

Parent Company and Consolidated Financial Statements

As at December 31, 2024



Management Report

Management report

2024

CVM VERSION

(A free translation of the original report in Portuguese as published in Brazil)

IRB(Re)

Year ended December 31, 2024

CVM VERSION

We submit to your examination the Management Report of IRB Re and the respective Parent Company and Consolidated Condensed Financial Statements, in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB), and the Independent Auditor's Report for the year ended December 31, 2024.

The CVM Resolution 42/2021 requires that beginning on January 1, 2023 the Brazilian public companies comply with the Technical Pronouncement CPC 50, which establishes the principles for recognition, measurement, presentation and disclosure of reinsurance contracts, in line with IFRS17 issued by the International Accounting Standards Board (IASB), which superseded IFRS 4. The analyses contained in this report are presented in accordance with the technical pronouncement CPC 50 (IFRS 17).

As disclosed in the Parent Company and Consolidated Condensed Financial Statements, SUSEP is yet to ratify CPC 50 (IFRS 17) for the entities that it oversees, and, for this reason, the Company prepares other financial statements, according to the accounting standards adopted in Brazil, applicable to the institutions authorized by SUSEP, including the compliance with the pronouncements, guidance, and interpretations issued by the Accounting Pronouncement Committee (CPC), when ratified by this regulatory authority.

In view of the above, the Company keeps allocating funds and assessing the performance of the operating segments of the entity based on the financial information prepared according to CPC 11 (IFRS 4), thus assuring that the operation is compliant with all prudential requirements established by SUSEP. The Management's comments on the economic and financial performance for the year ended December 31, 2024 according to the business view, which considers the accounting practices of the sectoral regulatory authority, are included in the Operational and Financial Performance Analysis Report at <https://ri.irbre.com/informacoes-financeiras/resultados-trimestrais/>. The reconciliation of the Business View model is included in Note 3 to the Financial Statements – Information by operating segment.

Message from Management

In 2024, the year when IRB Re celebrated 85 years of history, we reached a milestone for the Company, ending the turnaround period with growth in operating profit. This progress was achieved despite the tragedy caused by the floods in Rio Grande do Sul, classified by the National Confederation of Insurers (CENSEG) as the "largest claim in the insurance sector provoked by a single event in the history of Brazil".

Net income, according to CPC 50 – Insurance contracts, reached R\$ 805.7 million, representing a substantial growth from 2023, when we reported a loss of R\$ 123.9 million. This positive result reflects the combination of a quality underwriting management with the strategic allocation of financial assets and the temporary effects of the increase in interest rates in 2024.

Our strategy during 2024 was to concentrate businesses in Brazil, a market where are the leaders and we know deeply. We believe in the potential for local growth and see the opportunity for protection existing in the country. Thus, we made the commitment to foster the development of the protection market, investing in innovative solutions and launch of products.

In the period, the amortization of the Contractual Service Margin (CSM) recognized as income reached R\$ 1,363.2 million, up by 12.7% on 2023. As a result, reinsurance services of R\$776.7 million, combined with the net financial result of R\$406.2 million, contributed to the net income of R\$805.7 million for 2024.

In September 2024, the rating agency A.M. Best revised our outlook from negative to stable, with rating A-. In November 2024, S&P Global Ratings changed the outlook of IRB Re's issuer credit rating from negative to stable, reaffirming the credit and issue rating "brAA+" assigned to the entity and its senior unsecured debenture issues.

In 2024, we released our first Sustainability Report, adhered to Brazil's Business Integrity Pact and held the first IRB(P&D) forum on climate change. IRB Re was ranked among the 50 Great Places to Work in Rio de Janeiro in the 2024 edition of GPTW. We also received the Highlight in Mental Health certificate, a seal granted only to eight companies.

Our regulatory ratios, essential to fulfill the requirements of the Superintendence of Private Insurance (SUSEP) and our business continuity, are in a comfortable position. The sufficiency in the guarantee of technical reserves reached R\$802.1 million, a significant increase from R\$438.4 million recorded for 2023. In addition, our ratio of sufficiency of adjusted equity grew from R\$533.9 million for 2023 to R\$894.3 million for 2024.

According to the estimate of the National Confederation of Insurers (CNSeg), the insurance market shall grow 10% in 2025, representing 6% of the GDP. The insurance market's goal is to increase the industry's share of the Gross Domestic Product (GDP) in Brazil by 2030, from 6% to 10%. It also aims to increase by 20% the share of the population that has any kind of insurance policy.

IRB Re is prepared to meet the demand for reinsurance arising from the market growth and take its leading role in the protection of the society and ensure stability in the profit or loss of reinsurers.

We thank the engagement of employees, customers and business partners, service providers, shareholders, suppliers, and other stakeholders of the Company. Together, we will reach a new level over the next 85 years of IRB Re.

Economic and Financial Performance

Reinsurance revenue grew 4.5%, totaling R\$6.1 billion, of which the share of Brazil reached R\$5.0 billion, accounting for 82% of the volume, while the share of business abroad totaled R\$1.1 billion, or 18% of total. The noted change was mainly caused by the change in estimated claims for the period combined with the contract for exchanging the life segment (country) recognized in the books in the 3Q24 and the improvement in the actuarial assumptions related to risk adjustment, increasing the compensation required by the company for the assumed risks.

The reinsurance service expenses totaled R\$4.1 billion for 2024, down by 6.4% on 2023. It is worth noting that this amount includes the impact caused by the rains in Rio Grande do Sul, which gross amount totaled R\$605.3 million, and the impact of the increase in interest rates.

The profit from retrocession totaled R\$1.2 billion, up by 32% from 2023, which amounted to R\$1.7 billion. The noted improvement was mainly caused by greater claim recoveries for 2024 in relation to the estimates.

The reinsurance service result totaled R\$776.7 million for 2024, while it amounted to a loss of R\$325.7 million for 2023.

The administrative expenses not attributable to operations reached R\$28.2 million, down by 10.1%.

Net financial result totaled R\$406.2 million, while it amounted to R\$121.1 million for 2023. The main impact was produced by the change in interests over the period. As the interest rates rise, reinsurance liabilities (net of retrocession) have a temporary reduction, giving rise to an increment to the Company's finance income. Marketable securities reached R\$9.2 billion for 2024, compared to R\$8.4 billion for 2023. In April 2024, we performed the early redemption of the totality of the third debenture issue, in the amount of R\$91.9 million.

The Company recorded a net income of R\$805.7 million for 2024, as compared to a loss of R\$123.9 million for 2023.

Aligned with the international practices of the insurance and reinsurance market, we are going through a transition in how to analyze and manage the Company. This process adopts two independent perspectives: the portfolio segmentation between life and non-life, and the traditional geographic separation between domestic/Brazil market and international/abroad market.

We present the main result indicators for the period below, reflecting the new approach of CPC 50 (IFRS 17).

Reinsurance service result

(R\$ in millions)	2023	2024	Δ%
Life	(346.6)	157.5	*
Brazil	(48.9)	364.8	*
Abroad	(297.7)	(207.3)	-30.4%
Non-Life	20.9	619.2	2862.7%
Brazil	360.1	639.5	77.6%
Abroad	(339.2)	(20.3)	-94.0%
Total	(325.7)	776.7	*

The reinsurance service result represented by reinsurance revenue, reinsurance expense and retrocession profit or loss, already explained above, shows a significant evolution from 2023, mainly in non-life segments with a change of R\$598.3 million.

CSM balance

(R\$ in millions)	2023	2024	Δ%
Life	238.4	9.4	-96.1%
Brazil	240.5	7.0	-97.1%
Abroad	(2.1)	2.4	*
Non-Life	637.0	578.0	-9.3%
Brazil	468.5	419.8	-10.4%
Abroad	168.5	158.2	-6.1%
Total	875.4	587.4	-32.9%

CSM Amortization

(R\$ in millions)	2023	2024	Δ%
Life	325.7	382.5	17.4%
Brazil	233.0	369.7	58.7%
Abroad	92.7	12.8	-86.2%
Non-Life	883.9	980.7	11.0%
Brazil	680.5	625.7	-8.1%
Abroad	203.4	355.0	74.5%
Total	1209,6	1363,2	12.7%

We started the year 2024 with CSM balance of R\$ 875.4 million, mainly represented by the non-life portfolio in the proportion of 72.8%. The CSM amortization for the period reached R\$ 1,363.2 million, up by 12.7% from the previous year.

We ended the year with the CSM balance of R\$ 587.4 million, down by 32.9% from the previous year, mainly explained by the non-strengthening of our life portfolio, which was not on the focus of our strategy over this period.

Finance, operating and investment result

(R\$ in millions)	2023	2024	Δ%
Life	(45.1)	(35.1)	-22.2%
Brazil	(33.9)	(21.3)	-37.2%
Abroad	(11.2)	(13.8)	23.2%
Non-Life	(420.7)	(94.7)	-77.5%
Brazil	(323.7)	5.4	*
Abroad	(97.0)	(100.1)	3.2%
Net financial result of operations (Effect of discount rates)	(465.8)	(129.8)	-72.1%
Finance income from investments	588.1	549.3	-6.6%
Net exchange rate change, debentures and other	(1.2)	(13.3)	1008.3%
Net finance income	121.1	406.2	235.4%

Our financial strategy is driven by the preservation of funds, ensuring resilience in view of changes in global and economic scenarios.

The finance income from operations considering only the effect of discount rates on reinsurance contract assets and liabilities recorded an expense of R\$129.8 million, down by 72.1% from the previous year due to the increase in discount rates over the period, mainly in the contracts denominated in real and dollar.

The following table, included in Note 2.5, shows the average yield curves used to discount the cash flows of reinsurance contracts for major currencies:

	2024					2023				
	1 year	3 years	5 years	10 years	20 years	1 year	3 years	5 years	10 years	20 years
BRL	15.71%	16.29%	15.91%	15.19%	14.28%	10.81%	10.50%	10.79%	11.45%	12.39%
USD	6.36%	6.57%	6.81%	7.38%	8.30%	6.78%	5.85%	5.76%	6.59%	8.05%
EUR	2.63%	2.48%	2.53%	2.66%	2.65%	4.05%	3.13%	3.01%	3.08%	3.10%
GBP	4.85%	4.55%	4.43%	4.47%	4.70%	5.44%	4.37%	4.05%	3.98%	4.13%

With regard to the finance income of investments, the Company recorded an income from marketable securities totaling R\$549.3 million. This amount is down by 6.6% from the previous year, mainly explained by the respective factors: (i) in the onshore portfolio, the reduction in CDI for the period (10.87% for 2024 vs 13.05% for 2023), and (ii) in the offshore portfolio, for the sale of a portion of our position in sovereign bonds (Global 26), which resulted in the recognition of an expense of R\$ 24.0 million for the realization of adjustment to market value (AVM) initially recognized in equity in other comprehensive income.

Accordingly, the net financial result reached R\$406.2 million, reflecting a careful management, based on deep business knowledge.

Debentures

As at December 31, 2024, the Company's borrowings and financing comprise payables arising from the above-mentioned debenture issues, which issue balances and main characteristics are as follows:

1 st Issue	2 nd Issue
2nd Series	Sole series
R\$ 147,000	R\$ 229,193
Index	
IPCA + 6.6579% p.a	IPCA + 6.6579% p.a
Maturity	
10/15/2026	12/15/2026
Coupon rate	
Six-month periods	Six-month periods
Amortization	
5 th and 6 th years	5 th and 6 th years

Dividends

According to IRB Re's by-laws, the calculation of the distribution of mandatory minimum dividend is made based on the profit for the year after deduction for retained losses, provision for income tax and legal reserve. Such amount is recorded as liability in the line item trade payables, as it represents a legal obligation established in the Company's by-laws.

The Company adopts the regulation of the Superintendence of Private Insurance (SUSEP), which impose regulatory liquidity and solvency limits (Note 25). Thus, the measurement basis for reserve and profit allocation, including mandatory minimum dividend and proposed extraordinary dividends, follows the accounting rules of SUSEP, that is, does not consider the effects of CPC 50 (IFRS 17), which is not yet approved by this regulatory authority.

As at December 31, 2024, the Company had retained losses of R\$ 15.9 million.

Additionally, the cancellation of treasury shares, performed in January 2025, as described in the section "Shareholding Structure", will increase retained losses by R\$283.8 million.

Corporate changes

Andrina Participações S.A. (Andrina) is a wholly-owned subsidiary of IRB Re, incorporated in the first half of 2024, with the corporate purpose of carrying out insurance, reinsurance or retrocession risk transfer operations with independent net assets, and the financing of such risks through Insurance Risk-linked Bills (LRS) pursuant to the applicable legislation and regulation.

SUSEP issued Ordinance 42, of December 3, 2024, granting authorization to Andrina for issuing LRS, in the S1 segment, across the national territory. On December 6, 2024, such Ordinance was published in the Federal Gazette.

On January 20, 2025, we file with JUCESP the minutes of the second Extraordinary Shareholders' Meeting of Andrina that, among other resolutions, changed the company name to "Andrina Sociedade Seguradora de Propósito Específico S.A.", as well as amended its corporate purpose, which is the carry out of insurance, private pension, private insurance, reinsurance or retrocession risk transfer operations, with separate net assets, and the financing of such risks through Insurance Risk-linked Bills pursuant to the applicable legislation and regulation.

Corporate Governance

The Company's governance structure comprises the Board of Directors, Fiscal Council, Statutory Board, and Strategic Committees that advise the Board of Directors. These governance bodies carry out specific duties, aimed at ensuring transparency and the adoption of the best management practices. It also has a Management, which acts as governance secretariat, responsible for directly supporting all activities of the Board of Directors and other corporate bodies, assuring that the information flow is timely and safely directed to all governance authorities.

During the year 2024, 32 meetings of the Board of Directors, 16 meetings of the Statutory Audit Committee, 52 meetings of the Statutory Board and 17 meetings of the Fiscal Council were held, besides 53 other meetings of the Board's advisory committees.

Board of Directors

The Board of Directors comprises up to nine (9) nine effective members and an alternate, one of whom serves as its Chair, elected at the Shareholders' Meeting for a two-year term of office, re-election being permitted. On December 31, 2024, the Board of Directors was formed by nine effective members and one alternate, most of whom are considered independent, pursuant to the applicable regulation.

The Board of Directors is responsible for establishing the business guidelines and strategies, evaluating the risk exposure and effectiveness of the risk management, internal controls and integrity/compliance systems, among other legal and statutory duties.

Advisory committees of the Board of Directors

Six committees provide support to the Board of Directors (Ethics, Sustainability and Governance; Investments, Capital Structure and Dividends; Statutory Audit; Personnel, Nomination and Remuneration; Risk and Solvency and Policy on Underwriting and Huge Claim Monitoring), maintaining a regular agenda for following, monitoring, and supporting the Board.

In October 2024, the term of office of Mr. Jerônimo Antunes, in the capacity of member of the Company's statutory audit committee, expired as he served for the maximum term of five years

established by the Superintendence of Private Insurance (SUSEP), under the terms of CNSP Resolution 432/2021.

On January 31, 2025, a Notice to the Market was released informing about the election of Mr. Wilson Toneto as member of the Company's statutory audit committee to serve for a unified term of office in progress that will be extended to May 27, 2025.

Fiscal Council

The Fiscal Council is the body that oversees the Management's acts, protecting the Company and its shareholders. This corporate body is currently operating on permanent basis and is formed by three effective members and respective alternates elected at the Annual Shareholders' Meeting.

In April 2024, the following members were elected at the Annual Shareholders' Meeting to the Fiscal Council. Rogerio Ceron de Oliveira (effective member), Viviane Aparecida da Silva Varga (alternate member), Leonardo de Paiva Rocha (effective member), Geraldo Affonso Ferreira Filho (alternate member), Daniel Carlos Dominguez Massola (effective member), Edson Georges Nassar (alternate member).

Statutory Board

On December 31, 2024, the Statutory Board comprised the following seven statutory members, the CEO and Investor Relations Officer; the Reinsurance Officer and Vice-President; the Financial Officer and Vice-President, the Internal Controls, Risks and Compliance Officer; the Legal and Governance Officer; the Accounting, Tax and Treasury Officer; and the Technical Underwriting Officer who work with the support of 11 non-statutory officers.

In August 2024, Ms. Eduarda Cunha de La Rocque took the position of Internal Controls, Risks and Compliance Officer of the Company, to complete the unified term in progress with the other Statutory Board members, which will be extended to July 3, 2025. Ms. Eduarda has bachelor, master's and PhD in Economy from Pontifícia Universidade Católica of Rio de Janeiro (PUC-Rio), with specialization in Public Finance and Economics. Expert in Risk Management with 12 years of experience in the financial market, she was the head of the Municipal Finance Department of the City of Rio de Janeiro, and was the President of Instituto Municipal Pereira Passos (IPP).

In November 2024, the Board of Directors elected Ms. Thays Vargas Ferreira to the statutory position of Accounting, Tax and Treasury Officer. Ms. Thays joined IRB Re in 2018 as Accounting Expert and built her career as Manager, Superintendent, Officer, until taking the current statutory position. With bachelor degree in Business Administration and Accounting Sciences, MBA in Finance from FGV, she has more than 20 years of experience in the auditing and accounting areas in large and multinational public companies in the financial and insurance sectors.

In December 2024, Mr. Frederico Knapp was elected to the Financial Officer and Vice-President position of the Company, to complete the unified term with the other Statutory Board members, which will be extended to July 3, 2025. Mr. Frederico Knapp has bachelor degree in business administration, with MBA in international business from New Southeastern University (NSA) and MBA in finance, controllership and audit from Fundação Getúlio Vargas (FGV). Mr. Frederico Knapp has worked in the insurance sector for over 20 years, having spent the last 10 years at Swiss Re Resseguradora, where he was the CEO of Swiss Re Brasil and Head of Reinsurance in Brazil and Southern Cone, having previously occupied the CFO and COO positions. He worked for the ACE Group from 2001 to 2014 in many positions, including Executive Officer and CFO of ACE Resseguradora S.A.

Shareholding Structure

At the end of 2024 the Company's capital was diluted, with no controlling shareholder, represented by 82,263,011 common shares, of which 99.5% are floating and 0.5% are held in treasury.

On January 13, 2025, according to the disclosed Material Fact, the Board of Directors resolved to cancel the totality of 420,125 common shares of the Company held in treasury, without capital reduction. As a result of the cancellation of shares, the Company's capital is represented by 81,842,886 common shares and one special class preferred share held by the federal government (Golden Share).

Risk Management

In line with CNSP Resolution 416/2021, IRB Re's Internal Controls, Risks and Compliance Office has been established to meet a statutory requirement since 2023, and comprises three managements – Risks, Internal Controls and Compliance. Although the risk management and compliance are responsibilities that shall be taken by the entire Company (Board of Directors, Executive Board and employees, IRB Re fulfills the provisions of the regulation by adopting the “three-line of defense model”, the Internal Controls, Risks and Compliance Office being charged with the second line.

The second line operations comprises the continuous monitoring, evaluation and adjustment of risks and internal controls. The first line - business front - relies on the leadership of two Vice-Presidencies and respective Executive Managements, whereas the third line is carried out through the Internal Audit. Besides their statutory and regulatory duties, the Internal Controls, Risks and Compliance Office took the responsibility for the Environmental, Social and Governance (ESG) theme at IRB Re in 2024. This movement represents the institutional maturity of the sustainability agenda with its technological and strategic application to the company's business.

IRB Re's Risk Management Policy establishes principles, guidelines and responsibilities, with emphasis on the underwriting, market, credit, liquidity, operations, and strategy categories. Its approval is submitted to the Board of Directors while its application is regularly monitored by corporate bodies, including the Risks and Solvency Management Committee, Statutory Audit Committee, Statutory Board, and the Board of Directors itself.

The management instruments comprising the Risk Management Framework (EGR) and the Internal Control System (SCI) - including the Risk Appetite, Risk Inventory, the effectiveness evaluations and preliminary analyses - are in continuous improvement and according with the best national and international practices, including the adjustment to the CNSP Resolution 471/2024, which deals with Own Risk and Solvency Assessment (ORSA)

The capital models of rating agencies are used as benchmark for rating the strength of the statement of financial position and the Company's payment capacity. However, complementarily, an internal forward-looking capital model is in continuous development, based on its business plan. Thus, the Company is adjusting to the above-mentioned new regulation (ORSA), once this internal model already supports its Risk Appetite.

