(864)	(28,421)	(29,285)
Insurance acquisition cash flows amortization	203,960	-	-	203,960
Insurance service result from insurance contracts	(558,686)	356,520	8,392	(193,774)
Finance expense (income) from insurance contracts	-	12,223	-	12,223
Effects of exchange rate movements	3,767	39,547	5,648	48,962
Total amounts recognized in comprehensive income	(554,919)	408,290	14,040	(132,589)
Cash flows:				
Premiums received	686,174	-	-	686,174
Claims and other directly attributable expenses paid	-	(310,712)	-	(310,712)
Insurance acquisition cash flows	(214,219)	-	-	(214,219)
Total cash flows	471,955	(310,712)	-	161,243
Ending balance of ICL, as at March 31, 2026	458,446	2,957,567	389,742	3,805,755

Insurance operations	2025			Total
	LRC	LIC		
		Present value of future cash flows	Risk adj. for non-financial risk	
Opening balance of ICL, as at January 1, 2025	567,372	2,639,663	339,018	3,546,053
Insurance revenue	(779,606)	-	-	(779,606)
Insurance service expenses:				
Incurred claims and other directly attributable expenses	15,040	352,105	35,547	402,692
Changes that relate to past service	-	11,078	(23,341)	(12,263)
Insurance acquisition cash flows amortization	194,784	-	-	194,784
Insurance service result from insurance contracts	(569,782)	363,183	12,206	(194,393)
Finance expense (income) from insurance contracts	-	49,891	-	49,891
Effects of exchange rate movements	(436)	(3,535)	(468)	(4,439)
Total amounts recognized in comprehensive income	(570,218)	409,539	11,738	(148,941)
Cash flows:				
Premiums received	668,655	-	-	668,655
Claims and other directly attributable expenses paid	-	(341,706)	-	(341,706)
Insurance acquisition cash flows	(193,411)	-	-	(193,411)
Total cash flows	475,244	(341,706)	-	133,538
Ending balance of ICL, as at March 31, 2025	472,398	2,707,496	350,756	3,530,650

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 7 – Insurance and reinsurance contracts (Continued)

As at March 31, 2026, the liability for incurred claims, including the risk adjustment, was calculated at a 73% level of confidence (December 31, 2025 - 73%).

Discount rates applied for discounting of future cash flows are listed below:

Insurance and reinsurance contracts	Currency	As at March 31, 2026					As at December 31, 2025				
		1 year	5 years	10 years	20 years	30 years	1 year	5 years	10 years	20 years	30 years
	CAD	3.60%	4.31%	4.93%	5.52%	5.53%	3.30%	4.13%	4.84%	5.41%	5.38%
	USD	4.14%	4.57%	5.20%	5.95%	6.15%	3.84%	4.25%	4.96%	5.76%	6.04%

7.2 Roll-forward of reinsurance contract assets ("RCA") showing ARC and AIC

	2026			Total
	ARC	AIC		
Reinsurance contracts held		Present value of future cash flows	Risk adj. for non-financial risk	
Opening reinsurance contract assets	147,179	2,461,927	331,129	2,940,235
Opening reinsurance contract liabilities	(185,479)	-	-	(185,479)
Opening balance of RCA, as at January 1, 2026	(38,300)	2,461,927	331,129	2,754,756
Allocation of reinsurance premiums (ceding premiums paid)	(585,930)	-	-	(585,930)
Claims recovered:				
Amounts recoverable for incurred claims and other directly attributable expenses	127,524	291,229	31,435	450,188
Changes to amounts recoverable for incurred claims	-	4,770	(24,118)	(19,348)
Net income (expense) from reinsurance contracts assets	(458,406)	295,999	7,317	(155,090)
Finance income (expense) from reinsurance contracts	-	10,462	-	10,462
Effects of exchange rate movements	1,159	35,117	5,073	41,349
Total amounts recognized in comprehensive income	(457,247)	341,578	12,390	(103,279)
Cash flows:				
Premiums paid, net of ceding commissions, claims recovered, and other directly attributable expenses paid	386,367	(252,569)	-	133,798
Total cash flows	386,367	(252,569)	-	133,798
Closing reinsurance contract assets	86,602	2,550,936	343,519	2,981,057
Closing reinsurance contract liabilities	(195,782)	-	-	(195,782)
Ending balance of RCA, as at March 31, 2026	(109,180)	2,550,936	343,519	2,785,275

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 7 – Insurance and reinsurance contracts (Continued)