Besides the regulatory risk categories, studies on the measurement of ESG, cyber, and reputational risks, among others, have been developed. One of the main functionalities of the internal model is to support the decisions on capital allocation, establishing Target Combined Ratios (TCR) as parameters for targets and value added of business segments. In addition, the Company has gradually making efforts to adjust to the so-called Solvency II guidelines of the European Union.

The Company keeps up to date, at least annually, its Risk Appetite Statement (DAR), which establishes, through qualitative and quantitative metrics, the risks that intends to take or avoid, in line with its strategic goals, as described in the business plan approved by the Board of Directors. The review of the Risk Inventory considers the identification of what is more relevant to the business' strategic goals, including their main causes, possible impacts and control activities.

In the scope of the Internal Control System, the Company runs periodic tests of its Business Continuity Plan (PCN), particularly related to technology, such as the best practices and fulfillment of regulatory requirements, where stress scenarios of no access to applications are simulated. In 2024, the Company migrated all applications to the cloud and the purchased architecture includes a redundancy structure in São Paulo (BR) and a Disaster Recovery (DR) structure in Virginia (US). The redundancy and DR sites were validated during migration. The backups are periodically made and daily monitored.

The Company has an Information Security Master Plan (PDSI) that guides the actions divided into four domains: Information Security Management, Cyber Security, Vulnerability and Threat Management, and Data Privacy Management Operations. IRB Re has capacity to quickly act in the event of cyber-attack and has specialized partners to provide a quick response in the event of incidents, including on 24/7 service basis.

Rating

On September 6, 2024, A.M. Best, the oldest risk rating agency with focus on the insurance and reinsurance sector, confirmed the maintenance of IRB Re's Financial Strength Rating at "A-" (Excellent) and Long-term Issuer Credit Rating at "a-" (Excellent), reviewing the outlook from negative to stable. According to the notice released by the agency, the outlook is based on AM Best's expectation that the solidity of the company's statement of financial position will remain at strong levels, supported by a trend that reflects the improvement in its operational performance and the benefits from the initiatives implemented by its management.

On November 25, 2024, the risk rating agency Standard&Poor's Global Ratings (S&P) reaffirmed the "brAA+" issuer credit rating assigned to the entity and its senior unsecured debenture issues. The outlook rating of the issuer changed from negative to stable, reflecting the agency's expectation that the reinsurer will continue to operate at stable capital and liquidity levels while it gradually improves its technical results.

Ethics and Integrity

With the aim of fostering the integrity culture and continually promote the improvement in the Internal Control System and Risk Management Framework, the Company worked on the improvement in controls and processes, with emphasis on prevention and combat to illicit activities and evaluation of compliance risks, considering the following categories: regulatory, money laundering, terrorism financing, fraud, and corruption.

Among the monitoring initiatives, in 2024 IRB Re revised the Regulatory, Governance and Control Instruments, giving particular attention to the provisions on conduct and integrity. Among the revised instruments, we highlight the following: Code of Conduct; Integrity Program; Risk Appetite Statement; Risk Management and Compliance Policies, Policy on Appointment of Members to the Board of Directors, their Advisory Committees and Statutory Board, besides the Internal Rules of the Committee of Statutory Audit, Ethics, Sustainability and Governance, Risk Management and Solvency, Conduct, and Fiscal Council, as well as other strategic policies adopted by the Company. The customer monitoring model was revised, following the provisions of the regulation that establish the need for effectiveness in the know your client process.

We strengthened the regulatory environment with actions to minimize non-compliance risks. We systemically addressed the legal provisions of SUSEP and CVM, as well as those of federal legislation that could be adjusted to check any regulatory pending issues and generate an adherence indicator.

Focused on the dissemination of a culture of integrity and on the improvement in training and acculturation, the Company held the Risk Management Journey, organizing workshops on the strategic themes of Compliance, Solvency, Rating Agencies, Internal Controls, Governance and Risk Management in Reinsurance and ESG. Each theme addressed the importance of practices that are responsible and aligned with IRB Re's positioning. The Integrity Guide was created, a reference for partners and service providers about the guidelines on the conduct and positioning of IRB Re in fraud combat, anti-money laundering and any suspicion of irregularity.

To reaffirm IRB Re's commitment to a culture driven by integrity, we adhered to and received the Brazil Business Integrity Pact seal - an initiative promoted by the Office of the Federal Controller General (CGU), which encourages companies to publicly demonstrate their commitment to business integrity in their entire business cycle.

In the scope of the commitment made with the US Department of Justice (DoJ), the Company implemented, in the second year of the agreement, an action plan, giving continuity to the actions started in 2023, in the sense of consolidating the compliance practices, strengthen the acculturation about the Integrity Program, and acculturation about the integrity and good governance principles. The main initiatives of the action plan included the following: institutional actions to demonstrate the Company's commitment to ethics and integrity; performance of compliance risk evaluation; revision of Compliance Policies; creation of a Guide on Integrity to Third Parties; revision of the Code of Conduct Compliance Statement; establishment of the process of risk analysis for cases of changes in organizational structure, to check any potential conflict of interest and segregation of duties; implementation of the annual training and acculturation plan related to compliance and risk management, and performance of the Integrity Program perception survey.

Reaffirming its commitment to business ethics, transparency and sustainability, the Company maintained its Reporting Channel managed by a specialized and independent company, which independently receives information, including anonymous ones, about supposed illicit activities, breaches of ethical principles, breaches of internal policies and effective legislation, as well as breaches of the Code of Conduct and internal policies.

Human Capital

At the end of 2024, the Company had 399 collaborators, of whom 335 were employees, 37 were interns/apprentices, and 27 were third parties. Among the employees, 55% were men and 45% were women. With regard to management positions, 40% were held by women.

The turnover rate stood at 13.9% in 2024 (21.3% in 2023). Considering the voluntary turnover rate, that is, the when the employee resigns, the rate stood at 5.2% (7.4% in 2023).

In 2024, we received the Great Places to Work in Rio de Janeiro certificate, in partnership with GPTW and we ranked 43rd. This was an important milestone for the Company in building a healthy workplace, where people feel good, proud to belong and wish to keep working. In addition, we won the Mental Health award, ranking eight. In this case, the organizational culture change, with more room for dialogue and lower hierarchization, made people feel more welcome and open to exchange experiences and ideas.

We also continued to build the capacity of teams with technical training at the Reinsurance Academy and the accounting training in CPC 50 / IFRS17 and Corporate Risk Workshops.

We keep focused on our strategy towards building the capacity of our team, and in 2024 we increased the course list with more in-company training: Reinsurance Academy, Negotiation for underwriting teams, Excel and Power BI, Sign Language, Training in CPC 50 / IFRS 17, among others. We had the Risk Management Journey Program, with many theory and hands-on training involving the entire Company. It is also worthy of note the implementation of the First Reinsurance Certification developed by IRB Re in partnership with Escola Nacional de Seguros (ENS), a pioneering initiative in the market.

We have quality of life program aimed at the physical and mental well-being of collaborators, which contemplates actions such as: physical activity, internal campaigns focused on health and celebrations of holidays and promotions, psychological, nutritional, financial and legal advisory support, among others.

To retain and attract talents, our benefit package includes health and dental care plan to collaborators and their dependents, executive check-up, life insurance, meal, food and transport allowances, Christmas gift basket, Gympass, and allowance for children education provided in the bargaining agreement, besides profit sharing, according to the fulfillment of goals. Moreover, 88% of employees joined the private pension plan, with copayment by the Company.

IRB Re's Code of Conduct establishes the repudiation of any act of moral or sexual harassment and discriminatory practices regarding color, ethnicity, sexual orientation, religion, or other. In this sense, it also supports freedom of association and we maintain relationship with unions without conflicts, strikes, or stoppages in the past three years.

Environmental, Social and Governance (ESG) Aspects

In 2024, the Company released the first Sustainability Report, describing its ESG risk management, the main impacts of the ESG factors on the business model, strategy and operations, and the ESG factor monitoring format. The Report works as a tool of communication and transparency, aimed at broadening the strategic view on the ESG theme in the Company's business, as well as improve the relationship with stakeholders.

The Company's ESG Policy includes guidelines on risk underwriting, with the goal to improve its insurance products, aiming to strengthen the transition to a low carbon economy and produce positive impacts to customers, environment and the society.

Pursuant to the new regulatory requirements on the theme and as part of the implementation of its policy, IRB Re developed a study on materiality of ESG factors, evaluating the wide range of related risks, considering the probabilities and impacts. A total of 11 material themes were mapped, as follows: Climate change, Environmental impact on business portfolio, Environmental management, Human rights, Social and financial inclusion, Customer Relationship and Satisfaction, Human Capital Management, Corporate Governance, Transparency and Integrity, Data Privacy and Information Security, Innovation, Responsible Investment.

These factors are now monitored through indicators, and may result in the adoption of specific action plans. IRB Re already adopts many actions to manage sustainability risks linked to its operations and its stakeholders, such as: geographic diversification and by business line; compliance due diligence process by analyses of business partners, suppliers and employees; training in technical specialization and high performance, among others. One of the innovations arising from sustainability learnings last year was the introduction of a contractual clause on "Limit by Event", applicable to climate catastrophe

cases. Another relevant aspect of IRB Re's ESG Policy was the significant investment in R&D in the climate change area and cyber risks by holding an international seminar on the theme in September 2024. This initiative aims at the creation of an intelligence center to be a global benchmark, reaffirming the company's commitment to lead innovative solutions in the insurance and reinsurance business. IRB(R&D) not only will support strategic and business decisions of the company, but will also provide valuable support to partners and customers in an increasingly challenging and dynamic market.

Suppliers

The Company adopts standards that ensure governance in the purchasing process, with controls that respect the approval levels, go through reputational analysis of suppliers and includes contractual clauses that protect us regarding confidentiality, conflict of interest, personal data protection, corruption practices, money laundering and terrorism, sustainability (ESG), manipulation of material data, among others.

Among the material facts in 2024, we highlight the revision of the purchase and contract process in effect to include the mandatory sustainability clause (ESG).

Operations

In 2024, we completed the improvements in the office at São Paulo and opened the company's office in Brasília, adopting the same pattern in all environments and completing the renovation process of the operating units of IRB Re. Also in 2024, in order to provide more comfort to employees, we expanded the office in Rio de Janeiro by 825m² in the same building and floor of the current office. With the office expansion, we built a modern auditorium to host customers, hold training sessions and team integration.

Approval of Law 15,040/2024

The so-called Legal Framework for Insurance, Law 15,040/2024, which establishes new rules on insurance and reinsurance contracts in Brazil, was passed and published on December 10, 2024. After contributing to the discussions and deeply analyzing the law content, particularly the rules related to reinsurance operations, we believe that the Law will contribute to the healthy development of reinsurance operations in Brazil. Besides, IRB Re has supported, through the National Reinsurer Association (ANRE), the Working Group coordinated by SUSEP and acknowledges the effort from the Ministry of Finance targeted at the development of the insurance market.

Relationship with Independent Auditors

Pursuant to CVM Resolution 162, of July 13, 2022, we inform that IRB Re and its subsidiaries adopt as formal procedure ensuring that the auditors of KPMG Auditores Independentes Ltda (KPMG) are not affected regarding the independence and objectivity required for performing their work with the company.

In the fiscal year ended December 31, 2024, KPMG provided additional services in the total amount of R\$ 437 thousand, related to Actuarial Audit. This amount is equivalent to 10% of the fees related to the external audit services. KPMG considers that the services were provided in strict compliance with the standards on auditing that provide for independence of independent auditors in audit works, and, therefore, did not represent a situation that could affect the independence or objectivity in the carry out of its external audit services.

Acknowledgements

IRB Re's Management expresses its gratitude and appreciation to collaborators, cedants, suppliers and partners, as well as its shareholders and debenture holders, for the solid relationship and cooperation. We extend our appreciation to the representatives of the government, regulatory bodies and brokers, whose support and trust are fundamental to our mission of providing innovative and sustainable solutions to the Brazilian insurance and reinsurance market.

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Independent Auditor's Report on the Parent Company and Consolidated Financial Statements

(A free translation of the original report in Portuguese)

To the Shareholders of

IRB-Brasil Resseguros S.A.

Rio de Janeiro – RJ

Opinion

We have audited the individual and consolidated financial statements of IRB-Brasil Resseguros S.A. (“the Company”), referred as parent company and consolidated, respectively, which comprise the individual and consolidated statement of financial position as at December 31, 2024, the individual and consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying individual and consolidated financial statements present fairly, in all material respects, the parent company and consolidated financial position of IRB-Brasil Resseguros S.A. as at December 31, 2024, and its individual and consolidated financial performance and individual and consolidated cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the individual and consolidated Financial Statements’ section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the individual and consolidated financial statements in the Accountant’s Professional Ethics Code and the professional standards issued by the Brazilian Federal Accounting Council, and 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the individual and consolidated financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of reinsurance and retrocession contract assets and liabilities

See notes 16, 17, 18, 19, 23.1, 26.1, 26.14 and 26.15 of the parent company and consolidated financial statements

Key audit matter	How the audit addressed this matter
The Company has assets and liabilities related to reinsurance and retrocession contracts in the individual and consolidated financial statements as of December 31, 2024, measured in accordance with CPC 50 / IFRS 17. In measuring these assets and liabilities, the Reinsurer uses databases of its operations, in addition to techniques and methods that involve judgment in determining the measurement models and the assumptions used for estimating fulfilment cash flows from reinsurance contracts which include, among others: expected issuances of proportional reinsurance contracts, expected future loss ratio and expected reporting and adjustment of claims, in addition to discount rates and illiquidity premium. We considered the measurement of assets and liabilities related to reinsurance and retrocession contracts to be a key audit matter given the relevance of the data, the amounts involved, the level of judgment involved in determining the measurement models and significant assumptions related to them, and the impact that a possible change in these measurement models and assumptions used could have on the amounts recorded in the parent company and consolidated financial statements.	Our audit procedures in this area included among others: (i) understanding the design and implementation of internal controls related to risk underwriting, the reconciliation of the rendering of accounts of reinsurance transactions and the review of the study of the estimated premiums of proportional contracts; (ii) testing the operational effectiveness of the approval and control of changes in the functionality of the measurement models used to calculate cash flows related to reinsurance and retrocession contract assets and liabilities; (ii) engaging our actuarial experts with knowledge of and experience in the industry, who helped us: - to evaluate the measurement models used for estimating fulfilment cash flows from reinsurance contracts, in addition to the assumptions related to the expected future loss ratio and the reporting and adjustment of claims, used in those assets and liabilities; - to establish a better estimate interval, according to independent assumptions or derived from the Company's own historical information to estimate the development of the future cash flows from incurred losses, related to the portion not reported or not sufficiently reported; - to make an independent calculation of the portion of future cash flows from the incurred losses mentioned in the previous item by using actuarial methods and statistics, including the use of independent assumptions and generally accepted actuarial techniques; (iii) engaging our experts in financial instruments with knowledge of and experience in the industry, which helped us to evaluate the assumptions about discount rates and illiquidity premiums used to discount the present value of those assets and liabilities; (iv) checking the mathematical accuracy of the performance percentages of the estimated premiums included in the study of proportional contracts and

	comparing them with those included in the Company's policies; (v) checking on a test basis the mathematical accuracy of certain aspects of the models for the measurement of reinsurance and retrocession contract assets and liabilities for the remaining coverage by using computer-assisted audit techniques; (vi) testing the accuracy and integrity of the database of contracts issued, losses incurred and claims adjusted by the Company used to measure the assets and liabilities of reinsurance and retrocession contracts; (vii) testing samples to check for the existence and accuracy of the information used to measure the assets and liabilities of reinsurance and retrocession contracts, such as: amounts, grouping of contracts, recognition dates, period of effectiveness, retention limit, retrocession percentages, among others, by matching them to the related supporting documentation, including evidence of financial settlement, when applicable; and (viii) checking whether the related disclosures in the financial statements consider relevant information. According to the evidence we obtained by applying the procedures summarized above, we considered the balance of reinsurance and retrocession contract assets and liabilities acceptable in the context of the individual company and consolidated financial statements for the year ended December 31, 2024 taken as a whole.
Assessment of the expected realization of tax credits from income and social contribution tax losses	
See notes 8, 15 and 26.10 to the individual company and consolidated financial statements	
Key audit matter	How the audit addressed this matter
The Company has assets related to tax credits arising from income and social contribution tax losses in the parent company and consolidated financial statements as of December 31, 2024. These assets are recognized to the extent that the Company expects to generate future taxable profit, according to a technical study. The preparation of this study requires the Company's judgment in defining economic assumptions and business growth, originating from the business plans and budgets prepared by the Company and approved by the Company's governance bodies. We considered the evaluation of the realization of tax credits related to income and social contribution tax losses to be a key	Our audit procedures in this area included among others: (i) understanding the design and implementation of internal controls related to the preparation, review and approval of the Company's business plans and budgets and of the technical study on the realization of tax credits; and (ii) engaging our corporate finance experts, who helped us: - to evaluate the assumptions about economic projections and business growth presented in the technical study on the realization of tax credits; and - to check the mathematical accuracy of the calculations included in the technical study on the realization of the related tax credits. (iii) checking whether the disclosures in the financial statements consider relevant information.

audit matter, given the materiality of the amounts involved and the judgment required to determine those economic and business growth assumptions for probable future taxable profit, and due to the impact that a possible change in these assumptions could have on the tax credits recognized in the individual company and consolidated financial statements for income and social contribution tax losses.

According to the evidence we obtained by applying the procedures summarized above, we considered the evaluation of the expected realization of tax credits for income and social contribution tax losses to be acceptable in the context of the individual company and consolidated financial statements for the year ended December 31, 2024 taken as a whole.

Other matters - Statements of added value

The individual and consolidated statements of added value (DVA) for the year ended December 31, 2024, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS purposes, have been submitted to audit procedures carried out in conjunction with the audit of the Company's financial statements. In order to form our opinion, we assessed whether those statements are reconciled with the financial statements and accounting records, as applicable, and whether their format and contents are in accordance with the criteria defined in Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of added value have been fairly prepared, in all material respects, in accordance with the criteria set forth in the aforementioned Technical Pronouncement and are consistent with the overall individual and consolidated financial statements.

Other Information accompanying the individual and consolidated financial statements and the auditors' report

Management is responsible for the other information comprising the management report

Our opinion on the individual and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the individual and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. 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.

Responsibilities of Management and Those Charged with Governance for the Individual and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brasil and with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of individual and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is 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 and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Individual and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 individual and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the individual and consolidated financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Rio de Janeiro, February 25, 2025

KPMG Auditores Independentes Ltda.
CRC SP-014428/O-6 F-RJ

(The original report in Portuguese was signed by)
Danielle de Freitas Torres
Accountant CRC 1SP262958/O-0

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Balance Sheets as at December 31

R\$ in thousands

(A free translation of the original in Portuguese)

Assets	Note	Parent company		Consolidated	
		2024	2023	2024	2023
Current assets		5,035,132	3,317,870	5,003,598	3,300,842
Cash and cash equivalents	5	7,210	7,406	18,861	20,335
Financial assets	6.1	3,754,708	2,598,633	3,701,676	2,547,891
Trade and other receivables	7	26,207	3,257	35,595	8,707
Tax credits and deferred tax assets	8	1,941	36,518	2,395	36,841
Prepaid expenses		5,448	5,673	5,453	5,682
Retrocession contract assets	16.2	1,239,618	666,383	1,239,618	666,383
Other receivables and assets		-	-	-	15,003
Non-current assets		11,400,221	12,159,170	11,443,268	12,185,590
Financial assets	6.1	5,388,237	5,744,511	5,388,238	5,745,021
Retrocession contract assets	16.2	2,230,751	2,317,811	2,230,751	2,317,811
Trade and other receivables	7	768,905	958,366	822,320	958,366
Tax credits and deferred tax assets	8	2,580,569	2,739,114	2,580,569	2,739,114
Court deposits	21	185,722	184,997	185,722	184,997
Investments accounted for using the equity method	4.1	72,140	43,248	-	-
Investment property	9	-	-	61,771	69,158
Other investments		330	335	330	335
Property and equipment		42,968	51,823	42,968	51,823
Intangible assets		130,599	118,965	130,599	118,965
Total assets		16,435,353	15,477,040	16,446,866	15,486,432

Liabilities and shareholders' equity	Note	Parent company		Consolidated	
		2024	2023	2024	2023
Current liabilities		4,767,467	4,418,306	4,778,980	4,427,698
Trade payables	12	73,104	73,053	82,116	80,270
Taxes and payroll charges payable		38,212	38,733	38,537	38,956
Labor provisions		12,839	12,833	13,132	13,033
Provisions for post-employment benefits	24.3	36,519	35,176	36,519	35,176
Income tax and social contribution	15	33,142	71,629	35,025	73,380
Borrowings and financing	14	246,111	3,738	246,111	3,739
Reinsurance contract liabilities	17.1	3,949,162	4,052,064	3,949,162	4,052,064
Retrocession contract liabilities	17.2	293,515	23,433	293,515	23,433
Third-party deposits	13	57,371	89,990	57,371	89,990
Other payables		27,492	17,657	27,492	17,657
Non-current liabilities		6,741,827	6,801,339	6,741,827	6,801,339
Trade payables	12	20,994	23,049	20,994	23,049
Provisions for post-employment benefits	24.3	334,894	363,331	334,894	363,331
Borrowings and financing	14	242,866	542,466	242,866	542,466
Income tax and social contribution	15	17,054	37,518	17,054	37,518
Reinsurance contract liabilities	17.1	5,957,087	5,758,857	5,957,087	5,758,857
Provision for lawsuits	21.2	168,932	76,118	168,932	76,118
Equity		4,926,059	4,257,395	4,926,059	4,257,395
Capital	22.1	5,379,189	5,379,189	5,379,189	5,379,189
Treasury shares	22.2	(283,760)	(283,760)	(283,760)	(283,760)
Equity valuation adjustment	22.3	(616,945)	(479,007)	(616,945)	(479,007)
Reserve for profit recovery	22.5	463,444	-	463,444	-
Retained losses		(15,869)	(359,027)	(15,869)	(359,027)
Total liabilities and equity		16,435,353	15,477,040	16,446,866	15,486,432

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of profit or loss

Years ended December 31

R\$ in thousands

(A free translation of the original in Portuguese)

	Note	Parent company		Consolidated	
		2024	2023	2024	2023
Reinsurance revenue	23.1	6,057,974	5,794,710	6,057,974	5,794,710
Reinsurance service expenses	23.1	(4,090,696)	(4,371,421)	(4,090,696)	(4,371,421)
Net expenses from retrocession contracts	23.1	(1,190,547)	(1,748,977)	(1,190,547)	(1,748,977)
Reinsurance service result		776,731	(325,688)	776,731	(325,688)
Net finance income or expense from reinsurance operations	23.3	(1,279,489)	(285,463)	(1,279,489)	(285,463)
Net finance income or expense from retrocession operations	23.3	367,087	50,286	367,087	50,286
Net financial result of operations		(912,402)	(235,177)	(912,402)	(235,177)
Investment return	23.2	1,363,250	301,740	1,416,052	362,611
Other finance income or expenses	23.2	(98,350)	(9,123)	(97,467)	(6,295)
Net financial result		352,498	57,440	406,183	121,139
Administrative expenses		(18,158)	(20,039)	(28,202)	(31,365)
Tax expenses		10,279	(18,268)	4,667	(22,378)
Share of profit of equity-accounted investees	23.4	66,837	41,826	37,167	614
Net income before taxes		1,188,187	(264,729)	1,196,546	(257,678)
Income tax (IRPJ) and social contribution (CSLL)	23.5	(382,447)	140,876	(390,806)	133,825
Net income (loss) for the year		805,740	(123,853)	805,740	(123,853)
Earnings (loss) per share - basic and diluted (in reais)	22.4	9.85	(1.51)	9.85	(1.51)

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of comprehensive income

Years ended December 31

R\$ in thousands

(A free translation of the original in Portuguese)

	Note	Parent Company and Consolidated	
		2024	2023
Net income (loss) for the year		805,740	(123,853)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Cumulative translation adjustments	22.3	(49,496)	(60,868)
Securities measured at FVOCI (former available-for-sale)			
Changes in the fair value of financial assets - FVOCI	22.3	(121,218)	193,971
Amount reclassified from equity to profit or loss for the year of financial assets - FVOCI	22.3	(14,257)	(43,549)
Expected credit losses for financial assets measured at FVOCI		(6,828)	(1,982)
Income tax and social contribution		56,919	(59,664)
Total		(134,880)	27,908
Items that will not be reclassified to profit or loss			
Post-employment benefits			
Measurement of post-employment benefit obligations	24.4	(5,095)	18,595
Income tax and social contribution		2,037	(7,438)
Total		(3,058)	11,157
Total other comprehensive income		(137,938)	39,065
Total comprehensive income for the year		667,802	(84,788)

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of changes in equity Years ended December 31

R\$ in thousands

(A free translation of the original in Portuguese)

	Capital							Equity
	Capital	Capital increase pending approval	Expenditure for share issue	Treasury shares	Profit reserves	Equity valuation adjustment	Retained earnings	
Balance at January 1, 2023	4,253,080	1,200,000	(73,891)	(283,760)	-	(538,263)	(215,701)	4,341,465
Adjustment on initial application of CPC 48 / IFRS 9, net of tax	-	-	-	-	-	20,191	(19,473)	718
Balance at January 1, 2023	4,253,080	1,200,000	(73,891)	(283,760)	-	(518,072)	(235,174)	4,342,183
Comprehensive income								
Adjustment to market value of securities	-	-	-	-	-	90,758	-	90,758
Impairment loss on financial assets	-	-	-	-	-	(1,982)	-	(1,982)
Cumulative translation adjustments	-	-	-	-	-	(60,868)	-	(60,868)
Actuarial gains on post-employment benefit	-	-	-	-	-	11,157	-	11,157
Profit or loss for the first half	-	-	-	-	-	-	(123,853)	(123,853)
Total comprehensive income	-	-	-	-	-	39,065	(123,853)	(84,788)
Contributions from shareholders and distributions to shareholders								
Capital increase	1,200,000	(1,200,000)	-	-	-	-	-	-
Total contributions from shareholders and distributions to shareholders	1,200,000	(1,200,000)	-	-	-	-	-	-
Balance at December 31, 2023	5,453,080	-	(73,891)	(283,760)	-	(479,007)	(359,027)	4,257,395
Balance at January 1, 2024	5,453,080	-	(73,891)	(283,760)	-	(479,007)	(359,027)	4,257,395
Comprehensive income								
Adjustment to market value of securities	-	-	-	-	-	(78,556)	-	(78,556)
Impairment loss on financial assets	-	-	-	-	-	(6,828)	-	(6,828)
Cumulative translation adjustments	-	-	-	-	-	(49,496)	-	(49,496)
Actuarial gains on post-employment benefit	-	-	-	-	-	(3,058)	-	(3,058)
Profit or loss for the first half	-	-	-	-	-	-	805,740	805,740
Reserve increase by accounting practice	-	-	-	-	463,444	-	(463,444)	-
Total comprehensive income	-	-	-	-	463,444	(137,938)	342,296	667,802
Contributions from shareholders and distributions to shareholders								
Reversal of unclaimed interest on shareholders' equity and dividends	-	-	-	-	-	-	862	862
Total contributions from shareholders and distributions to shareholders	-	-	-	-	-	-	862	862
Balance at December 31, 2024	5,453,080	-	(73,891)	(283,760)	463,444	(616,945)	(15,869)	4,926,059

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of cash flows – (Indirect method)

Years ended December 31

R\$ in thousands

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2024	2023	2024	2023
Net loss for the year	805,740	(123,853)	805,740	(123,853)
Adjustments to net income				
Depreciation and amortization	95,880	57,779	95,880	57,804
Reversal of impairment loss on investments	4	(24)	4	(24)
Loss (gain) on disposal of property and equipment,				
Intangible assets and ownership interests	469	54	469	54
Share of profit of equity-accounted investees	(67,310)	(41,855)	-	-
Net foreign exchange gains (losses) on assets and liabilities	(120,662)	(40,123)	(166,079)	(40,123)
Increase (reversal) of impairment loss	(9,123)	10,306	(9,123)	10,306
Other adjustments	(2,903)	(1,621)	3,412	805
Adjusted net loss for the year	702,095	(139,337)	730,303	(95,031)
Operating activities				
Changes in asset and liability accounts				
Financial Assets	(112,155)	592,267	(63,939)	585,757
Trade and other receivables	166,511	(63,430)	110,230	(61,951)
Other receivables	-	-	15,003	-
Tax credits and deferred tax assets	252,078	(124,267)	251,947	(124,091)
Prepaid expenses	225	578	229	578
Retrocession contract assets	(47,382)	226,089	(47,382)	226,089
Court deposits	(725)	70,185	(725)	70,185
Reinsurance and retrocession contract liabilities	(855,982)	(187,562)	(855,982)	(187,562)
Trade payables	(1,142)	39,240	653	38,977
Taxes and payroll charges payable	(521)	33,790	(419)	33,838
Labor provisions	6	1,118	99	1,207
Provisions for post-employment benefits	(32,189)	1,788	(32,189)	1,788
Income tax and social contribution	29,419	34,847	37,311	34,771
Third-party deposits	(32,619)	(473)	(32,619)	(473)
Other payables	9,835	(2,330)	9,835	(2,330)
Provision for lawsuits	92,814	(6,756)	92,814	(6,756)
Borrowings and financing	66,119	121,772	66,118	121,772
Cash used in operating activities	236,387	597,519	281,287	636,768
Income tax and social contribution paid	(88,370)	(33,538)	(96,130)	(33,538)
Interest paid	(35,846)	(112,421)	(35,846)	(112,421)
Net cash used in operating activities	112,171	451,560	149,311	490,809
Investing activities				
Changes in asset and liability accounts				
Dividends received	41,624	38,938	-	-
Increase in the capital of investee	(3,206)	(944)	-	-
Acquisition and sale of property and equipment	(25,680)	(23,323)	(25,680)	(23,323)
Acquisition of intangible assets	(64,681)	(65,038)	(64,681)	(65,038)
Cash used in investing activities	(51,943)	(50,367)	(90,361)	(88,361)
Financing activities				
Changes in asset and liability accounts				
Debenture Issue	-	100,000	-	100,000
Expenditure for debenture issue	-	(7,813)	-	(7,813)
Debenture payment	(87,500)	(462,939)	(87,500)	(462,939)
Leases	(5,321)	(3,380)	(5,321)	(3,380)
Net cash from (used in) financing activities	(92,821)	(374,132)	(92,821)	(374,132)
Increase (decrease) in cash and cash equivalents	(32,593)	27,061	(33,871)	28,316
Cash and cash equivalents at the beginning of the year	7,406	6,119	20,335	17,793
Effects of exchange rate fluctuations on cash and cash equivalents	32,397	(25,774)	32,397	(25,774)
Cash and cash equivalents at the end of the year	7,210	7,406	18,861	20,335

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Statements of added value

Years ended December 31

R\$ in thousands

(A free translation of the original in Portuguese)

	Parent company		Consolidated	
	2024	2023	2024	2023
Insurance operations	6,057,974	5,794,710	6,057,974	5,794,710
Net revenue	6,057,974	5,794,710	6,057,974	5,794,710
Reinsurance service expenses	(3,364,863)	(3,769,760)	(3,364,863)	(3,769,760)
Other	(18,158)	(20,039)	(18,158)	(20,039)
Net expenses	(3,383,021)	(3,789,799)	(3,383,021)	(3,789,799)
Inputs acquired from third parties				
Materials, energy and other	(42,716)	(50,763)	(44,710)	(51,312)
Third-party services	(79,204)	(70,816)	(79,986)	(71,682)
Trading expenses	(281,794)	(209,184)	(281,794)	(209,184)
	(403,714)	(330,763)	(406,490)	(332,178)
Gross amount used	2,271,239	1,674,148	2,268,463	1,672,733
Depreciation	(95,880)	(57,779)	(95,880)	(57,804)
Net amount used produced by the company	2,175,359	1,616,369	2,172,583	1,614,929
Added value received in transfer				
Finance revenue	1,802,043	852,681	1,854,845	913,552
Share of profit of equity-accounted investees	67,310	41,855	-	-
Net expenses from retrocession contracts	(1,190,547)	(1,748,977)	(1,190,547)	(1,748,977)
Other transfers received - proceeds from investment properties and sale of property and equipment	(473)	(29)	37,167	614
Other	-	-	1,690	(4,176)
	678,333	(854,470)	703,155	(838,987)
Total added value to be distributed	2,853,692	761,899	2,875,738	775,942
Distribution of added value				
Personnel	220,525	209,267	229,483	214,977
Direct remuneration	133,982	161,249	140,379	165,337
Benefits	76,347	36,769	78,923	38,126
Severance pay fund (FGTS)	10,196	11,249	10,181	11,514
Taxes, fees and contributions	372,168	(122,608)	386,139	(111,447)
Federal	372,168	(122,608)	384,804	(111,447)
Municipal	-	-	1,335	-
Remuneration of own capital	1,455,259	799,093	1,454,376	796,265
Interest	1,449,545	795,241	1,448,662	792,413
Rentals	5,714	3,852	5,714	3,852
Net income (loss) for the year	805,740	(123,853)	805,740	(123,853)

The accompanying notes are an integral part of these financial statements.

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated financial statements

As at December 31

In thousands of reais, except when otherwise stated

Section A – General information

1.1 Operations

IRB-Brasil Resseguros S.A., “IRB Re” or “Company”, is a Brazilian publicly-held company incorporated in 1939 by the then President Getúlio Vargas, with its registered office at Avenida República do Chile, 330, in the city of Rio de Janeiro, and offices in São Paulo and Brasília. The Company’s shares are traded on B3 S.A - Brasil, Bolsa, Balcão (B3).

On September 1, 2011, IRB Re started up its operations in the branch in Argentina as part of its expansion strategy in Latin America. In 2022, Management implemented a plan to optimize the capital allocated to such branch. The new businesses are carried out through the Admitted Reinsurer, directly managed by IRB Re’s headquarters in Brazil. The Local Reinsurer is undergoing a run-off process, currently managed by the branch’s remaining professionals. In line with the Company’s strategy, the transactions originated in Latin America remain fundamental to the development and diversification of IRB Re’s businesses.

Also as part of the Company’s strategy to optimize capital, the Management started the process for selling the London branch. As part of this negotiation, in December 2023, a contract for Loss Portfolio Transfer (LPT) was signed to accelerate the transfer of the reinsurance portfolio until all legal procedures of the transaction are duly completed and approved by the UK Regulatory Authorities. After the full completion of the transaction, all asset and liability balances related to this branch will be duly derecognized in the Company’s financial statements.

The parent company and consolidated financial statements as at December 31, 2024 were approved by the Board of Directors of the Company on February 25, 2025.

1.1.1 Going concern

As at December 31, 2024, the Company reports sufficiency in regulatory ratios as mentioned in Note 25. Management is not aware and does not consider any material uncertainty that may cast significant doubt upon its ability to continue as a going concern.

Accordingly, the parent company and consolidated financial statements has been prepared on a going concern basis.

1.2 Additional information

1.2.1 The impacts caused by the rains in Rio Grande do Sul

In May 2024, the state of Rio Grande do Sul received heavy rainfalls, which caused floods and significant social and economic impact on the region. This extreme event highlighted the importance of the role performed by insurers and reinsurers in the mitigation of the financial impacts arising from natural disasters.

As at December 31, 2024, the main groups affected by the reported claims were the property and financial risks ones, with impact of R\$ 143,535 – net of retrocession. For the property group, the Company has a retrocession program, in the damage surplus line modality, with coverage for events such as the one that took place in Rio Grande do Sul. This retrocession limits the Company’s retained claims and its threshold has already been reached by the reported claims. Therefore, the amount of reported claims and the future claim reports arising from this event, in the protected groups and above the program threshold will be substantially recovered from retrocessionaires until the compensation limit of the respective contracts. The

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Notes to the parent company and consolidated financial statements

As at December 31

In thousands of reais, except when otherwise stated

Company adopts the policy of working with solid retrocessionaires who are assigned, in large scale, ratings above A and global scale.

In 2024, the total impact of this event amounted to R\$216,689 in reported claims, net of retrocession, according to the following chart:

	2024		
	Reinsurance	Retrocession	Total
Property	455,478	(388,141)	67,337
Financial risks	76,198	-	76,198
Motor	46,466	-	46,466
Agriculture	16,986	-	16,986
Other	10,218	(516)	9,702
Total	605,346	(388,657)	216,689

The above chart shows a breakdown by the portfolios set for IFRS17 purposes.

The above reported amounts are based on nominal amounts and do not consider the effect of time value of money, which were duly recorded in the financial statements according to CPC 50 / IFRS 17.

1.2.2 Developments of the investigation regarding the shareholder's interests

On March 4, 2020, IRB Re's Board of Directors determined the establishment of a procedure for investigating the exact circumstances under which the disclosure of information by the Company concerning its shareholder's interests had occurred. On June 26, 2020, an independent investigation conducted with the support of forensic expert consultants into the disclosure of information on the Company's shareholder's interests was completed. This investigation found those responsible for disseminating inaccurate information on the Company's shareholder's interests, who performed these irregular acts, individually, in absolute breach of their regular management powers as Statutory Officers of the Company.

Additionally, the Company detected irregularities in the payment of bonuses to former Officers and other employees of IRB Re and IRB Investimentos e Participações Imobiliárias S.A. "IRB Par" through such wholly-owned subsidiary that performs real estate operations.

The Company also found that in February and March 2020 the Company's shares were repurchased in excess of the quantities authorized by the Board of Directors by 2,850,000 shares.

All of these operations were performed without the knowledge of IRB Re's Board of Directors, and those who were primarily responsible for all the identified irregularities are no longer employed by the Company.

Upon conclusion of the internal investigation, IRB Re's Management submitted the results of all of the investigations to the Federal Public Attorney's Office of the state of Rio de Janeiro, the Brazilian Securities and Exchange Commission (CVM) and the Superintendence of Private Insurance (SUSEP). The Company is cooperating with the investigations that the pertinent authorities are currently conducting, providing the required clarifications, as well as all the required information and documents. The Company has also adopted the appropriate legal measures to recover the losses that it suffered due to illegal conduct identified and engaged by the involved individuals, particularly by filing an arbitration procedure against the former Statutory Officers of the Company, which was duly approved by the shareholders at the Annual and Extraordinary Shareholders' Meeting, held on July 31, 2020, aiming to hold such former Statutory Officers of the Company liable.

It was also approved the bringing of an action against the former Statutory Executive Officers of subsidiary IRB Investimentos e Participações Imobiliárias S.A. "IRB Par". It is worth noting that the Legal, Accounting and Finance areas of the Company assumed their respective duties in the scope of the operating activities

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performed by such subsidiary, which merger process was completed through the Extraordinary Shareholders' Meeting of IRB Re (acquirer), held on September 30, 2022.

Moreover, on April 18, 2022, the U.S. Department of Justice (DOJ) and the U.S. Securities and Exchange Commission (SEC) disclosed the progress of the criminal and civil actions against the former Chief Financial and Investor Relations Vice-President Executive Officer ("Ex-CFO") of the Company, who represented the Company at meetings with U.S. investors in the first quarter of 2020, for the supposed untrue statement made about the shareholding of the Company and potential investments in the Company by third parties, which allegedly constitute capital markets fraud, under the terms of the U.S. legislation.

After many negotiations with these US authorities, the Company entered on April 20, 2023 with the DoJ into a Non-Prosecution Agreement ("DoJ Agreement"), as well as an additional agreement with the SEC ("SEC Agreement"), both having as subject matter the untrue information that Berkshire Hathaway would be a shareholder of the Company, disclosed by the Ex-CFO in the US territory, between February and March 2020.

Based on the terms and deadlines established in the DoJ Agreement, on May 2, 2023 the Company provided the amount of USD 5,000,000.00 (five million dollars) to the DoJ, which is held in trust by the company Kroll LLC, in the capacity of administrator selected by the DoJ, and shall be used for paying damages to the Company's shareholders who sold their shares on March 4, 2020. The rules, sequence and procedures that such shareholders have to follow to claim access to such damage payment are available on the website of Kroll LLC, as disclosed by the Company through the Notice to the Market released on June 10, 2024.

In relation to the SEC Agreement, we stress that the same was formally approved in May 2023 by the U.S. District Court for the Southern District of New York.

It is worth noting that, in view of the Company's broad cooperation and remediation in this case, neither Agreements prescribe any monetary penalty and/or expenditure of any other amount in relation to the facts under examination.