	2025			Total
	ARC	AIC		
Reinsurance contracts held		Present value of future cash flows	Risk adj. for non-financial risk	
Opening reinsurance contract assets	300,648	2,278,620	298,851	2,878,119
Opening reinsurance contract liabilities	(106,956)	-	-	(106,956)
Opening balance of RCA, as at January 1, 2025	193,692	2,278,620	298,851	2,771,163
Allocation of reinsurance premiums (ceding premiums paid)	(600,848)	-	-	(600,848)
Claims recovered:				
Amounts recoverable for incurred claims and other directly attributable expenses	126,590	292,727	31,320	450,637
Changes to amounts recoverable for incurred claims	-	14,410	(20,522)	(6,112)
Net income (expense) from reinsurance contracts assets	(474,258)	307,137	10,798	(156,323)
Finance income (expense) from reinsurance contracts	-	43,413	-	43,413
Effects of exchange rate movements	(325)	(3,300)	(420)	(4,045)
Total amounts recognized in comprehensive income	(474,583)	347,250	10,378	(116,955)
Cash flows:				
Premiums paid, net of ceding commissions, claims recovered, and other directly attributable expenses paid	343,424	(302,341)	-	41,083
Total cash flows	343,424	(302,341)	-	41,083
Closing reinsurance contract assets	62,533	2,323,529	309,229	2,695,291
Closing reinsurance contract liabilities	-	-	-	-
Ending balance of RCA, as at March 31, 2025	62,533	2,323,529	309,229	2,695,291

7.3 Reinsurance non-performance

Reinsurance does not relieve the Company of its obligations to policyholders. The Company's obligation to pay policyholders is not contingent on the reinsurers paying, or honouring its contractual obligations. For this reason, the Company evaluates the financial condition of its reinsurers and monitors the concentration of credit risk to minimize its exposure to losses from reinsurer insolvencies or contract disputes. Reinsurers providing reinsurance policies are generally required to have a minimum A.M. Best credit rating of A- at the inception of each policy or are otherwise required to post agreed upon levels of collateral. Unlicensed reinsurers must post an agreed upon level of collateral.

There is a provision for reinsurer non-performance of \$8,835 as at March 31, 2026 (December 31, 2025 – \$8,921).

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Note 8 – Other assets

As at March 31, 2026 and December 31, 2025, other assets consist of:

As at	March 31, 2026	December 31, 2025
Accrued investment income	16,440	18,880
Derivative financial assets	12,897	13,654
Tax recoveries	11,520	12,618
Prepaid expenses	2,206	3,995
Other assets	1,483	1,193
	44,546	50,340

Note 9 – Other liabilities

As at March 31, 2026 and December 31, 2025, other liabilities consist of:

As at	March 31, 2026	December 31, 2025
Deposits in trust ⁽¹⁾	102,879	96,777
Lease liabilities	22,743	22,254
Accrued liabilities	14,022	30,365
Share based payment plan	11,863	12,010
Derivative financial liabilities	449	549
Taxes payable	269	5,267
Other liabilities	9,652	3,360
	161,877	170,582

(1) The Company periodically holds deposits in trust from counterparties as a form of collateral.

Note 10 – Capital management

The Company's capital is its shareholders' equity, which consists of common shares, contributed surplus, retained earnings and accumulated other comprehensive income (loss). The Company reviews its capital structure on a regular basis to ensure an appropriate capital structure in keeping with all regulatory, business and shareholder obligations.

Oversight of the capital of the Company rests with management and the board of directors. Their objectives are twofold: (i) to ensure the Company is prudently capitalized relative to the amount and type of risks assumed and the requirements established by the laws and regulations applicable to the Company's regulated subsidiaries; and (ii) to ensure shareholders receive an appropriate return on their investment.

In Canada, under guidelines established by the Office of the Superintendent of Financial Institutions which apply to the regulated Canadian insurance company of Trisura, Canadian property and casualty insurance companies must maintain minimum levels of capital as determined in accordance with a prescribed test, the minimum capital test ("MCT"), which expresses available capital (actual capital plus or minus specified adjustments) as a percentage of required capital. Companies are expected to maintain MCT level of at least 150% and are further required to establish their own target MCT level based on the nature of their operations and the business they write. Management, with the board of directors' approval, has established a target MCT level in accordance with these requirements.

In the US, regulated insurance companies are subject to externally imposed regulatory capital requirements by either the Oklahoma Insurance Department or the New Jersey Department of Banking and Insurance, depending on the state in which the Trisura entity is domesticated. A requirement of the regulators is that the US insurance companies' Risk Based Capital exceed certain minimum thresholds as well as Company Action Levels ("CALs"), below which the companies would have to notify the regulators. In addition, the Company's carriers are subject to the various capital requirements of each US state in which it is licensed.

TRISURA GROUP LTD.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 11 – Debt outstanding

11.1 Debt outstanding

The Company maintains a five-year revolving credit facility (the “Facility”) with a Canadian Schedule I bank (the “Bank”) which allows for drawings of up to \$125,000 (December 31, 2025 – \$125,000). Under this arrangement, the Company is able to draw funds in the form of Canadian prime rate advances, base rate advances, Canadian Overnight Repo Rate Average (“CORRA”) loans or Secured Overnight Financing Rate (“SOFR”) loans. The interest rate is based on the Canadian prime rate, base rate, CORRA or SOFR loans rate, plus a margin. The loan balance is accounted for at amortized cost, which is equal to the carrying value. The minimum required annual payment consists only of interest, with no mandatory principal payments required. An amount of \$nil (December 31, 2025 – \$59,772) has been drawn under this revolving credit facility.

Under the Facility, the Company is also able to draw funds in the form of a letter of credit. There have been no changes to the letter of credit issued between December 31, 2025 and March 31, 2026.

As part of the covenants of the current facility, the Company is required to maintain certain financial ratios, which were fully met as at March 31, 2026 and December 31, 2025.

11.2 Senior unsecured notes

In March 2026, the Company completed an offering of senior unsecured notes (the “Notes”), with a principal amount of \$200,000, which will mature on March 17, 2031. The Notes bear interest at a fixed annual rate of 4.02%. Interest is payable in semi-annual instalments which will commence in September 2026. The Notes are direct unsecured obligations and will rank equally with all other unsecured and unsubordinated indebtedness of the Company.

Proceeds from the issuance were used to repay in full, the outstanding borrowings under the revolving credit facility and the Company's 2.64% Notes.

Debt issuance costs of \$1,036 are being amortized over the term of the note using the effective interest method. As of March 31, 2026, the unamortized balance of debt issuance costs was \$1,029.

The following table provides details of the total debt outstanding as at March 31, 2026 and December 31, 2025.

	Maturity date	Term (years)	Fixed rate	Coupon (payment)	Principal amount	Carrying value	
						March 31, 2026	December 31, 2025
Revolving credit facility					-	-	59,772
Senior unsecured notes	March 17, 2031	5	4.02%	Sep, Mar	200,000	198,971	-
Senior unsecured notes	June 11, 2026	5	2.64%	Jun, Dec	-	-	75,000
					200,000	198,971	134,772

Note 12 – Share capital

12.1 Issued and outstanding

The Company's authorized share capital consists of: (i) an unlimited number of common shares; (ii) an unlimited number of non-voting shares; and (iii) an unlimited number of preference shares (issuable in series). As at March 31, 2026 and December 31, 2025, no non-voting shares were issued and no preferred shares are outstanding.

For the period ended March 31, 2026, 52,852 stock options (December 31, 2025 – 30,000 stock options) issued under the Company's existing stock option plan were exercised.

TRISURA GROUP LTD.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 12 – Share capital (Continued)

The following table shows the common shares issued and outstanding, excluding treasury shares:

As at	March 31, 2026		December 31, 2025	
	Number of common shares	Amount (in thousands)	Number of common shares	Amount (in thousands)
Balance, beginning of period	47,372,771	472,127	47,615,902	481,797
Common share repurchased	(209,970)	(9,385)	(190,030)	(7,782)
Shares under RSU plan	21,939	147	(83,101)	(2,701)
Common shares issued	52,852	1,487	30,000	813
Balance, end of period	47,237,592	464,376	47,372,771	472,127

As part of the RSU plan, the Company purchases its own shares which are classified as treasury shares and the costs of these shares are recorded as a reduction to equity. As at March 31, 2026, the Company has an aggregate of 47,861,873 common shares (December 31, 2025 – 47,809,021 common shares) outstanding, which includes 624,281 treasury shares (December 31, 2025 – 436,250 treasury shares).

12.2 Normal course issuer bid

On December 9, 2025, the Company renewed the normal course issuer bid (“NCIB”) program to purchase for cancellation during the next twelve months up to 3% of the Company’s issued and outstanding common shares. During the period ended March 31, 2026, 209,970 common shares were repurchased at an average price of \$44.70 per share.

Note 13 – Earnings per share

Basic earnings per common share are calculated by dividing the net income attributable to common shareholders for the reporting period by the weighted-average number of common shares.

Diluted earnings per share is calculated by dividing the net income attributable to common shareholders for the reporting period by the weighted-average number of common shares adjusted for the effects of all dilutive potential common shares, which consist of stock options.