In view of the signature of such Agreements, the Company will keep cooperating with the DoJ and SEC, as well as improving its internal controls, governance and compliance practices, besides submitting itself to the periodical monitoring of and reporting to the DoJ for a maximum period of three years.

In the scope of such periodical monitoring process, we inform that the Company has met all commitments and terms agreed with the US authorities.

1.3 Basis of preparation

The following condensed financial statements have been prepared according to the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncement Committee (CPC), the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and evidence all material information of financial statements, and only it, which are consistent with that used by Management in its administration.

The significant accounting policies followed in the preparation of these financial statements are shown in Note 26.

The preparation of parent company and consolidated financial statements requires the use of certain critical accounting estimates and exercise of judgment by the Company's Management in applying the accounting policies of the Company. The areas that require a higher degree of judgment and have more complexity, as

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated financial statements

As at December 31

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well as the areas in which the assumptions and estimates are significant to the financial statements, are disclosed in Note 26.

The financial statements have been prepared using historical cost as the measurement basis, which, in the case of financial assets at fair value through other comprehensive income (FVOCI) and other financial assets and liabilities, are adjusted to reflect the fair value measurement.

The Company adopted CPC 9 (R1) - Statement of Value Added (DVA) – which purpose is to evidence the wealth created by the Company and its distribution – including the comparative year.

1.3.1 Consolidation

The Company consolidates all entities that it controls, that is, when it is exposed to, or has rights to, variable returns from its involvement with the investee and has power to direct its relevant activities.

The subsidiaries included in consolidation are described in Note 4.2.

The Company controls an entity when it is exposed to or has a right over the variable returns arising from its involvement with the entity and has the ability to affect those returns exerting its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements information as from the date the Company obtains the control until the date such control ceases.

In the parent company's financial statements information, the financial information on subsidiaries is recognized under the equity method.

1.3.2 Controlled entities

Andrina Participações S.A. (Andrina), a wholly-owned subsidiary of IRB Re, incorporated in the first half of 2024, with the corporate purpose of carrying out insurance, reinsurance or retrocession risk transfer operations with independent net assets, and the financing of such risks through Insurance Risk-linked Bills (LRS) pursuant to the applicable legislation and regulation.

In the second quarter of 2024, the Company's Board of Directors approved the subscription of the subsidiary's capital in the amount of R\$ 4,000, representing 4,000,000 registered common shares, with no par value, at the issue price of R\$ 1 per share, of which R\$ 2,000 were transferred in June 2024, equivalent to 2,000,000 common shares, and R\$ 2,000 shall be paid in 12 months, corresponding the balance outstanding of 2,000,000 common shares.

SUSEP issued Ordinance 42, of December 3, 2024, granting authorization to Andrina Participações S.A for issuing Insurance Risk-linked Bills (LRS), in the S1 segment, across the national territory. On December 6, 2024, such Ordinance was published in the Federal Gazette.

The subsidiaries IRB Chile Empreendimentos Imobiliários SPE S.A, IRB Renda Empreendimentos Imobiliários SPE S.A, IRB Uso Empreendimentos Imobiliários SPE S.A and IRB Santos Dumont Empreendimentos Imobiliários SPE S.A., are responsible for managing part of the real estate investments of IRB Re.

IRB Asset Management provides security portfolio management services, through fund portfolios, investment clubs and other similar modalities, besides carrying out other asset management-related services or activities, under the terms of Instruction 21 of February 25, 2021 of CVM. At present, the subsidiary manages most of the Company's exclusive funds.

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Notes to the parent company and consolidated financial statements

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In thousands of reais, except when otherwise stated

The information on subsidiaries is shown below:

	Assets	Liabilities	Equity	Net income (loss) for the year	Interest percentage	Investment as at 2024
IRB Chile Emp. Imobiliários SPE S.A.	2,579	10	2,569	441	100.0%	2,569
IRB Renda Emp. Imobiliários SPE S.A.	7,269	44	7,225	713	100.0%	7,225
IRB Uso Emp. Imobiliários SPE S.A.	788	5	783	(326)	100.0%	783
IRB Santos Dumont Emp. Imobiliários SPE S.A.	54,801	1,222	53,579	32,593	100.0%	53,579
IRB Asset Management	12,391	5,315	7,076	34,981	100.0%	7,076
Andrina Sociedade Seguradora de Propósito Específico S.A.	1,072	164	908	(1,092)	100.0%	908
Total				67,310		72,140

	Assets	Liabilities	Equity	Net income (loss) for the year	Interest percentage	Investment as at 2023
IRB Chile Emp. Imobiliários SPE S.A.	2,136	8	2,128	221	100.0%	2,128
IRB Renda Emp. Imobiliários SPE S.A.	12,068	56	12,012	732	100.0%	12,012
IRB Uso Emp. Imobiliários SPE S.A.	388	18	370	(340)	100.0%	370
IRB Santos Dumont Emp. Imobiliários SPE S.A.	15,020	1	15,019	(583)	100.0%	15,019
IRB Asset Management	17,352	3,633	13,719	41,825	100.0%	13,719
Total				41,855		43,248

In addition, the Company also holds the totality of the quotas of the following investment funds:

Funds managed by IRB Asset Management:

- Fundo de Investimento RF IRB Brasil RE Absoluto
- IRB Fundo de Investimento Renda Fixa
- IRB Fundo de Investimento em Ações
- IRB Caixa Fundo de Investimento Renda Fixa
- IRB Macro Fundo de Investimento Multimercado
- IRB Fundo de Investimento Renda Fixa Crédito Privado
- Sinergia Fundo de Investimento em Participações Multiestratégia Multisetorial

Funds managed by other investment management firms:

- BB IRB Brasil RE Liquidez Fundo de Investimento Renda Fixa
- Parking Partners Fundo de Investimento Imobiliário – FII
- BRZ IRB Fundo de Investimento Renda Fixa Crédito Privado
- VINCI IRB Crédito Fundo de Investimento Renda Fixa Crédito Privado
- Santander IRB Brasil RE Renda Fixa – Fundo de Investimento Financeiro Responsabilidade Limitada

The Company's consolidated financial statements information has been prepared to consolidate the above-mentioned investment funds and its subsidiaries.

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Section B – Risks

2 Risk management

IRB Re's Risk Management Framework (EGR) is integrated into the Internal Control System (SCI), supported by critical analysis and continuous improvement principles, in order to identify, measure, handle and monitor risks that could impact the Company's strategical goals.

The Company has an Internal Controls, Risks and Compliance Statutory Executive Management, responsible for the oversight and monitoring of the risk management of IRB Re. In the same sense, the entire Statutory Board, the Board of Directors, the Risk and Solvency Committee and other joint, advisory and deliberative bodies remain committed to foster risk management in the scope of the Company.

In September 2024, A.M. Best, the oldest risk rating agency with focus on the insurance and reinsurance sector, confirmed the maintenance of IRB(Re)'s Financial Strength Rating at "A-" (Excellent) and Long-term Issuer Credit Rating (Long-term ICR) at "a-", reviewing the outlook from negative to stable. According to the notice released by the agency, the outlook is based on AM Best's expectation that the solidity of the company's statement of financial position will remain at strong levels, supported by a trend that reflects the improvement in its operational performance and the benefits from the initiatives implemented by its management.

In November 2024, the risk rating agency Standard&Poor's Global Ratings (S&P) reaffirmed the "brAA+" issuer credit rating assigned to the entity and its debenture issues. The outlook rating of the issuer changed from negative to stable, reflecting the agency's expectation that the reinsurer will continue to operate at stable capital and liquidity levels while it gradually improves its technical results.

2.1 Three-line model

IRB Re adopts the three-line model in its Risk Management Framework and Internal Control System to provide greater solidity to its corporate governance.

The first line of defense is represented by the vice-presidencies and executive boards, comprising the managers and those directly charged with the Company's processes.

The second line comprises the Internal Control, Risk and Compliance Executive Management, responsible for continuously supporting and monitoring the risk management performed by the first line.

In the meantime, the third line, represented by the Internal Audit, has duties related to the independent evaluation of the effectiveness of the Company's governance and risk management.

The Company has these three lines operating on simultaneous and integrated basis, through appropriate reporting layers and collaboration of all of whom are involved, aiming to provide transparency to risk-based decision making.

2.2 Risk typology

The main risk categories, as established by regulatory bodies, are the following: operational, underwriting, market, credit and liquidity.

The Company understands that these categories indeed cover its main exposures, however, they are not

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated financial statements

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In thousands of reais, except when otherwise stated

thorough, considering the dynamics of the context and the own markets where it operates.

2.2.1 Operational risks

In IRB Re, operational risk considers the possibility of incurring losses from failure, defect or inadequacy of internal processes, people and systems, or external events.

The operational risk management is coordinated by the Internal Control Management that carries out, together with the business unit, the application of the operational risk management process, providing the appropriate support and evaluating the efficiency and effectiveness of the existing controls.

IRB Re has a Business Continuity Management (GCN) program that provides for the actions to be taken in the event of contingency, organized in specific contingency plans: Business Continuity Plan, Disaster Recovery Plan and Going Concern Plans, based on Business Impact Analysis (BIA), besides the Crisis Management Plan and the Emergency Assistance Plan.

The Company also has a Data Bank of Operational Losses (BDPO) aimed to capture and record the event of losses arising from materialized risks.

2.2.2 Underwriting risks

The underwriting risk arises from the possibility of incurring losses that contradict the expectations of actuarial and financial assumptions adopted in the pricing of reinsurance contracts and recognition of technical reserves.

The transfer of risk through retrocession is one of the techniques used for mitigating and controlling underwriting risk. As reinsurance, retrocession may cover a group of accepted risks or only specific risks (also called facultative).

IRB Re currently has retrocession programs (or portfolio protection programs), basically designed based on non-proportional structure (excess of damages and stop loss) that cover the groups of insurance lines with higher exposure, aiming to balance results and limit losses, as well as increase its capacity to accept strategic businesses.

Considering the retention limits, magnitude and need of diluting risks, or even operational and commercial aspects, in many businesses the retrocession is used for spreading risks to other reinsurers, receiving in exchange the specific consideration for business origination.

Another retrocession modality adopted by IRB is the Loss Portfolio Transfer (LPT) contracts. These contracts are used in situations where the Company aims to protect itself from the deviations from technical reserves or cede claim reserves of any specific portfolio.

In view of the own nature of risk transfer, retrocession operations imply an underlying credit risk, which is treated as described in Note 2.2.4.

2.2.2.1 Claim development

The following tables show the development triangles of incurred claims of the Company, broken down by underwriting year, considering that the Company uses comparability to demonstrate the amount of LIC as at the reporting dates December 31, 2024 and December 31, 2023.

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• Retrocession - gross

	Parent Company and Consolidated						
	2024						Total
	2019	2020	2021	2022	2023	2024	
Estimates of undiscounted gross cumulative claims	6,024,933	6,449,708	6,017,812	2,945,565	2,786,502	1,606,219	25,830,739
At the end of each year	1,759,126	2,226,946	2,273,988	2,113,114	1,862,208	1,606,219	
One year later	4,303,687	4,773,769	5,425,314	3,742,931	2,786,502		
Two years later	5,216,114	5,953,161	6,178,782	2,945,565			
Three years later	5,854,825	6,436,772	6,017,812				
Four years later	6,063,830	6,449,708					
Five years later	6,024,933						
Cumulative gross claims paid	(5,434,214)	(5,350,983)	(4,906,067)	(1,666,649)	(645,040)	(247,778)	(18,250,731)
Gross liabilities – Claims from 2019 to 2024 (a)	590,720	1,098,725	1,111,746	1,278,915	2,141,462	1,358,440	7,580,008
Gross liabilities – Claims before 2019 (b)							3,693,370
Gross liabilities - undiscounted gross incurred claims (c) = (a) + (b)							11,273,378
Effect of discounting – Claims from 2019 to 2024 (d)	(40,793)	(74,691)	(81,930)	(128,418)	(226,869)	(172,047)	(724,748)
Effect of discounting – Claims before 2019 (d)							(853,992)
Gross liabilities - discounted gross incurred claims (e) = (c) + (d)							9,694,638
Discounted risk adjustment – Claims from 2019 to 2024 (f)	16,253	30,899	32,826	33,552	55,571	37,559	206,660
Discounted risk adjustment – Claims before 2019 (f)							62,129
Gross liabilities included in the financial statement (e) + (f)							9,963,427

	Parent Company and Consolidated						
	2023						Total
	2018	2019	2020	2021	2022	2023	
Estimates of undiscounted gross cumulative claims	7,192,976	5,867,342	6,121,173	5,762,045	2,722,418	1,120,157	28,786,111
At the end of each year	812,020	1,495,187	1,905,040	1,878,454	1,430,387	1,120,157	
One year later	2,884,896	3,901,929	4,413,945	5,013,355	2,722,418		
Two years later	5,599,380	4,986,532	5,710,675	5,762,045			
Three years later	6,469,613	5,642,972	6,121,173				
Four years later	6,843,407	5,867,342					
Five years later	7,192,976						
Cumulative gross claims paid	(6,634,308)	(5,204,494)	(4,877,786)	(4,198,286)	(705,066)	(59,504)	(21,679,444)
Gross liabilities – Claims from 2018 to 2023 (a)	558,668	662,848	1,243,387	1,563,759	2,017,352	1,060,653	7,106,667
Gross liabilities – Claims before 2018 (b)							3,268,137
Gross liabilities - undiscounted gross incurred claims (c) = (a) + (b)							10,374,804
Effect of discounting – Claims from 2018 to 2023 (d)	(33,707)	(41,066)	(76,428)	(105,550)	(147,503)	(75,403)	(479,657)
Effect of discounting – Claims before 2018 (d)							(305,920)
Gross liabilities - discounted gross incurred claims (e) = (c) + (d)							9,589,227
Discounted risk adjustment – Claims from 2018 to 2023 (f)	3,303	5,168	10,969	12,010	16,888	11,030	59,368
Discounted risk adjustment – Claims before 2018 (f)							16,643
Gross liabilities included in the financial statement (e) + (f)							9,665,238

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• **Retrocession - net**

	Parent Company and Consolidated						
	2024						
	2019	2020	2021	2022	2023	2024	Total
Estimates of undiscounted net cumulative claims	4,388,746	4,991,034	5,569,760	1,989,224	1,463,845	1,138,592	19,541,201
At the end of each year	1,536,503	1,580,592	1,890,367	1,129,653	1,025,065	1,138,592	
One year later	3,261,090	3,426,635	4,801,678	2,550,492	1,463,845		
Two years later	3,718,606	4,410,625	5,610,794	1,989,224			
Three years later	4,160,168	4,964,685	5,569,760				
Four years later	4,413,173	4,991,034					
Five years later	4,388,746						
Cumulative net retrocession claims paid	(3,946,671)	(4,245,730)	(4,741,765)	(1,152,147)	(499,363)	(219,623)	(14,805,299)
Net liabilities of retrocession – Claims from 2019 to 2024 (a)	442,075	745,304	827,996	837,077	964,482	918,968	4,735,902
Net liabilities of retrocession – Claims before 2019 (b)							1,876,679
Net liabilities of retrocession – Undiscounted net incurred claims (c) = (a) + (b)							6,612,581
Effect of discounting – Claims from 2019 to 2024 (d)	(24,318)	(43,307)	(42,479)	(83,623)	(71,746)	(114,525)	(379,998)
Effect of discounting – Claims before 2019 (d)							(353,499)
Net liabilities of retrocession – Discounted incurred claims (e) = (c) + (d)							5,879,084
Discounted risk adjustment – Claims from 2019 to 2024 (f)	13,147	21,259	25,921	23,131	23,409	26,136	133,003
Discounted risk adjustment – Claims before 2019 (f)							39,406
Net liabilities of retrocession included in the financial statement (e) + (f)							6,051,493

	Parent Company and Consolidated						
	2023						
	2018	2019	2020	2021	2022	2023	Total
Estimates of undiscounted net cumulative claims	5,656,740	4,240,575	4,661,848	5,201,964	1,952,066	604,030	22,317,223
At the end of each year	946,434	1,270,994	1,284,169	1,531,957	898,219	604,030	
One year later	2,581,218	2,922,794	3,093,399	4,419,848	1,952,066		
Two years later	4,431,149	3,519,919	4,198,660	5,201,964			
Three years later	5,050,191	3,985,538	4,661,848				
Four years later	5,303,704	4,240,575					
Five years later	5,656,740						
Cumulative net retrocession claims paid	(5,281,042)	(3,732,873)	(3,857,995)	(4,060,927)	(670,068)	(59,504)	(17,662,409)
Net liabilities of retrocession – Claims from 2018 to 2023 (a)	375,698	507,702	803,853	1,141,037	1,281,998	544,526	4,654,814
Net liabilities of retrocession – Claims before 2018 (b)							1,520,033
Net liabilities of retrocession – Undiscounted net incurred claims (c) = (a) + (b)							6,174,847
Effect of discounting – Claims from 2018 to 2023 (d)	(21,242)	(26,885)	(43,166)	(62,681)	(83,548)	(22,573)	(260,095)
Effect of discounting – Claims before 2018 (d)							(90,319)
Net liabilities of retrocession – Discounted incurred claims (e) = (c) + (d)							5,824,433
Discounted risk adjustment – Claims from 2018 to 2023 (f)	2,497	4,164	5,675	8,402	9,319	6,352	36,409
Discounted risk adjustment – Claims before 2018 (f)							6,092
Net liabilities of retrocession included in the financial statement (e) + (f)							5,866,934

2.2.2.2 Sensitivity analysis

The purpose of the sensitivity analysis is to measure the impact on the profit or loss and equity of the Company, in the event of isolated, reasonably possible changes in assumptions inherent in its operations that may be affected by the risk underwriting process and that are considered material in the financial statement.

Loss ratio – is the main indicator of reinsurance contracts and is equivalent to the ratio between expenses and income received by the contract. The test assessed the impact of an increase and decrease in claims.

The Company now uses the scenarios considering LRC and LIC and demonstrates the effect of an increase or decrease in reinsurance expenses for CSM and the result for the year.

If an increase or decrease of 5.0% and 10.0% in loss ratio were to occur, a percentage considered reasonable in view of the past changes in the Company's loss ratio, the possible impacts on profit and loss

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after tax and equity after tax, as at December 31, 2024 and 2023, are shown below:

	Parent Company and Consolidated	
	2024	
	Retrocession - gross	
	CSM	Net income (loss) for the year
10% increase in reinsurance expenses	(126,997)	(980,695)
5% increase in reinsurance expenses	(64,399)	(489,447)
5% decrease in reinsurance expenses	70,614	483,232
10% decrease in reinsurance expenses	141,065	966,627

	Parent Company and Consolidated	
	2023	
	Retrocession - gross	
	CSM	Net income (loss) for the year
10% increase in reinsurance expenses	(136,164)	(980,114)
5% increase in reinsurance expenses	(70,156)	(487,983)
5% decrease in reinsurance expenses	77,375	480,764
10% decrease in reinsurance expenses	157,417	958,861

Due to the nature of the transactions accepted by IRB Brasil RE, there is no material exposure to the increase of convertibility, mortality or survival ratios.

2.2.3 Market risk

These are the risks arising from changes in prices and rates in financial markets that may cause a reduction in the value of a security or asset portfolio. The main variables linked to the market risk of the investment portfolio of IRB Re are: real and nominal interest and exchange rates.

For these variables, the risk management involves different organizational units, including guidelines and strategies, as well as Value at Risk (VaR) techniques, and construction of stress scenarios, aimed at the preventive loss management.

With regard to foreign currencies, in 2024, the Company's main exposure is to the US dollar and pound sterling, besides other currencies at a lower level, such as: Argentinean peso, Peruvian nuevo sol, Colombian peso, Indian rupee, Mexican peso, South Korean won, and Chinese yuan.

2.2.3.1 Value at Risk Analysis

In the Company, these policies establish limits, processes and tools to effectively manage market risks. In addition, the investment portfolio is monitored daily to ensure that the limits set are observed.

Value at Risk (VaR) is one of the methods used in market risk management. Measuring risk using this method estimates the maximum loss expected over a certain time horizon and specified confidence interval under normal market conditions. This measurement considers the effect of risk diversification on total portfolio. Such metrics are commonly used in the market to measure market risk. However, the model uses historical data to calculate portfolio losses, and its limitation refers to the fact that it does not measure such loss amounts above the confidence level.

According to the historical method, 97.5% confidence, time period of 24 months and daily returns, daily VaR of the Company's asset portfolio was estimated at approximately R\$8,098 as at December 31, 2024, which represented an estimated maximum loss of 0.10% of the total asset portfolio.

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2.2.3.2 Sensitivity analysis of foreign currency

The Company executes some transactions in foreign currencies, its main exposure being to the US dollar; it also has exposure at a lower level to other currencies, as mentioned in Note 2.2.3.

For the purposes of the sensitivity analysis of changes in the exchange and discount rates, the following scenarios were considered:

Exchange rate

- Base case scenario: P-TAX exchange rate for each foreign currency as at December 31, 2024 and 2023;
- Sensitivity scenarios consider a 5% reduction or increase in the exchange rate in relation to the base case scenario.

The impact of the change in the exchange rate on the total assets and liabilities held or to be settled as at December 31, 2024 and 2023 is shown in the following tables:

	Parent Company and Consolidated	
	2024	
	Rate increase	Rate decrease
Reinsurance liabilities	243,797	(243,797)
Retrocession asstes	62,355	(62,355)

	Parent Company and Consolidated	
	2023	
	Rate increase	Rate decrease
Reinsurance liabilities	204,115	(204,115)
Retrocession asstes	58,841	(58,841)

Discount rates

- Use of current discount rates for measurement of groups of contracts as at December 31, 2024 and 2023
- Sensitivity scenarios consider a 2bps reduction or increase in the discount rate for groups of contracts with the Brazilian real as predominant currency, and 15bps for groups of contracts in foreign currencies.

The impact of the change in the discount rate on the total assets and liabilities held or to be settled as at December 31, 2024 and 2023 is shown in the following tables:

	Parent Company and Consolidated	
	2024	
	Rate increase	Rate decrease
Reinsurance liabilities	(160,110)	168,097
Retrocession asstes	(75,022)	79,488

	Parent Company and Consolidated	
	2023	
	Rate increase	Rate decrease
Reinsurance liabilities	(111,041)	115,155
Retrocession asstes	(139,643)	(34,368)

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Futures contracts for currencies

The Company's investment policy establishes the purchase of contracts to provide currency hedging for events of surplus of assets and liabilities for the foreign currencies that account for the largest shares of the Company's business portfolio.

Premium and commission

According to the IFRS 17, premiums are recorded net of reinsurance commission. The test measured the impact of premium increase and reduction, which could represent a change in written premiums or commission of contracts.

- Sensitivity scenarios consider a 5% and 10% reduction or increase in the commission in relation to the base case scenario.

The impact of commission on CSM and profit or loss for the year as at December 31, 2024 and 2023 is shown in the following tables:

	Parent Company and Consolidated	
	2024	
	Retrocession - gross	
	CSM	Net income (loss) for the year
10% increase on commission	(290,862)	(84,352)
5% increase on commission	(147,200)	(40,407)
5% decrease on commission	176,975	10,632
10% decrease on commission	354,804	20,410

	Parent Company and Consolidated	
	2023	
	Retrocession - gross	
	CSM	Net income (loss) for the year
10% increase on commission	(281,093)	(72,087)
5% increase on commission	(145,388)	(31,202)
5% decrease on commission	157,578	19,012
10% decrease on commission	318,011	35,169

Risk adjustment

It represents the cost of the adjustment for non-financial risk, complementing the claim-related expenses. The test measured the impact of the change in the Confidence Index of Risk Adjustment at 2% and 4%.

- Sensitivity scenarios consider an approximately 2% and 4% reduction or increase in the risk adjustment in relation to the base case scenario.

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The impact of commission on CSM and profit or loss for the year as at December 31, 2024 and 2023 is shown in the following tables:

Parent Company and Consolidated		
2024		
Retrocession - gross		
	CSM	Net income (loss) for the year
4% increase in the risk adjustment	(52,271)	(66,086)
2% increase in the risk adjustment	(26,691)	(31,926)
2% decrease in the risk adjustment	25,203	29,456
4% decrease in the risk adjustment	49,999	58,785

Parent Company and Consolidated		
2023		
Retrocession - gross		
	CSM	Net income (loss) for the year
4% increase in the risk adjustment	(21,818)	(138,539)
2% increase in the risk adjustment	(10,802)	(69,950)
2% decrease in the risk adjustment	11,748	61,674
4% decrease in the risk adjustment	22,737	125,818

2.2.3.3 Sensitivity analysis of interest rates

The Company is exposed to the interest rate risk, as it has securities linked to this market risk factor.

For the sensitivity analysis of changes in the main interest rates that affect the fixed-income and IPCA-indexed investments, the scenarios described below were considered:

- Base case scenario: interest rate prevailing as at December 31, 2024 and 2023;
- Sensitivity scenarios consider the reduction or increase in interest rates of fixed-income and IPCA-indexed investments by 25% and 50% in relation to the base case scenario.

The following table shows the immediate impact of the change in interest rate on the portfolio of fixed-rate and IPCA-indexed investments, which correspond to 19.2% of the total portfolio balance in the amount of R\$9,153,085 as at December 31, 2024 (16.6% and R\$8,346,976 as at December 31, 2023):

2024					
Group	Base case	Base case - 25%	Base case - 50%	Base case +25%	Base case +50%
Fixed-rate and IPCA-indexed portfolios (*)	1,760,206	1,719,575	1,678,944	1,800,837	1,841,468
Impact on net income before taxes		(40,631)	(81,262)	40,631	81,262
Impact on equity (%)		(0.5)	(1.1)	0.5	1.1
Impact on net income (%)		(6.5)	(13.1)	6.5	13.1

2023					
Group	Base case	Base case - 25%	Base case - 50%	Base case +25%	Base case +50%
Fixed-rate and IPCA-indexed portfolios (*)	1,375,604	1,351,357	1,326,826	1,399,951	1,424,382
Impact on net income before taxes		(24,347)	(48,778)	24,347	48,778
Impact on equity (%)		(0.3)	(0.7)	0.3	0.7
Impact on net income (%)		11.8	23.6	(11.8)	(23.6)

(*) Balance of fixed-rate and IPCA-indexed investments, see Note 6.1.

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Consolidated analysis by economic stress tests

The stress test consists of measuring the effect of the changes in prices and rates observed in the financial market over significant stress periods on the Company's asset and liability amounts. For this purpose, the main prices and rates during the periods prior and after the crisis are observed and the respective changes are applied on the Company's assets and liabilities as at the reporting date December 31, 2024. The calculation of the global effect also considers the correlations existing among the many risk factors. The variables that affect the stress test result the most are the real and nominal interest rates and the foreign exchange rates.

After analysis, the conclusion is that the most adverse scenario for the investment portfolio is the Fall 2008 (2008), which refers to the Lehman Brothers' bankruptcy followed by two consecutive interest rate cuts by the Federal Reserve Bank (FED), and the US government takeover of Fannie May and Freddie Mac to stabilize the US mortgage market, which would cause a loss estimated at 14.9% on the net assets related to market risk.

The international stress tests analyzed were the following: Mexican Crisis (1995), Asian Crisis (1997), Russian Devaluation (1998), Tech Wreck (2000), Sept 11th (2001), Fall 2008 (2008).

2.2.4 Credit risk

IRB Re believes that the main source of its credit risk comprises retrocession transactions. Accordingly, the Company adopts the policy of entering into retrocession transactions with companies whose ratings are equal or higher than A- (S&P, Fitch and AM Best) or A3 (Moody's) in international scale. The exceptions to this policy are reviewed and approved by a dedicated joint body (Security Committee). Retrocession limits (individual and aggregate) are set for counterparties, which are reviewed and approved at least once a year. The following table shows the breakdown of retrocession assets by rating.

Retrocession contract ratings

2024						
% of retrocession assets						
Rating range (i)	Local	Admitted	Eventual	Insurer	Foreign Business	Total
AAA or equivalent	-	5.1	0.2	-	0.1	5.4
AA or equivalent	-	12.5	33.1	-	5.8	51.4
A or equivalent	-	15.2	18.1	-	4.5	37.8
BBB or equivalent	-	-	-	-	0.1	0.1
Without rating	0.2	-	1.3	1.2	2.6	5.3
	0.2	32.8	52.7	1.2	13.1	100.0

2023						
% of retrocession assets						
Rating range (i)	Local	Admitted	Eventual	Insurer	Foreign Business	Total
AAA or equivalent	-	5.8	0.2	-	0.3	6.3
AA or equivalent	-	21.4	20.1	-	6.3	47.8
A or equivalent	-	18.5	18.2	-	3.9	40.6
BBB or equivalent	-	-	0.7	-	0.3	1.0
Without rating	0.2	-	-	1.4	2.7	4.3
	0.2	45.7	39.2	1.4	13.5	100.0

(i) The ratings are assigned by the following agencies: Standard & Poor's (S&P), Moody's, A.M. Best and Fitch.

Local retrocessionaire: reinsurer headquartered in the country, incorporated as a corporation.

Admitted Retrocessionaire: reinsurer headquartered abroad, with a representative office in the country according to SUSEP (Brazilian regulatory body) rules.

Eventual Retrocessionaire: foreign reinsurer without a representative office in Brazil, according to SUSEP (Brazilian regulatory body) rules.

Foreign Businesses: reinsurer that, although it is not currently registered in Brazil, was duly registered when it had business with IRB(Re).

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The following techniques are used for controlling and mitigating credit risks: setting of retrocession limits by entity; monitoring of credit risk exposure; monitoring of changes and trends in the insurance, reinsurance and financial markets; and preventative loss management.

Exposure to credit risk

The total exposure to credit risk of several categories of assets of the Company is shown in the table below.

Portfolio breakdown by class and accounting category	2024			
	Parent Company		Consolidated	
	Assets not past due	Book value	Assets not past due	Book value
Cash and cash equivalents	7,210	7,210	18,861	18,861
Amortized cost (i)				
Corporate	449,201	449,201	449,719	449,719
Government	69,079	69,079	69,079	69,079
At fair value through profit or loss (i)				
Corporate	340,166	340,166	284,263	284,263
Foreign	294,300	294,300	294,300	294,300
At fair value through comprehensive income (i)				
Government	4,438,732	4,438,732	4,441,086	4,441,086
Foreign	3,561,596	3,561,596	3,561,596	3,561,596
Total financial assets	9,160,284	9,160,284	9,118,904	9,118,904

(i) The difference in amount shown in the Note of R\$ 10,129 refers to the expected loss recorded in the year.

Portfolio breakdown by class and accounting category	2023			
	Parent Company		Consolidated	
	Assets not past due	Book value	Assets not past due	Book value
Cash and cash equivalents	7,406	7,406	20,335	20,335
Amortized cost (i)				
Corporate	450,619	450,619	459,005	459,005
Government	95,051	95,051	95,051	95,051
At fair value through profit or loss (i)				
Corporate	171,503	171,503	110,146	110,146
Foreign	91,406	91,406	91,406	91,406
At fair value through comprehensive income (i)				
Government	4,176,821	4,176,821	4,179,559	4,179,559
Foreign	3,370,167	3,370,167	3,370,168	3,370,168
Total financial assets	8,362,973	8,362,973	8,325,670	8,325,670

(i) The difference in amount shown in the Note of R\$ 12,423 refers to the expected loss recorded in the year.

In credit risk management related to financial assets, the limits are set based on the Company's investment policy. These limits are reflected in investment mandates, particularly when related to investments in corporate bond fund quotas. The compliance with mandates is monitored by the Risk area.

In brief, credit exposure limits do not restrict allocation to federal government securities. In relation to issuances of financial and non-financial companies or investment fund quotas, a methodology based on the analysis of quantitative and qualitative aspects of companies and funds, according to the Company's investment policy, is adopted.

This analysis results in a score (internal rating). Based on such score, a credit limit is set. This limit will be used for restricting the maximum exposure to the securities issued by a certain non-financial or financial company.

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2.2.5 Liquidity risk

Liquidity risk is associated with the possibility of the Company, even when solvent, not having funds to meet its obligations in a timely manner or to meet them only by selling assets on unfavorable conditions, implying financial losses.

The main management strategy is aimed to allocate assets to highly liquid funds, to meet short-term cash needs. This risk is continuously monitored by following the expected cash flows of assets and liabilities related to reinsurance contracts over time, as shown in the following table.

	2024			
	Parent company		Consolidated	
	Assets (*)	Liabilities (*)	Assets (*)	Liabilities (*)
Expected cash flow from 0 to 12 months	6,431,320	2,453,457	6,442,970	2,453,457
Expected cash flow from 13 to 24 months	2,053,413	3,651,240	2,053,413	3,651,240
Expected cash flow from 25 to 36 months	643,704	906,163	643,704	906,163
Expected cash flow from 37 to 48 months	232,357	295,528	232,357	295,528
Expected cash flow from 49 to 60 months	185,003	241,941	185,003	241,941
Expected cash flow above 61 months	1,656,884	321,491	1,656,884	321,491
	11,202,681	7,869,820	11,214,331	7,869,820

	2023			
	Parent company		Consolidated	
	Assets (*)	Liabilities (*)	Assets (*)	Liabilities (*)
Expected cash flow from 0 to 12 months	4,764,629	4,052,064	4,777,559	4,052,064
Expected cash flow from 13 to 24 months	2,617,083	3,683,488	2,617,083	3,683,488
Expected cash flow from 25 to 36 months	2,074,407	160,827	2,074,407	160,827
Expected cash flow from 37 to 48 months	73,101	63,615	73,101	63,615
Expected cash flow from 49 to 60 months	441,955	12,947	441,955	12,947
Expected cash flow above 61 months	376,239	84,788	288,304	84,788
	10,347,414	8,057,729	10,272,408	8,057,729

(*) The expected cash flow of assets comprise the sum of the cash flows arising from financial assets, retrocession contract assets (not considering risk adjustments) and cash and cash equivalents.

(**) The expected cash flow of liabilities comprise the reinsurance contract liabilities (not considering risk adjustments) and was allocated over time using projection metrics and assumptions, considering their respective relevance in the projection of the time value of money.

The note demonstrates the excess of the accumulated balance of short and long-term assets over short- and long-term liabilities.

The Company currently has 88.05% of its portfolio in bank deposits, LFTs, NTN-Bs, national sovereign bonds, US Treasuries, and other securities with daily liquidity in spite of their maturities. Additionally, 7.72% and 2.21% of the financial assets comprise investment funds and bank deposits which redemptions are within 60 and 120 days, respectively. The share of the portfolio comprising investment funds and other assets which redemption is over 120 days is only 2.02%.

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2.3 Valuation techniques and assumptions applied to measure fair value

The measurement of fair value of financial assets and liabilities is as follows:

- (a) The fair value of financial assets and liabilities under standard terms and conditions and traded in active markets is measured based on the prices observed in such markets.
- (b) The fair value of derivative instruments is calculated using quoted prices. Futures contracts for currency are measured based on the exchange rates and yield curves obtained based on quotation and for the same contractual terms.

The fair value of other financial assets and liabilities (except those described above) is measured according to generally accepted pricing models based on discounted cash flow analyses.

2.4 Fair value measurements recognized

- (a) Level 1 fair value measurements are obtained from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 fair value measurements are obtained through inputs, except quoted prices, included in Level 1, which are observable for asset or liability directly (as prices) or indirectly (based on prices).
- (c) Level 3 fair value measurements are obtained through valuation techniques that include inputs for assets or liabilities, but they are not based on observable market data (unobservable data).

There was no transfer between Levels 1, 2 and 3 during the year.

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The Company's financial instruments by the carrying amounts of their financial assets and liabilities, including their fair value hierarchical values are shown in the table below:

		Parent Company	
Financial assets measured at fair value	Level	2024	2023
Financial assets at fair value through profit or loss			
Shares of publicly traded companies	Level 1	7,724	23,102
Financial assets - Interest-bearing credit letter	Level 2	67,534	77,865
Inepar debentures	Level 3	5,000	5,000
Debentures % CDI	Level 1	-	2,172
Market index funds	Level 1	19,759	21,533
Receivable investment funds	Level 1	27,527	25,138
Real estate funds - Exclusive	Level 2	54,313	61,715
Financial bills % CDI	Level 2	19,744	8,093
Financial bills CDI+	Level 2	-	16,599
Other	Level 2	(1,594)	(1,419)
Shares in investment funds - non-exclusive - Abroad	Level 2	226,766	13,541
Shares in investment funds - non-exclusive	Level 1	203,509	9,570
Shares in investment funds	Level 2	4,184	-
Total		634,466	262,909
Financial assets at fair value through other comprehensive income			
Certificate of Deposit	Level 2	432,327	420,142
Time deposit abroad	Level 2	393,725	352,080
Financial Treasury Bills	Level 1	2,375,965	2,198,157
National Treasury Notes - Series B	Level 1	1,707,790	1,323,142
National Treasury Notes - Series F	Level 1	52,416	52,462
Repurchase agreements	Level 2	304,913	605,798
Other	Level 2	(2,352)	(2,738)
Corporate bonds	Level 1	142,553	-
Reinsurance trust account (i)	Level 1	1,367,272	1,121,461
Sovereign bonds - Global 25 and 26 (ii)	Level 1	1,225,719	1,476,484
Total		8,000,328	7,546,988
Financial assets measured at amortized cost			
Debentures % CDI	Level 1	19,324	19,268
Debentures CDI +	Level 1	149,530	215,483
Debentures IPCA	Level 1	22,276	2,729
Convertible debentures	Level 3	5,908	-
Financial bills CDI+	Level 2	252,681	213,433
Financial Treasury Bills	Level 1	48,219	43,409
Repurchase agreements	Level 2	20,860	51,642
Other	Level 2	(518)	(294)
Total		518,280	545,670
Expected loss recorded		(10,129)	(12,423)
Total		9,142,945	8,343,144

		Parent Company	
Financial liabilities not measured at fair value	Level	2024	2023
Financial liabilities amortized cost			
Debentures	Level 1	479,052	547,838
Total		479,052	547,838

(i) Assets deposited abroad represented by government bonds.

(ii) Brazilian securities traded abroad.

(A free translation of the original in Portuguese)

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		Consolidated	
Financial assets measured at fair value	Level	2024	2023
Financial assets at fair value through profit or loss			
Shares of publicly traded companies	Level 1	7,724	23,102
Financial assets - Interest-bearing credit letter	Level 2	67,534	77,865
Inepar debentures	Level 3	5,000	5,000
Debentures % CDI	Level 1	-	2,172
Derivatives	Level 1	-	215
Market index funds	Level 1	19,759	21,533
Equity fund	Level 1	-	-
Receivable investment funds	Level 1	27,527	25,138
Investment funds	Level 1	-	-
Real estate funds - Exclusive	Level 2	962	916
Financial bills % CDI	Level 2	19,744	15,246
Financial bills CDI+	Level 2	-	1,353
Repurchase agreements	Level 1	-	-
Shares in investment funds - non-exclusive - Abroad	Level 2	226,766	13,541
Shares in investment funds - non-exclusive	Level 1	203,509	15,471
Shares in investment funds - non-exclusive	Level 2	38	-
Total		578,563	201,552
Financial assets at fair value through other comprehensive income			
Certificate of Deposit	Level 2	432,327	420,142
Time deposit abroad	Level 2	393,725	352,080
Financial Treasury Bills	Level 1	2,375,966	2,198,157
National Treasury Notes - Series B	Level 1	1,707,790	1,323,142
National Treasury Notes - Series F	Level 1	52,417	52,462
Repurchase agreements	Level 2	304,913	605,798
Corporate bonds	Level 1	142,553	-
Reinsurance trust account (i)	Level 1	1,367,272	1,121,462
Sovereign bonds - Global 25, 26 and 31 (ii)	Level 1	1,225,719	1,476,484
Total		8,002,682	7,549,727
Financial assets measured at amortized cost			
Debentures % CDI	Level 1	19,324	19,268
Debentures CDI +	Level 1	149,530	194,280
Debentures IPCA	Level 1	22,276	23,931
Convertible debentures	Level 3	5,908	-
Financial bills % CDI	Level 2	252,681	8,093
Financial bills CDI+	Level 2	-	213,433
Financial Treasury Bills	Level 1	48,219	43,409
Repurchase agreements	Level 2	20,860	51,642
Total		518,798	554,056
Expected loss recorded		(10,129)	(12,423)
Total		9,089,914	8,292,912

		Consolidated	
Financial liabilities not measured at fair value	Level	2024	2023
Financial liabilities amortized cost			
Debentures	Level 1	479,052	547,838
Total		479,052	547,838

(i) Assets deposited abroad represented by government bonds.