	Three months ended March 31	
	2026	2025
Net income attributable to common shareholders	37,409	28,990
Weighted-average number of common shares outstanding (in shares)	47,533,943	47,779,021
EPS – basic (in dollars)	0.79	0.61
Dilutive effect of the conversion of options on common shares (in shares)	908,336	692,782
Diluted weighted-average number of common shares outstanding (in shares)	48,442,279	48,471,803
EPS – diluted (in dollars)	0.77	0.60

TRISURA GROUP LTD.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 14 – Net investment income (loss)

	Three months ended March 31	
	2026	2025
Cash and cash equivalents, and short-term securities	1,835	2,637
FVOCI bonds	15,313	12,240
FVTPL bonds	1,714	1,650
Interest income	18,862	16,527
FVTPL common shares	670	893
FVTPL preferred shares	1,245	822
FVOCI preferred shares	1,516	1,007
Dividend income	3,431	2,722
Investment expenses	(1,097)	(1,052)
Net investment income (loss)	21,196	18,197

Note 15 – Net gains (losses)

	Three months ended March 31	
	2026	2025
FVOCI financial instruments:		
FVOCI fixed income	386	301
FVTPL financial instruments:		
FVTPL fixed income	(1,459)	1,214
FVTPL equity securities	(4,405)	(346)
FVTPL alternatives	1,578	310
	(3,900)	1,479
Derivatives ⁽¹⁾ :		
Swap agreements	293	(1,809)
Embedded derivatives	443	(184)
Net foreign currency gains (losses)	3,407	(1,417)
Net gains (losses)	243	(1,931)

(1) Excluding foreign currency contracts, which are reported in the line Net foreign currency gains (losses).

Note 16 – Segmented information

16.1 Reportable segments

As at March 31, 2026, the Company has two reportable segments. Trisura Specialty consists of Surety and Corporate Insurance, written in Canada and the US, as well as Warranty and Canadian Fronting written only in Canada. Trisura US Programs consists of a broad range of admitted and surplus lines in the US focused on the programs space written through a highly reinsured model.

Judgment is used in the determination of reportable segments, as well as in allocating operating expenses by segment.

Corporate and Other represents investment activities and expenses that do not relate specifically to any one segment of the Company.

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 16 – Segmented information (Continued)

16.2 Segment operating performance

The Company measures the profitability of the Company's segments based on the operating earnings before tax, which is adjusted to remove the impact of certain items, referred to as non-operating items, to normalize earnings in order to reflect core operations.

The chief operating decision makers use operating earnings before tax as the primary measure for purposes of making decisions about allocating resources to the segments and in assessing the operating performance of each reportable segment. Segment operating earnings before tax is different from income before income taxes as it excludes certain non-operating items, as those items are not considered to be indicative of ongoing core operations.

For the three months ended March 31, 2026	Trisura Specialty	Trisura US Programs	Corporate and Other	Total
Net insurance revenue ⁽¹⁾	135,775	57,823	-	193,598
Net investment income		-	21,196	21,196
Segment revenue	135,775	57,823	21,196	214,794
Net claims ⁽²⁾	(26,752)	(39,183)	-	(65,935)
Net expenses ⁽³⁾	(90,008)	(7,143)	-	(97,151)
Corporate operating expenses ⁽⁴⁾	-	-	(1,117)	(1,117)
Other finance costs	-	-	(1,462)	(1,462)
Operating earnings before tax	19,015	11,497	18,617	49,129
<hr/>				
For the three months ended March 31, 2025	Trisura Specialty	Trisura US Programs	Corporate and Other	Total
Net insurance revenue ⁽¹⁾	128,371	44,340	-	172,711
Net investment income	-	-	18,197	18,197
Segment revenue	128,371	44,340	18,197	190,908
Net claims ⁽²⁾	(25,724)	(28,621)	-	(54,345)
Net expenses ⁽³⁾	(83,617)	(4,887)	-	(88,504)
Corporate operating expenses ⁽⁴⁾	-	-	(1,351)	(1,351)
Other finance costs	-	-	(908)	(908)
Operating earnings before tax	19,030	10,832	15,938	45,800

(1) Net insurance revenue comprises of insurance revenues, net of reinsurance premiums earned, incorporating the adjustments for non-operating items related to net insurance revenue.

(2) Net claims comprises the portion of insurance service expenses related to movement in the liability for incurred claims, less the portion of net income (expense) from reinsurance contracts assets related to the asset for incurred claims, plus the finance income (expenses) from insurance/reinsurance contracts, incorporating the adjustments for non-operating items related to net claims.