(ii) Brazilian securities traded abroad

The amounts of cash and cash equivalents and trade payables are not included in the above table because their carrying amounts approximate their fair values as these financial instruments fall due in short term.

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2.5 Discount rates (Adjustment of the time value of money)

For estimating the discount rates, the Company opted for the Bottom-Up approach, according to the requirements of CPC 50 / IFRS 17. In this approach, the risk-free yield curve is adjusted to reflect the differences between the characteristics of the liquidity of the financial instruments that support the rates observed in the market and the characteristics of the liquidity of contracts. Thus, the Company established that for estimating the discount rate the following risk-free rates available in the market will be used, according to the currency of the reinsurance contract:

- Term Structure of Interest Rate (ETTJ) Fixed Rate (methodology of the Brazilian Association of Financial and Capital Market Entities (ANBIMA)) for reinsurance contracts issued in reais.
- Term Structure of Interest Rate (ETTJ) Currency (methodology of the Superintendence of Private Insurance (SUSEP)) for reinsurance contracts issued in dollar.
- EIOPA risk-free interest rate (European Insurance and Occupational Pensions Authority) for reinsurance contracts issued in Canadian dollar, euro, Colombian peso, Chilean peso, Mexican peso, yuan, pound sterling, Indian rupee, Japanese yen, South Korean won, Norwegian krone, and Russian ruble.
- For contracts issued in Argentinean peso and Peruvian sol, in view of the unavailability of separate data of future interest curve, as well as the uncertainties of the preparation of risk-free curves with own methodology that faithfully represents the expectation of risk-free future interest rate of such currencies, due to the current economic context, the Company established the base interest rate (equivalent to SELIC) of each currency as at the base calculation date.
- For reinsurance contracts issued in the other currencies, the risk-free interest rate corresponding to the foreign currency with the closest correlation according to the correlation matrix between currencies, is used.

The following table shows the yield curves used to discount the cash flows of reinsurance contracts for major currencies:

	Parent Company and Consolidated									
	2024					2023				
	1 year	3 years	5 years	10 years	20 years	1 year	3 years	5 years	10 years	20 years
BRL	15.71%	16.29%	15.91%	15.19%	14.28%	10.81%	10.50%	10.79%	11.45%	12.39%
USD	6.36%	6.57%	6.81%	7.38%	8.30%	6.78%	5.85%	5.76%	6.59%	8.05%
EUR	2.63%	2.48%	2.53%	2.66%	2.65%	4.05%	3.13%	3.01%	3.08%	3.10%
GBP	4.85%	4.55%	4.43%	4.47%	4.70%	5.44%	4.37%	4.05%	3.98%	4.13%

2.6 Risk adjustment for non-financial risk

Adjustment to the estimate of the present value of the future cash flows to reflect the compensation that the entity requires for bearing uncertainty about the amount and timing of the cash flows that arise from non-financial risk.

CPC 50 / IFRS 17 does not provide methods for determining the risk adjustment for non-financial risk. Therefore, the Management's judgment is required to determine the appropriate technique for estimating risk adjustment to be used.

The Company decided for the Cost of Capital (CoC) methodology for estimating the risk adjustment for non-financial risk. This method prospectively projects the future capital that the Company requires at the end of each projection year, during the run-off of the existing business, in which an expected rate of return is applied on such capital that will be discounted and added for obtaining the risk adjustment.

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The Company estimates the capital required to support the operation in view of the Company's liabilities, and after applying the cost of capital of 15.92%, obtaining the risk adjustment for non-financial risk. The estimated risk adjustment represents the excess of the value at risk in the 71th percentile for the four quarter of 2024, and 64th percentile in December 31, 2023 - confidence level - in relation to the estimate of present value of future cash flows.

2.7 Recoverability (impairment) of financial assets

The Company follows the guidance of CPC 48 – “Financial Instruments” to determine the expected credit loss. This determination requires significant judgment. For this judgment, the Company assesses if the credit risk of a financial asset has significantly increased since initial recognition and when estimating the expected credit losses, IRB RE considers reasonable and supportable information that are relevant and available without undue cost or effort. It includes information and quantitative and qualitative analyses, based on the historical experience of IRB RE, in the assessment of credit and considering forward-looking information.

The Company adopts a methodology that consists of using the information provided by Bloomberg and the rating agencies (S&P Global Ratings, Fitch Ratings, and Moody's Investors Service) to determine the Expected Loss of Allowance for Doubtful Accounts (PECLD, PDD, PE or ECL), according to the requirements of CPC 48.

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Section C – Information by operating segment

3 Information by operating segment

The Company's information by operating segment is prepared based on the financial information that is available and directly attributable to the segment, or that could be allocated on reasonable basis.

The Company shall observe the regulations applicable to the publicly-held companies and companies overseen by SUSEP.

As of January 1, 2023, the CVM Resolution 42/2021 came into effect, requiring Brazilian publicly-held companies to adopt the Technical Pronouncement CPC 50 / IFRS 17 in its financial statements. However, SUSEP is yet to ratify CPC 50 / IFRS 17 for the entities that it oversees, and, for this reason, the Company prepares other financial statements, according the accounting standards adopted in Brazil, applicable to the institutions authorized by SUSEP, including the compliance with the pronouncements, guidance, and interpretations issued by the CPC, when ratified by this regulatory authority.

In view of the above, the Statutory Board, in the capacity of the main manager of operations, keeps allocating funds and assessing the performance of the operating segments of the entity based on the financial information prepared according to CPC 11/ IFRS 4, thus assuring that the operation is compliant with all prudential requirements established by SUSEP.

To assure the fair presentation of the total balance shown in the statements of profit or loss in compliance with CPC 50/ IFRS 17, presented in the statements of profit or loss for the year, the impact arising from the new standard was considered separately.

The Company's business segments demonstrated below are as follows:

- a) Brazil: Represents the insurance risks accepted in Brazil;
- b) Abroad: Represents the insurance risks accepted abroad;
- c) Other: This includes items that cannot be assigned to the business segments, as they have corporate characteristics. Corporate items mainly include those associated with financial management, administrative expenses, tax expenses, share of profit of equity-accounted investees, and taxes and contributions. The monitoring of these items is carried out by the Company's Management in aggregate, not considering the breakdown by segment in its internal financial reports.

As at December 31, 2024, a single customer accounted for a percentage equivalent to 13.25% (7.85% for the same period in 2023) of the Company's revenue.

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The following table shows the consolidated amounts as at December 31, 2024 and 2023:

	Consolidated		
	2024		
	Balances as at December 31, 2024	Effects (CPC 50 / IFRS 17)	Balance as at December 31, 2024 - With adoption of CPC 50
Reinsurance premiums	6,621,287	(6,621,287)	-
Ceded premiums in retrocession	(2,573,754)	2,573,754	-
Retained premiums	4,047,533	(4,047,533)	-
Changes in technical reserves	(73,842)	73,842	-
Earned premiums	3,973,691	(3,973,691)	-
Retained claims	(2,538,068)	2,538,068	-
Acquisition costs	(955,186)	955,186	-
Other operating expenses	(28,601)	28,601	-
Reinsurance revenue	-	6,057,974	6,057,974
Reinsurance service expenses	-	(4,090,696)	(4,090,696)
Net expenses from retrocession contracts	-	(1,190,547)	(1,190,547)
Reinsurance service result	451,836	324,895	776,731
Net finance income or expense from reinsurance operations	-	(1,279,489)	(1,279,489)
Net finance income or expense from retrocession operations	-	367,087	367,087
Net financial result of operations	-	(912,402)	(912,402)
Administrative expenses	(407,955)	379,753	(28,202)
Tax expenses	(135,271)	139,938	4,667
Finance income	515,778	802,807	1,318,585
Share of profit of equity-accounted investees	88,703	(51,536)	37,167
Net income before taxes	513,091	683,455	1,196,546
Taxes, contributions and profit sharing	(140,426)	(250,380)	(390,806)
Net income for the year	372,665	433,075	805,740

	Consolidated		
	2023		
	Balances as at December 31, 2023	Effects (CPC 50 / IFRS 17)	Balance as at December 31, 2023 - With adoption of CPC 50
Reinsurance premiums	6,521,088	(6,521,088)	-
Ceded premiums in retrocession	(2,583,060)	2,583,060	-
Retained premiums	3,938,028	(3,938,028)	-
Changes in technical reserves	213,196	(213,196)	-
Earned premiums	4,151,224	(4,151,224)	-
Retained claims	(2,906,825)	2,906,825	-
Acquisition costs	(1,047,206)	1,047,206	-
Other operating expenses	(42,145)	42,145	-
Reinsurance revenue	-	5,794,710	5,794,710
Reinsurance service expenses	-	(4,371,421)	(4,371,421)
Net expenses from retrocession contracts	-	(1,748,977)	(1,748,977)
Reinsurance service result	155,048	(480,736)	(325,688)
Net finance income or expense from reinsurance operations	-	(285,463)	(285,463)
Net finance income or expense from retrocession operations	-	50,286	50,286
Net financial result of operations	-	(235,177)	(235,177)
Administrative expenses	(353,990)	322,625	(31,365)
Tax expenses	(155,994)	133,616	(22,378)
Finance income	507,781	(151,465)	356,316
Share of profit of equity-accounted investees	40,892	(40,278)	614
Net income before taxes	193,737	(451,415)	(257,678)
Taxes, contributions and profit sharing	(79,508)	213,333	133,825
Net income for the year	114,229	(238,082)	(123,853)

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The following tables show the amounts by segment as at December 31, 2024 and 2023:

	Consolidated		
	2024		
	Brazil		
	Balances as at December 31, 2024	Effects (CPC 50 / IFRS 17)	Balance as at December 31, 2024 - With adoption of CPC 50
Reinsurance premiums	5,284,882	(5,284,882)	-
Ceded premiums in retrocession	(2,411,277)	2,411,277	-
Retained premiums	2,873,604	(2,873,604)	-
Changes in technical reserves	(78,957)	78,957	-
Earned premiums	2,794,647	(2,794,647)	-
Retained claims	(1,635,663)	1,635,663	-
Acquisition costs	(652,058)	652,058	-
Other operating expenses	(25,421)	25,421	-
Reinsurance revenue	-	4,982,377	4,982,377
Reinsurance service expenses	-	(2,947,050)	(2,947,050)
Net expenses from retrocession contracts	-	(1,030,950)	(1,030,950)
Reinsurance service result (Underwriting result)	481,505	522,872	1,004,377

	Consolidated		
	2024		
	Abroad		
	Balances as at December 31, 2024	Effects (CPC 50 / IFRS 17)	Balance as at December 31, 2024 - With adoption of CPC 50
Reinsurance premiums	1,336,405	(1,336,405)	-
Ceded premiums in retrocession	(162,477)	162,477	-
Retained premiums	1,173,929	(1,173,929)	-
Changes in technical reserves	5,115	(5,115)	-
Earned premiums	1,179,044	(1,179,044)	-
Retained claims	(902,405)	902,405	-
Acquisition costs	(303,128)	303,128	-
Other operating expenses	(3,180)	3,180	-
Reinsurance revenue	-	1,075,597	1,075,597
Reinsurance service expenses	-	(1,143,646)	(1,143,646)
Net expenses from retrocession contracts	-	(159,597)	(159,597)
Reinsurance service result (Underwriting result)	(29,669)	(197,977)	(227,646)

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	Consolidated		
	2023		
	Brazil		
	Balances as at December 31, 2023	Effects (CPC 50 / IFRS 17)	Balance as at December 31, 2023 - With adoption of CPC 50
Reinsurance premiums	4,980,459	(4,980,459)	-
Ceded premiums in retrocession	(2,255,711)	2,255,711	-
Retained premiums	2,724,748	(2,724,748)	-
Changes in technical reserves	(71,341)	71,341	-
Earned premiums	2,653,407	(2,653,407)	-
Retained claims	(1,586,553)	1,586,553	-
Acquisition costs	(689,826)	689,826	-
Other operating expenses	(24,239)	24,239	-
Reinsurance revenue	-	4,502,418	4,502,418
Reinsurance service expenses	-	(2,690,993)	(2,690,993)
Net expenses from retrocession contracts	-	(1,633,275)	(1,633,275)
Reinsurance service result (Underwriting result)	352,789	(174,639)	178,150

	Consolidated		
	2023		
	Abroad		
	Balances as at December 31, 2023	Effects (CPC 50 / IFRS 17)	Balance as at December 31, 2023 - With adoption of CPC 50
Reinsurance premiums	1,540,629	(1,540,629)	-
Ceded premiums in retrocession	(327,349)	327,349	-
Retained premiums	1,213,280	(1,213,280)	-
Changes in technical reserves	284,537	(284,537)	-
Earned premiums	1,497,817	(1,497,817)	-
Retained claims	(1,320,272)	1,320,272	-
Acquisition costs	(357,380)	357,380	-
Other operating expenses	(17,906)	17,906	-
Reinsurance revenue	-	1,292,292	1,292,292
Reinsurance service expenses	-	(1,680,428)	(1,680,428)
Net expenses from retrocession contracts	-	(115,702)	(115,702)
Reinsurance service result (Underwriting result)	(197,741)	(306,097)	(503,838)

The impacts noted on the operating profit mainly arise from the following: (i) change in the criteria for determining reinsurance revenue, which starts to be measured by the delivery of reinsurance operations instead of the recognition for the passage of time of coverage; (ii) the reinsurance expense starts to record the amounts of incurred claims considering the time value of money, the losses on onerous contracts, and an allocation of a portion of administrative expenses and taxes that are attributable to reinsurance and retrocession contracts.

The impacts noted on finance income and expenses mainly arise from the use of financial discount and subsequent changes in discount rates for measurement of reinsurance assets and liabilities, while according to the previous accounting practice the measurement was performed on undiscounted basis.

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Section D – The Group's structure

4 Investments

4.1 Change in investments

	2024	2023
Opening balance	43,248	39,387
Profit from subsidiaries		
<i>IRB Asset Management</i>	34,981	41,825
IRB Chile	441	221
IRB Renda	713	732
IRB Uso	(326)	(340)
IRB Santos Dumont	32,593	(583)
Andrina SSPE	(1,092)	-
Ownership interests of subsidiaries		
IRB Uso	739	214
IRB Santos Dumont	5,967	730
IRB Renda	(5,500)	-
Andrina SSPE	2,000	-
Dividends		
<i>IRB Asset Management</i>	(41,624)	(38,938)
Ownership interests	72,140	43,248

4.2 Ownership interests

As at December 31, 2024 and December 31, 2023, the Company's ownership interests are as follows:

				2024
				Percentage
Name	Brazil	Business	Relationships	Direct interest in common shares
IRB Asset Management	Brazil	Asset management	Subsidiary	100.0%
IRB Santos Dumont	Brazil	Real estate management	Subsidiary	100.0%
IRB Chile	Brazil	Real estate management	Subsidiary	100.0%
IRB Uso	Brazil	Real estate management	Subsidiary	100.0%
IRB Renda	Brazil	Real estate management	Subsidiary	100.0%
Andrina SSPE	Brazil	SSPE	Subsidiary	100.0%
B3i (i)	Switzerland	Technology	Other investments	7.35%

				2023
				Percentage
Name	Brazil	Business	Relationships	Direct interest in common shares
IRB Asset Management	Brazil	Asset management	Subsidiary	100.0%
IRB Santos Dumont	Brazil	Real estate management	Subsidiary	100.0%
IRB Chile	Brazil	Real estate management	Subsidiary	100.0%
IRB Uso	Brazil	Real estate management	Subsidiary	100.0%
IRB Renda	Brazil	Real estate management	Subsidiary	100.0%
B3i (i)	Switzerland	Technology	Other investments	7.35%

(i) Platform of integration and transaction exchange based on blockchain technology, filed for bankruptcy in July 2022. Based on the information received from the investee, in the second quarter of 2022 the Company recognized an impairment of the full amount recorded in the Investments line item, in the amount of R\$ 15,879.

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Section E – Notes to the parent company and consolidated financial information**5 Cash and cash equivalents**

The balance of this account is as follows:

	Parent Company		Consolidated	
	2024	2023	2024	2023
Cash and cash equivalents in national currency	246	526	11,897	13,455
Cash and cash equivalents in foreign currency	6,964	6,880	6,964	6,880
Total	7,210	7,406	18,861	20,335

6 Financial assets**6.1 Breakdown of financial assets**

Parent company								
								2024
		FVTPL		FVOCI		Amortized cost		
	Average interest rate - %	Amortized cost	Fair Value	Amortized cost	Fair Value	Amortized cost	Fair Value	Total
Fixed-income securities - Corporate								
Debentures		-	5,000	-	-			5,000
Shares in exclusive funds - fixed income								
Shares in publicly-held companies		-	5	-	-	-	-	5
Debentures %CDI	106,98% CDI	-	-	-	-	19,324	19,519	19,324
Debentures CDI +	CDI+1,89%	-	-	-	-	149,530	137,162	149,530
Debentures IPCA +	IPCA+6,97%	-	-	-	-	22,276	23,403	22,276
Convertible debentures	-	-	-	-	-	5,908	1,576	5,908
Investment funds	-		216,805	-	-	-	-	216,805
Financial bills % CDI	CDI+1,38%	19,686	19,744	-	-	-	-	19,744
Financial bills CDI+	110.74%	-	-	-	-	252,681	254,064	252,681
Financial Treasury Bills	SELIC+0,13%	-	-	2,373,487	2,375,965	48,219	48,360	2,424,184
National Treasury Notes - Series B	IPCA+3,79%	-	-	2,002,677	1,707,790	-	-	1,707,790
National Treasury Notes - Series F	5.74%	-	-	52,429	52,416	-	-	52,416
Repurchase agreements	12.12%	-	-	304,913	304,913	20,860	20,860	325,773
Other (i)	-	-	(1,583)	(2,352)	(2,352)	(518)	(518)	(4,453)
Shares in investment funds	-	-	4,184	-	-	-	-	4,184
Shares in exclusive funds - variable income								
Investment funds	-	-	6,921	-	-	-	-	6,921
Market index funds	-	-	19,759	-	-			19,759
Other	-	-	(11)	-	-	-	-	(11)
Shares in real estate funds - Exclusive		-	54,313	-	-	-	-	54,313
Shares in investment funds - Non-exclusive		-	7,310	-	-	-	-	7,310
Shares in publicly-held companies		-	7,719	-	-	-	-	7,719
Financial assets abroad								
Fixed-income securities - Government								
Sovereign bonds - Global 25, 26 and 31	5.24%	-	-	1,302,619	1,225,719	-	-	1,225,719
Other marketable securities								
Financial assets - Interest-bearing credit letter		-	67,534	-	-	-	-	67,534
Reinsurance trust account (ii)	3.50%	-	-	1,375,914	1,367,272	-	-	1,367,272
Fixed-income securities - Corporate								
Corporate bonds	5.95%	-	-	144,146	142,553	-	-	142,553
Certificate of deposit	5.70%	-	-	432,327	432,327	-	-	432,327
Time deposit abroad (iii)	2.21%	-	-	393,725	393,725	-	-	393,725
Shares in non-exclusive funds								
Shares in non-exclusive investment funds		-	226,766	-	-	-	-	226,766
Total		19,686	634,466	8,379,885	8,000,328	518,280	504,426	9,153,074
%			7.0%		87.3%	5.7%		100.0%
Current			634,466		3,087,961	32,281		3,754,708
Non-current (iv)			-		4,912,367	485,999		5,398,366

(i) Refer to administrative amounts receivable and payable that are in exclusive investment funds.

(ii) Assets deposited abroad represented by US government bonds falling due in 2025, 2026 and 2027.

(iii) These represent financial assets in time deposits, which maturities range from 2 to 100 days. Such financial assets are in euro.

(iv) The difference in amount shown in the Note of R\$10,129 refers to the expected loss recorded in the year.