(3) Net expenses comprises the portion of insurance service expense related to commission expense, less the portion of net reinsurance expense related to reinsurance ceding commission, plus other directly attributable expense and insurance acquisition cash flows excluding commission, net of other income, plus other expenses related to Trisura Specialty, Trisura US Programs, incorporating the adjustments for non-operating items related to net expenses.

(4) Corporate operating expenses reflect the portion of other operating expenses not related to Trisura Specialty or Trisura US Programs, incorporating the adjustments for non-operating items related to other operating expenses.

TRISURA GROUP LTD.

Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 16 – Segmented information (Continued)

The reconciliations of the segment revenue and operating earnings before tax to the amounts recognized in the Condensed Interim Consolidated Statements of Income are presented below.

For the three months ended March 31	2026	2025
Segment revenue	214,794	190,908
Expense from reinsurance contracts ⁽¹⁾	585,933	601,048
Other income	5,727	5,461
Net insurance revenue from exited lines ⁽²⁾	109	5,847
	806,563	803,264
Represented by ⁽³⁾ :		
Insurance revenue	779,640	779,606
Net investment income	21,196	18,197
Other income	5,727	5,461
	806,563	803,264

(1) Expense from reinsurance contracts reflects earned reinsurance premium ceded.

(2) Net insurance revenue from exited lines refers to insurance revenue and the portion of Net income (expense) from reinsurance contract assets reflecting reinsurance ceded, associated with exited lines.

(3) This is represented by the following line items on our Condensed Interim Consolidated Statements of Income.

For the three months ended March 31	2026	2025
Operating earnings before tax	49,129	45,800
Adjustments:		
Impact of exited lines ⁽¹⁾	(723)	111
Impact of movement in yield curve in net insurance finance income (expenses)	1,921	(3,569)
Net gains (losses) ⁽²⁾	(733)	(4,547)
Other non-operating items ⁽³⁾	(988)	1,199
Income before income taxes, as reported	48,606	38,994

(1) Impact of exited lines refers to the impact to income before income taxes of certain programs which have been non-renewed and have been put into run-off, collectively referred to as exited lines, as included in insurance service result.

(2) Net gains (losses) is inclusive of net credit impairment reversals (losses).

(3) Other non-operating items include miscellaneous expenses that in the view of management are not part of our core insurance operations.

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Note 17 – Income taxes

The following shows the major components of income tax expense (benefit) for the three months ended March 31, 2026 and 2025:

	Three months ended March 31	
	2026	2025
Current tax expense (benefit)	14,057	12,407
Deferred tax expense (benefit)	(2,860)	(2,403)
Income tax expense (benefit)	11,197	10,004
Income taxes recorded in OCI:		
Net changes in unrealized gains (losses) on FVOCI investments	(3,649)	1,419
Reclassification of net gains (losses) on FVOCI investments	(186)	326
Origination and reversal of temporary differences	(104)	1,189
Total income tax expense (benefit) recorded in OCI	(3,939)	2,934

The following is a reconciliation of income taxes calculated at the statutory income tax rate to the income tax provision included in the Condensed Interim Consolidated Statements of Income for the three months ended March 31, 2026 and 2025:

	Three months ended March 31	
	2026	2025
Income before income taxes	48,606	38,994
Statutory income tax rate	26.5%	26.5%
	12,881	10,333
Variations due to:		
Permanent differences	(317)	75
International operations subject to different tax rates	(1,330)	(1,156)
True up	(37)	752
Income tax expense (benefit)	11,197	10,004

The permanent differences relate primarily to investment income or losses that are non-taxable or taxed at rates lower than the statutory income tax rate, such as non-taxable dividend income and capital gains. In certain circumstances, permanent differences relate to expenses not deductible for tax purposes.

As at March 31, 2026, the Company has unused tax losses of \$19,546 (December 31, 2025 – \$19,078), which will expire in the following years:

	March 31, 2026
2043	6,393
2044	2,356
2045	10,329
2046	468
	19,546

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Notes to the Condensed Interim Consolidated Financial Statements (unaudited)

(in thousands of Canadian dollars, except as otherwise noted)

Note 18 – Additional information on the Condensed Interim Consolidated Statements of Cash Flows

The following table shows the changes in working capital for the three months ended March 31, 2026 and March 31, 2025:

	2026	2025
Reinsurance contract assets	10,904	75,872
Income taxes	10,676	(5,897)
Other operating assets	4,043	(2,430)
Other operating liabilities	(912)	4,772
Leases and accrued liabilities	(3,801)	(16,743)
Insurance contract liabilities	(20,371)	(15,403)
	539	40,171