(A free translation of the original in Portuguese)

IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated financial statements

As at December 31

In thousands of reais, except when otherwise stated

6.1 Breakdown of financial assets

Parent company								
2023								
	Average interest rate - %	FVTPL		FVOCI		Amortized cost		Total
		Amortized cost	Fair Value	Amortized cost	Fair Value	Amortized cost	Fair Value	
Fixed-income securities - Corporate								
Debentures	-	5,000	5,000	-	-	-	-	5,000
Shares in exclusive funds - fixed income								
Debentures % CDI	1.077534	2,172	2,172	-	-	19,268	19,246	21,440
Debentures CDI +	CDI+1,96% a.a.	-	-	-	-	215,483	206,366	215,483
Debentures IPCA +	IPCA+6,96%	-	-	-	-	2,729	2,729	2,729
Investment funds		25,138	25,138	-	-	-	-	25,138
Financial bills % CDI	111,93% a.a.	8,093	8,093	-	-	-	-	8,093
Financial bills CDI+	CDI+1,40% a.a.	16,593	16,599	-	-	213,433	213,901	230,032
Financial Treasury Bills	SELIC	-	-	2,195,299	2,198,157	43,409	43,488	2,241,566
National Treasury Notes - Series B		-	-	1,477,234	1,323,142	-	-	1,323,142
National Treasury Notes - Series F		-	-	54,386	52,462	-	-	52,462
Repurchase agreements	SELIC	-	-	599,711	599,711	51,642	51,642	651,353
Other (i)		(1,355)	(1,355)	(2,738)	(2,738)	(294)	(294)	(4,387)
Shares in exclusive funds - variable income								
Market index funds	SELIC	21,533	21,533	-	-	-	-	21,533
Repurchase agreements		-	-	6,087	6,087	-	-	6,087
Other		(64)	(64)	-	-	-	-	(64)
Shares in real estate funds - Exclusive		61,715	61,715	-	-	-	-	61,715
Shares in investment funds - Non-exclusive		9,570	9,570	-	-	-	-	9,570
Shares in publicly-held companies		23,102	23,102	-	-	-	-	23,102
		171,497	171,503	4,329,979	4,176,821	545,670	537,078	4,893,994
Marketable securities abroad								
Fixed-income securities - Government								
Sovereign bonds - Global 25 and 26	4.01%	-	-	1,545,784	1,476,484			1,476,484
Other marketable securities								
Restricted investments - Interest-bearing credit letter		77,865	77,865	-	-	-	-	77,865
Reinsurance trust account (ii)	1.82%	-	-	1,143,087	1,121,461	-	-	1,121,461
Fixed-income securities - Corporate								
Time deposit abroad (iii)	2.62%	-	-	352,080	352,080	-	-	352,080
Certificate of Deposit	6.83%	-	-	420,142	420,142	-	-	420,142
Shares in non-exclusive funds								
Shares in non-exclusive investment funds	-	13,541	13,541	-	-	-	-	13,541
		91,406	91,406	3,461,093	3,370,167	-	-	3,461,573
Total	-	262,903	262,909	7,791,072	7,546,988	545,670	537,078	8,355,567
%			3.1%		90.3%	6.5%		100.0%
Current			262,909		2,266,264	69,461		2,598,633
Non-current (iv)					5,280,724	476,210		5,756,933

(i) Refer to administrative amounts receivable and payable that are in exclusive investment funds.

(ii) Assets deposited abroad represented by US government bonds falling due in 2024, 2025, 2026 and 2027.

(iii) These represent financial assets in time deposits, which maturities range from 2 to 80 days. Such financial assets are in US dollars and euro.

(iv) The difference in amount shown in the Note of R\$ 12,423 refers to the expected loss recorded in the year.

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IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated financial statements

As at December 31

In thousands of reais, except when otherwise stated

6.1 Breakdown of financial assets

								Consolidated
								2024
	Average interest rate - %	FVTPL		FVOCI		Amortized cost		Total
		Amortized cost	Fair Value	Amortized cost	Fair Value	Amortized cost	Fair Value	
Fixed-income securities - Corporate								
Debentures		-	5,000	-	-	-	-	5,000
Shares in exclusive funds - fixed income								
Shares in publicly-held companies		-	5	-	-	-	-	5
Debentures CDI +	CDI+1,89%	-	-	-	-	19,324	19,519	19,324
Debentures %CDI	106,98% CDI	-	-	-	-	149,530	137,162	149,530
Debentures IPCA +	IPCA+6,97%	-	-	-	-	22,276	23,403	22,276
Convertible debentures	-	-	-	-	-	5,908	1,576	5,908
Investment funds	-	-	216,805	-	-	-	-	216,805
Financial bills % CDI	CDI+1,38%	19,686	19,744	-	-	-	-	19,744
Financial bills CDI+	110.74%	-	-	-	-	252,681	254,064	252,681
Financial Treasury Bills	SELIC+0,13%	-	-	2,373,487	2,375,966	48,219	48,360	2,424,185
National Treasury Notes - Series B	IPCA+3,79%	-	-	2,002,677	1,707,790	-	-	1,707,790
National Treasury Notes - Series F	5.74%	-	-	52,429	52,417	-	-	52,417
Repurchase agreements	12.12%	-	-	304,913	304,913	20,860	20,860	325,773
Shares in investment funds	-	-	38	-	-	-	-	38
Shares in exclusive funds - variable income								
Investment funds	-	-	6,921	-	-	-	-	6,921
Market index funds	-	-	19,759	-	-	-	-	19,759
Shares in real estate funds - Exclusive	-	-	962	-	-	-	-	962
Shares in investment funds - Non-exclusive	-	-	7,310	-	-	-	-	7,310
Shares in publicly-held companies	-	-	7,719	-	-	-	-	7,719
Financial assets abroad								
Fixed-income securities - Government								
Sovereign bonds - Global 25, 26 and 31	5.24%	-	-	1,302,619	1,225,719	-	-	1,225,719
Other marketable securities								
Financial assets - Interest-bearing credit letter	-	-	67,534	-	-	-	-	67,534
Reinsurance trust account (ii)	3.50%	-	-	1,375,914	1,367,272	-	-	1,367,272
Fixed-income securities - Corporate								
Corporate bonds	5.95%	-	-	144,146	142,553	-	-	142,553
Certificate of deposit	5.70%	-	-	432,327	432,327	-	-	432,327
Time deposit abroad (iii)	2.21%	-	-	393,725	393,725	-	-	393,725
Shares in non-exclusive funds								
Shares in non-exclusive investment funds	-	-	226,766	-	-	-	-	226,766
Total		19,686	578,563	8,382,237	8,002,682	518,798	504,944	9,100,043
%			6.4%		87.9%	5.7%		100%
Current			578,563		3,090,314	32,799		3,701,676
Non-current (iii)					4,912,368	485,999		5,398,367

(i) These represent financial assets in time deposits, which maturities range from 2 to 100 days. Such financial assets are in euro.

(ii) Assets deposited abroad and further amendments, represented by US government bonds falling due in 2024, 2025, 2026 and 2027.

(iii) The difference in amount shown in the Note of R\$10,129 refers to the expected loss recorded in the year.

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IRB-Brasil Resseguros S.A.

Notes to the parent company and consolidated financial statements

As at December 31

In thousands of reais, except when otherwise stated

6.1 Breakdown of financial assets

Consolidated								
2023								
		FVTPL		FVOCI		Amortized cost		
	Average interest rate - %	Amortized cost	Fair Value	Amortized cost	Fair Value	Amortized cost	Fair Value	Total
Fixed-income securities - Corporate								
Debentures		5,000	5,000	-	-	-	-	5,000
Shares in exclusive funds - fixed income								
Financial Treasury Bills	SELIC	-	-	2,195,299	2,198,157	43,409	43,489	2,241,566
Repurchase agreements	SELIC	-	-	599,711	599,711	51,642	51,642	651,353
National Treasury Notes - Series B	IPCA+2,87%	-	-	1,477,234	1,323,142	-	-	1,323,142
National Treasury Notes - Series F	5,73% a.a.	-	-	54,386	52,462	-	-	52,462
Debentures CDI+	CDI+1,96% a.a.	-	-	-	-	194,280	184,690	194,280
Debentures % CDI	107.75%	2,172	2,172	-	-	19,268	19,246	21,440
Debentures IPCA +	IPCA+6,96%	-	-	-	-	23,931	24,405	23,931
Financial bills % CDI	111,93% a.a.	15,240	15,246	-	-	8,093	8,093	23,339
Financial bills CDI+	CDI+1,40% a.a.	1,353	1,353	-	-	213,433	213,901	214,786
Fixed-income funds		25,138	25,138	-	-	-	-	25,138
Derivatives		215	215	-	-	-	-	215
Shares in exclusive funds - variable income								
Repurchase agreements		-	-	6,087	6,087	-	-	6,087
Market index funds		21,533	21,533	-	-	-	-	21,533
Shares in real estate funds - Exclusive								
		916	916	-	-			916
Shares in investment funds - Non-exclusive								
		15,471	15,471	-	-			15,471
Shares in publicly-held companies								
INEP3		23,102	23,102	-	-	-	-	23,102
		110,140	110,146	4,332,717	4,179,559	554,056	545,466	4,843,761
Financial assets Abroad								
Fixed-income securities - Government								
Sovereign bonds - Global 25 and 26	4,01%	-	-	1,545,784	1,476,484	-	-	1,476,484
Other financial assets								
Restricted financial assets - Interest-bearing credit letter		77,865	77,865	-	-	-	-	77,865
Reinsurance trust account (i)	1,82%	-	-	1,143,087	1,121,462	-	-	1,121,462
Fixed-income securities - Corporate								
Time deposit abroad (ii)	2,62%	-	-	352,080	352,080	-	-	352,080
Certificate of Deposit	6,83%	-	-	420,142	420,142	-	-	420,142
Shares in non-exclusive funds								
Shares in non-exclusive investment funds		13,541	13,541	-	-	-	-	13,541
		91,406	91,406	3,461,093	3,370,168	-	-	3,461,574
Total		201,546	201,552	7,793,810	7,549,727	554,056	545,466	8,305,335
%			2.4%		90.9%		6.6%	100%
Current			201,552		2,269,004		77,335	2,547,891
Non-current (iii)			-		5,280,723		476,721	5,757,444

(i) These represent financial assets in time deposits, which maturities range from 2 to 80 days. Such financial assets are in US dollars and euro.

(ii) Assets deposited abroad and further amendments, represented by US government bonds falling due in 2024, 2025, 2026 and 2027.

(iii) The difference in amount shown in the Note of R\$ 12,423 refers to the expected loss recorded in the year.

IRB-Brasil Resseguros S.A.**Notes to the parent company and consolidated financial statements****As at December 31**

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of financial assets by type and maturity

	Parent company				
	2024				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
FVTPL					
Fixed-income securities - Corporate					
Debentures	5,000	-	-	-	5,000
Shares in exclusive funds - fixed income					
Shares in publicly-held companies	5	-	-	-	5
Investment funds	216,805	-	-	-	216,805
Financial bills % CDI	-	1,326	6,742	11,676	19,744
Other	(1,583)	-	-	-	(1,583)
Shares in investment funds	4,184	-	-	-	4,184
Shares in exclusive funds - variable income					
Investment funds	6,921	-	-	-	6,921
Market index funds	19,759	-	-	-	19,759
Other	(11)	-	-	-	(11)
Shares in real estate funds - Exclusive	54,313	-	-	-	54,313
Shares in non-exclusive investment funds	7,310	-	-	-	7,310
Shares in publicly-held companies	7,719	-	-	-	7,719
Financial assets Abroad					
Other financial assets					
Restricted financial assets - Interest-bearing credit letter	67,534	-	-	-	67,534
Shares in non-exclusive investment funds					
Shares in non-exclusive investment funds	226,766	-	-	-	226,766
	614,722	1,326	6,742	11,676	634,466
FVOCI					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	-	148,372	2,227,593	2,375,965
National Treasury Notes - Series B	-	151,006	-	1,556,784	1,707,790
National Treasury Notes - Series F	-	52,416	-	-	52,416
Repurchase agreements	-	304,913	-	-	304,913
Other	(2,352)	-	-	-	(2,352)
Shares in exclusive funds - variable income					
Financial assets Abroad					
Fixed-income securities - Government					
Sovereign bonds - Global 25, 26 and 31	-	554,779	-	670,940	1,225,719
Other financial assets					
Reinsurance trust account	176	1,028,166	24,433	314,497	1,367,272
Fixed-income securities - Corporate					
Corporate bonds	-	-	-	142,553	142,553
Certificate of deposit	-	432,327	-	-	432,327
Time deposit abroad	-	393,725	-	-	393,725
	(2,176)	2,917,332	172,805	4,912,367	8,000,328
Amortized cost					
Shares in exclusive funds - fixed income					
Debentures %CDI	-	-	-	19,324	19,324
Debentures CDI +	-	2,639	1,400	145,491	149,530
Debentures IPCA +	-	-	-	22,276	22,276
Convertible debentures	-	-	-	5,908	5,908
Financial bills CDI+	-	1,228	6,672	244,781	252,681
Financial Treasury Bills	-	-	-	48,219	48,219
Repurchase agreements	-	20,860	-	-	20,860
Other	(518)	-	-	-	(518)
	(518)	24,727	8,072	485,999	518,280
Total	612,028	2,943,385	187,619	5,410,042	9,153,074

IRB-Brasil Resseguros S.A.**Notes to the parent company and consolidated financial statements****As at December 31**

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of financial assets by type and maturity

	Parent company				
	2023				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
FVTPL					
Fixed-income securities - Corporate					
Debentures	5,000	-	-	-	5,000
Shares in exclusive funds - fixed income					
Debentures % CDI	-	-	-	2,172	2,172
Investment funds	25,138	-	-	-	25,138
Financial bills % CDI	-	-	7,581	512	8,093
Financial bills CDI+	-	6,811	-	9,788	16,599
Other	(1,355)	-	-	-	(1,355)
Shares in exclusive funds - variable income					
Market index funds	21,533	-	-	-	21,533
Other	(64)	-	-	-	(64)
Shares in real estate funds - Exclusive	61,715				61,715
Shares in non-exclusive investment funds	9,570	-	-	-	9,570
Shares in publicly-held companies					
INEP3	23,102	-	-	-	23,102
Financial assets Abroad					
Other financial assets					
Restricted financial assets - Interest-bearing credit letter	77,865	-	-	-	77,865
Shares in non-exclusive investment funds					
Shares in non-exclusive investment funds	13,541	-	-	-	13,541
	236,045	6,811	7,581	12,472	262,909
FVOCI					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	-	28,539	2,169,618	2,198,157
National Treasury Notes - Series B	-	-	-	1,323,142	1,323,142
National Treasury Notes - Series F	-	-	-	52,462	52,462
Repurchase agreements	-	599,711	-	-	599,711
Other	(2,738)	-	-	-	(2,738)
Shares in exclusive funds - variable income					
Repurchase agreements	-	6,087	-	-	6,087
Financial assets Abroad					
Fixed-income securities - Government					
Sovereign bonds - Global 25 and 26	-	-	-	1,476,484	1,476,484
Reinsurance trust account	1,334	410,148	450,961	259,018	1,121,461
Fixed-income securities - Corporate					
Time deposit abroad	-	352,080	-	-	352,080
Certificate of Deposit	-	420,142	-	-	420,142
	(1,404)	1,788,168	479,500	5,280,724	7,546,988
Amortized cost					
Shares in exclusive funds - fixed income					
Debentures % CDI	-	-	-	19,268	19,268
Debentures CDI +	-	3,719	7,278	204,486	215,483
Debentures IPCA +	-	-	-	2,729	2,729
Financial bills CDI+	-	992	6,123	206,318	213,433
Financial Treasury Bills	-	-	-	43,409	43,409
Repurchase agreements	-	51,642	-	-	51,642
Other	(294)	-	-	-	(294)
	(294)	56,353	13,401	476,210	545,670
Total	234,347	1,851,332	500,482	5,769,406	8,355,567

IRB-Brasil Resseguros S.A.**Notes to the parent company and consolidated financial statements****As at December 31**

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of financial assets by type and maturity

	Consolidated				
	2024				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
FVTPL					
Fixed-income securities - Corporate					
Debentures	5,000	-	-	-	5,000
Shares in exclusive funds - fixed income					
Shares in publicly-held companies	5	-	-	-	5
Investment funds	216,805	-	-	-	216,805
Financial bills % CDI	-	1,326	6,742	11,676	19,744
Shares in investment funds	38	-	-	-	38
Shares in exclusive investment funds - variable income					
Investment funds	6,921	-	-	-	6,921
Market index funds	19,759	-	-	-	19,759
Shares in real estate funds - Exclusive	962	-	-	-	962
Shares in investment funds - Non-exclusive	7,310	-	-	-	7,310
Shares in publicly-held companies					
Financial assets Abroad	7,719				7,719
Other financial assets					
Restricted financial assets - Interest-bearing credit letter	67,534	-	-	-	67,534
Shares in non-exclusive funds					
Shares in non-exclusive investment funds	226,766	-	-	-	226,766
	558,819	1,326	6,742	11,676	578,563
FVOCI					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	-	148,372	2,227,594	2,375,966
National Treasury Notes - Series B	-	151,006	-	1,556,784	1,707,790
National Treasury Notes - Series F	-	52,417	-	-	52,417
Repurchase agreements	-	304,913	-	-	304,913
Financial assets Abroad					
Fixed-income securities - Government					
Sovereign bonds - Global 25, 26 and 31	-	554,779	-	670,940	1,225,719
Other financial assets					
Reinsurance trust account (iii)	176	1,028,166	24,433	314,497	1,367,272
Fixed-income securities - Corporate					
Corporate bonds	-	-	-	142,553	142,553
Certificate of deposit	-	432,327	-	-	432,327
Time deposit abroad	-	393,725	-	-	393,725
	176	2,917,333	172,805	4,912,368	8,002,682
Amortized cost					
Shares in exclusive funds - fixed income					
Debentures %CDI	-	2,639	1,400	145,491	149,530
Debentures CDI+	-	-	-	19,324	19,324
Debentures IPCA +	-	-	-	22,276	22,276
Convertible debentures	-	-	-	5,908	5,908
Financial bills CDI+	-	1,228	6,672	244,781	252,681
Financial Treasury Bills	-	-	-	48,219	48,219
Repurchase agreements	-	20,860	-	-	20,860
	-	24,727	8,072	485,999	518,798
Total	558.995	2.943.386	187.619	5.410.043	9.100.043

IRB-Brasil Resseguros S.A.**Notes to the parent company and consolidated financial statements****As at December 31**

In thousands of reais, except when otherwise stated

6.1.1 Breakdown of financial assets by type and maturity

	Consolidated				
	2023				
	Without maturity	From 1 to 180 days	From 181 to 365 days	Over 365 days	Total
FVTPL					
Fixed-income securities - Corporate					
Debentures	5,000	-	-	-	5,000
Shares in exclusive funds - fixed income					
Debentures % CDI	-	-	-	2,172	2,172
Derivatives	215	-	-	-	215
Fixed-income funds	25,138	-	-	-	25,138
Financial bills % CDI	-	6,811	-	8,435	15,246
Financial bills CDI+	-	-	-	1,353	1,353
Shares in exclusive investment funds - variable income					
Market index funds	21,533	-	-	-	21,533
Shares in real estate funds - Exclusive	916	-	-	-	916
Shares in investment funds - Non-exclusive	15,471	-	-	-	15,471
Shares in publicly-held companies					
INEP3	23,102	-	-	-	23,102
Financial assets Abroad					
Other financial assets					
Restricted financial assets - Interest-bearing credit letter	77,865	-	-	-	77,865
Shares in non-exclusive funds					
Shares in non-exclusive investment funds	13,541	-	-	-	13,541
	182,781	6,811	-	11,960	201,552
FVOCI					
Shares in exclusive funds - fixed income					
Financial Treasury Bills	-	-	28,540	2,169,617	2,198,157
National Treasury Notes - Series B	-	-	-	1,323,142	1,323,142
National Treasury Notes - Series F	-	-	-	52,462	52,462
Repurchase agreements	-	599,711	-	-	599,711
Shares in exclusive investment funds - variable income					
Repurchase agreements	-	6,087	-	-	6,087
Financial assets Abroad					
Fixed-income securities - Government					
Sovereign bonds - Global 25 and 26	-	-	-	1,476,484	1,476,484
Reinsurance trust account	1,334	410,148	450,962	259,018	1,121,462
Fixed-income securities - Corporate					
Time deposit abroad	-	352,080	-	-	352,080
Certificate of Deposit	-	420,142	-	-	420,142
	1,334	1,788,168	479,502	5,280,723	7,549,727
Amortized cost					
Shares in exclusive funds - fixed income					
Debentures % CDI	-	-	-	19,268	19,268
Debentures CDI+	-	3,719	7,278	183,283	194,280
Debentures IPCA +	-	-	-	23,931	23,931
Financial bills % CDI	-	-	7,581	512	8,093
Financial bills CDI+	-	992	6,123	206,318	213,433
Financial Treasury Bills	-	-	-	43,409	43,409
Repurchase agreements	-	51,642	-	-	51,642
	-	56,353	20,982	476,721	554,056
Total	184,115	1,851,332	500,484	5,769,404	8,305,335

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In thousands of reais, except when otherwise stated

7 Trade and other receivables

	Parent company		Consolidated	
	2024	2023	2024	2023
Reimbursement from reinsurance operations (i)	376,031	343,988	376,031	343,988
PIS/PASEP and late payment fine recoverable (ii)	169,920	445,107	169,920	445,107
Amounts receivable - Previb (nota 24.2)	145,952	169,271	145,952	169,271
Amounts receivable - Switching agreement (iii)	99,000	-	99,000	-
Amounts receivable - Land sale	-	-	54,385	-
Other	4,209	3,257	12,627	8,707
Total	795,112	961,623	857,915	967,073
Current	26,207	3,257	35,595	8,707
Non-current	768,905	958,366	822,320	958,366

(i) It refers to reimbursement for amounts arising from lawsuit involving reinsurance issue, in which the Company obtained a favorable decision on merits, the lawsuit being in the enforcement phase. The amount is measured based on the parameters set in the decisions issued thus far, including interest and inflation adjustment, based on the valuation report of the asset, which was pledged for this court dispute, being revalued by an external professional in December 2024.

(ii) Such amount corresponds to PIS/PASEP receivables and late payment fine, described in Notes 21.3.4 and 21.3.5.

(iii) The amount to be received in relation to the switching agreement of a specific Life group contract.

8 Tax credits and deferred tax assets**8.1 Tax credits and deferred tax assets**

	Parent company	
	2024	2023
Deferred tax assets	181,993	205,812
Withholding income tax	209	490
Tax loss carryforwards/recoverable - Current (i)	1,732	36,028
Tax loss carryforwards/recoverable - Non-current(ii)	180,052	169,294
Deferred tax assets	2,400,517	2,569,820
Deferred income tax and social contribution (iii)	2,411,778	2,306,768
Deferred income tax and social contribution - CPC 48 / IFRS 9 impacts	(415)	2,365
Deferred income tax and social contribution - CPC 50 / IFRS 17 impacts	(317,662)	(26,273)
Deferred PIS and COFINS (iv)	308,897	289,042
Other	(2,081)	(2,082)
Total	2,582,510	2,775,632
Current	1,941	36,518
Non-current	2,580,569	2,739,114

	Consolidated	
	2024	2023
Deferred tax assets	182,447	206,135
Withholding income tax	663	812
Tax loss carryforwards/recoverable - Current (i)	1,732	36,029
Tax loss carryforwards/recoverable - Non-current(ii)	180,052	169,294
Deferred tax assets	2,400,517	2,569,820
Deferred income tax and social contribution (iii)	2,411,778	2,306,768
Deferred income tax and social contribution - CPC 48 / IFRS 9 impacts	(415)	2,365
Deferred income tax and social contribution - CPC 50 / IFRS 17 impacts	(317,662)	(26,273)
Deferred PIS and COFINS (iv)	308,897	289,042
Other	(2,081)	(2,082)
Total	2,582,964	2,775,955
Current	2,395	36,841
Non-current	2,580,569	2,739,114

(i) Mainly deferred tax assets arising from Income Tax and Social Contribution for previous year in the amount of R\$ 1,652 (R\$ 35,693 as at December 31, 2023).

(ii) Mainly refers to the following:

- PIS credits amounting to R\$86,525 (R\$ 81,998 as at December 31, 2023) arising from lawsuit over the increase in the tax base, which final and unappealable decision was awarded on October 29, 2013, and the application for tax refund was registered on December 19, 2013. To measure and recognize these amounts, only the credits about which there is no doubt or dispute regarding their tax bases were considered. The Company is currently unable to use the credits because of the provisions of art.

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74, paragraph 3, item VI and paragraph 12 item I, of Law 9,430/1996. In this sense, although the Administrative Proceedings 16682-722.248/2015-28 - where the use of the credits is disputed, obtained through Ordinary Suit 0010496-12.2006.4.02.5101 - is still pending at the administrative level, because such Law prohibits the Federal Revenue Service of Brazil to use such credits, under penalty of the returns being considered not filed (Note 21.3.3).

- Amounts of IRPJ and CSLL levied on the adjustment by SELIC of the unduly paid taxes through December 2024 in the amount of R\$53,395 (R\$ 49,866 as at December 31, 2023).

- Receivables from prior year in the amount of R\$24,159 (R\$ 22,381 as at December 31, 2023), after the merger process of the subsidiary IRB Investimentos e Participações Imobiliárias S.A. carried out on September 31, 2022.

(iii) The Company estimates the realization of such deferred tax assets in predictable future, based on the studies and projections of future taxable profit. Such projections include operations estimates, exchange rate, volume of future transactions, among others, which may change in relation to actual data and amounts. Actual results may differ from these projections and estimates, which may result in an adjustment to the carrying amount of the deferred tax assets and the profit or loss statement in the future. Of the above-mentioned total, the amount of R\$ 2,410,531 (R\$ 2,306,766 as at December 31, 2023), R\$ 2,165,427 (R\$ 2,218,515 as at December 31, 2023) refer to tax loss and social contribution loss carryforwards, and R\$ 245,104 (R\$ 88,252 as at December 31, 2023) refer to temporary differences.

(iv) Tax credits of PIS and COFINS arising from claim reserves, less the claim recovery reserves. For purposes of determining the tax bases of such contributions, the amounts are only deductible when paid or received. The PIS contributions are accrued at the rate of 0.65%, whereas the COFINS ones are accrued at the rate of 4%.

8.1.1 Deferred tax assets**(a) Deferred tax assets**

Deferred income tax and social contribution for temporary differences and tax loss comprise the following:

	Parent Company and Consolidated			
	2024		2023	
	Income tax	Social contribution	Income tax	Social contribution
Non-current				
Lawsuits - final and unappealable decisions	(12,297)	(12,297)	(65,067)	(65,067)
Adjustment of court deposits - Tax/labor lawsuits	(55,186)	(55,186)	(271,197)	(271,197)
Provision for tax and social security contingencies	64,206	64,206	18,502	18,502
Provision for labor contingencies	51,338	51,338	53,445	53,445
Provision for civil contingency	6,368	6,368	4,171	4,171
Adjustment to market value - available-for-sale securities	379,557	379,557	244,084	244,084
Adjustment to market value - investment	21,230	21,230	21,230	21,230
Tax loss and social contribution loss carryforwards	5,398,543	5,438,606	5,532,108	5,569,917
Deferred PIS and COFINS	(308,897)	(308,897)	(289,042)	(289,042)
Deferred income tax and social contribution - Effects CPC 48 / IFRS 9	61,301	61,301	22,323	22,323
Deferred income tax and social contribution - Effects CPC 50 / IFRS17	(794,155)	(794,155)	(15,454)	(15,454)
Deferred income tax and social contribution - Effects CPC 06 / IFRS16	1,808	1,808	1,965	1,965
Post-employment benefit	371,413	371,413	398,507	398,507
Provision for profit sharing	34,278	34,278	37,395	37,395
Provisão Incentivos Fiscais	(278)	(278)	-	-
Tax base	5,219,229	5,259,292	5,692,970	5,730,779
Current nominal rate	25.0%	15.0%	25.0%	15.0%
Deferred tax assets	1,304,807	788,894	1,423,243	859,617

(i) The year-on-year change mainly arises from the conversion into income of the court deposits made in the records of the writ of mandamus filed to question the increase in the CSLL rate introduced by Law 11,727/2008 whose final and unappealable decision was awarded in 2020.

Deferred tax assets arising from income tax losses, social contribution loss carryforwards and temporary differences shall be recognized, provided that the entity expects to generate future taxable profit, based on technical viability study, that allows the realization of this assets.

The Company's strategic planning for the following years includes measures that strengthen the financial discipline and operational efficiency of its activities, among which are the revision of the strategies on underwriting, pricing and control over administrative expenses.

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The revision of the Company's technical viability study, which resulted in projections of future taxable profit, considered all the measures included in the strategic planning.

Accordingly, the Company continued to recognize in its financial statements the full amount of the deferred tax assets, after revaluating its technical viability study, based on the operational assumptions of its strategic planning, historical data, and in future economic scenarios, and concluded that it has ability to generate future taxable profit in an amount sufficient to use the recognized credit. The study was approved by the Company's Statutory Board, Board of Directors and Fiscal Council in December 2024 in the amount of R\$2,405,662. IRB Re continuously monitors the realization of its deferred tax assets as informed in Note 8.1 (iii).

8.1.1 Deferred tax assets

(b) Estimate of realization of deferred tax assets

The realization of deferred taxes is determined based on the Company's profit or loss according to the accounting practices adopted in Brazil, applicable to the institutions authorized to operate by the Superintendence of Private Insurance (SUSEP), including the regulatory rules of the National Private Insurance Council (CNSP) and the pronouncements issued by the Accounting Pronouncement Committee (CPC).

Considering that no time horizon is provided in the accounting standards for evaluating the ability to realize deferred tax assets arising from IRPJ losses and social contribution loss carryforwards, and their non expiration by the Federal Revenue Service of Brazil, the Company, based on technical viability studies and projections, estimates the realization of deferred tax assets as shown in the following table:

Parent Company and Consolidated			Parent Company and Consolidated		
2024			2023		
	Provision for deferred taxes and contributions	%		Provision for deferred taxes and contributions	%
2025	77,355	4%	2025	62,944	3%
2026	100,721	5%	2026	86,197	4%
2027	102,729	5%	2027	101,017	4%
2028	120,813	6%	2028	129,409	6%
2029	162,946	9%	2029	160,344	7%
2030 to 2031	426,794	20%	2030 to 2031	440,375	19%
2032 to 2033	587,046	28%	2032 to 2033	660,669	29%
2034 to 2035	515,297	23%	2033 to 2034	641,905	28%
Total (i)	2,093,701	100%	Total (i)	2,282,860	100%

(i) Disregard the effect of deferred Income tax and Social contribution related to the impact of IFRS 17.

The year-on-year change mainly refers to the reversal of the deferred tax liabilities of IRPJ and CSLL arising conversion into income of the court deposits made in the records of the writ of mandamus filed to question the increase in the CSLL rate introduced by Law 11,727/2008 whose final and unappealable decision was awarded in 2020.

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9 Investment property

	Consolidated			
	2024			
	Land	Buildings	Shopping Centers	Total
Cost of property investments, gross				
Balances as at January 1, 2023	16,302	7,090	63,195	86,587
Fair value adjustments	-	-	(2,425)	(2,425)
Transfer	(15,003)	-	-	(15,003)
Balances as at December 31, 2023	1,299	7,090	60,770	69,159
Cost of property investments, gross				
Balances as at January 1, 2024	1,299	7,090	60,770	69,159
Fair value adjustments	-	-	(7,371)	(7,371)
Transfer	-	(17)	-	(17)
Balances as at December 31, 2024	1,299	7,073	53,399	61,771

10 Property and equipment

	Parent Company and Consolidated						
	Data processing equipment	Telecommunications equipment	Furniture, machineries and fixtures	Other property and equipment	Vehicles	Right of use	Total
Cost of property and equipment, gross							
Balances as at January 1, 2023	27,693	1,856	598	5,464	70	23,793	59,474
Additions	887	469	3,120	22,555	667	5,418	33,116
Write-offs	(1,550)	(81)	(3,110)	(1,028)	(690)	-	(6,459)
Transfers	4,165	-	590	(4,755)	-	-	-
Balance as at December 31, 2023	31,195	2,244	1,198	22,236	47	29,211	86,131
Accumulated depreciation							
Balances as at January 1, 2023	(24,305)	(1,641)	(365)	(306)	(70)	(3,331)	(30,018)
Depreciation	(1,841)	(463)	(2,531)	(1,604)	(667)	(2,987)	(10,093)
Write-offs	1,457	145	2,510	1,001	690	-	5,803
Balance as at December 31, 2023	(24,689)	(1,959)	(386)	(909)	(47)	(6,318)	(34,308)
Accounting balances, net	6,506	285	812	21,327	-	22,893	51,823
Cost of property and equipment, gross							
Balance as at December 31, 2023	31,195	2,244	1,198	22,236	47	29,211	86,131
Additions	1,658	493	9,378	28,673	-	660	40,862
Write-offs	(7,845)	(397)	(9,362)	(31,551)	-	-	(49,155)
Transfers	3,750	(18)	421	(4,153)	-	-	-
Balance as at December 31, 2024	28,758	2,322	1,635	15,205	47	29,871	77,838
Accumulated depreciation							
Balance as at December 31, 2023	(24,689)	(1,959)	(386)	(909)	(47)	(6,318)	(34,308)
Depreciation	(2,583)	(521)	(1,741)	(3,079)	-	(3,546)	(11,470)
Write-offs	7,815	305	1,590	1,198	-	-	10,908
Balance as at December 31, 2024	(19,457)	(2,175)	(537)	(2,790)	(47)	(9,864)	(34,870)
Accounting balances, net	9,301	147	1,098	12,415	-	20,007	42,968

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11 Intangible assets

	Parent Company		
	Software development and license acquisition costs	Software in development	Total
Intangible asset cost, gross			
Balances as at January 1, 2023	339,177	39,229	378,406
Additions	44,120	21,336	65,456
Transfers	8,740	(8,740)	-
Write-offs	(390)	-	(390)
Balance as at December 31, 2023	391,647	51,825	443,472
Accumulated amortization			
Balances as at January 1, 2023	(272,603)	-	(272,603)
Amortization	(52,294)	-	(52,294)
Write-offs	390	-	390
Balance as at December 31, 2023	(324,507)	-	(324,507)
Accounting balance, net	67,140	51,825	118,965
Intangible asset cost, gross			
Balance as at December 31, 2023	391,647	51,825	443,472
Additions	96,949	3,347	100,296
Transfers	53,963	(53,963)	-
Write-offs	(5,242)	(1,049)	(6,291)
Balance as at December 31, 2024	537,317	160	537,477
Accumulated amortization			
Balance as at December 31, 2023	(324,507)	-	(324,507)
Amortization	(84,410)	-	(84,410)
Write-offs	2,039	-	2,039
Balance as at December 31, 2024	(406,878)	-	(406,878)
Accounting balance, net	130,439	160	130,599

	Consolidated		
	Software development and license acquisition costs	Software in development	Total
Intangible asset cost, gross			
Balances as at January 1, 2023	339,373	39,229	378,602
Additions	44,120	21,336	65,456
Transfers	8,740	(8,740)	-
Write-offs	(390)	-	(390)
Balance as at December 31, 2023	391,843	51,825	443,668
Accumulated amortization			
Balances as at January 1, 2023	(272,774)	-	(272,774)
Amortization	(52,319)	-	(52,319)
Write-offs	390	-	390
Balance as at December 31, 2023	(324,703)	-	(324,703)
Accounting balance, net	67,140	51,825	118,965
Intangible asset cost, gross			
Balance as at December 31, 2023	391,843	51,825	443,668
Additions	96,949	3,347	100,296
Transfers	53,963	(53,963)	-
Write-offs	(5,242)	(1,049)	(6,291)
Balance as at December 31, 2023	537,513	160	537,673
Accumulated amortization			
Balance as at December 31, 2023	(324,703)	-	(324,703)
Amortization	(84,410)	-	(84,410)
Write-offs	2,039	-	2,039
Balance as at December 31, 2023	(407,074)	-	(407,074)
Accounting balance, net	130,439	160	130,599

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12 Trade payables

	Parent company		Consolidated	
	2024	2023	2024	2023
Profit sharing (i)	34,278	37,395	35,195	37,662
Suppliers	22,705	14,943	28,892	20,716
Lease liabilities	21,770	24,900	21,770	24,900
Bonus - Executive Board (note 20.1)	12,744	9,763	14,652	10,940
Labor claims	-	7,476	-	7,476
Other	2,601	1,625	2,601	1,625
Total	94,098	96,102	103,110	103,319
Current	73,104	73,053	82,116	80,270
Non-current	20,994	23,049	20,994	23,049

(i) In April 2024, the amount of R\$ 36,039 was distributed as profit sharing.

13 Third-party deposits

The amounts received from cedants related to receivables not fully written-off are recorded in this line item. The amounts credited as premium and claim recovery are received deducted for commissions and, sometimes, claim prepayments.

Third-party deposits by age of deposit are as follows:

	Parent Company and Consolidated	
	2024	2023
Up to 30 days	22,344	47,263
Between 31 and 60 days	10,954	11,137
Between 61 and 120 days	10,133	13,199
Between 121 and 180 days	6,778	6,316
Over 180 days	7,162	12,075
	57,371	89,990

14 Borrowings and financing

The Company carried out its first and second debenture issues on October 15, 2020 and December 15, 2020, respectively. The proceeds from these Issues were fully and exclusively used by the Company to contribute to restore its compliance with the criteria laid out by the Superintendence of Private Insurance and the National Monetary Council (CMN), for the purposes established in CNSP Resolution 432/2021 and further amendments and CMN Resolution 4,993/2022 and further amendments, as well as strengthen the Company's capital structure.

On June 9, 2023, the Company carried out its third debenture issue in the amount of R\$ 100,000 for using the proceeds to strengthen its liquidity structure and cover technical reserves. On October 15, 2024, the Company fully pre-paid the third debenture issue in the amount of R\$ 91,921, comprising principal plus interest rate payable at the respective date of the optional full prepayment.

On October 16, 2023, the Company fully paid the first series of the first debenture issue in the amount of R\$487,300, comprising principal plus interest rate adjusted until the respective maturity date of such debenture series. As at December 31, 2024, the Company's borrowings and financing comprise payables arising from the above-mentioned debenture issues, which balances and main characteristics are as follows:

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	Parent Company and Consolidated	
	2024	2023
Debentures - First issue	194,430	185,038
Principal	147,000	147,000
Interest and charges	47,953	38,857
Cost to be amortized	(523)	(819)
Debentures - Second issue	294,547	280,179
Principal	229,193	229,193
Interest and charges	66,466	52,671
Cost to be amortized	(1,112)	(1,685)
Debentures - Third issue	-	80,987
Principal	-	87,500
Interest and charges	-	682
Cost to be amortized	-	(7,195)
Total	488,977	546,204
Current	246,111	3,738
Non-current	242,866	542,466

14.1 Characteristics of issues:

	Parent Company and Consolidated	
	1st series - 2nd series	2nd issue - sole series
Code	IRBR21	IRBR12
Convertibility	Simple non-convertible	Simple non-convertible
Type	debentures	debentures
Form	Unsecured	Unsecured
Number of securities	Registered and book-entry, without issue of documents or certificates	Registered and book-entry, without issue of documents or certificates
Face value (in reais)	147,000	229,193
Issue date	1,000	1,000
Maturity	10/15/2020	12/15/2020
Inflation adjustment	10/15/2026	12/15/2026
Coupon rate of interest	IPCA	IPCA
Coupon payment	IPCA + 6.6579% p.a.	IPCA + 6.6579% p.a.
Amortization date	Six-month periods	Six-month periods
Renegotiation	2025 and 2026	2025 and 2026
Early redemption	None	None
Optional early redemption offer	From 10/15/2022	From 12.15.2022
	The Company may perform at any time	The Company may perform at any time

14.2 Changes in borrowings and financing:

	Parent Company and Consolidated				
	1st issue - 1st series	1st series - 2nd series	2nd issue - sole series	3rd issue - sole series	Total
Balance as at January 1, 2023	464,213	176,388	267,004	-	907,605
Funding	-	-	-	100,000	100,000
Transaction cost	-	-	-	(8,322)	(8,322)
Principal amortization	(450,439)	-	-	(12,500)	(462,939)
Interest payment	(74,286)	(11,747)	(18,204)	(8,184)	(112,421)
Interest expenses	59,079	20,105	30,812	8,866	118,862
Amortization transaction cost	1,433	292	567	1,127	3,419
Balance as at January 1, 2024	-	185,038	280,179	80,987	546,204
Principal amortization	-	-	-	(87,500)	(87,500)
Interest payment	-	(12,340)	(19,085)	(4,421)	(35,846)
Interest expenses	-	21,436	32,880	3,739	58,055
Amortization transaction cost	-	296	573	7,195	8,064
Balance as at December 31, 2024	-	194,430	294,547	-	488,977

(A free translation of the original in Portuguese)

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14.3 Fair value - debentures:

The following table shows the fair value of debentures as at December 31, 2024:

	Series	Fair value	Rate
First issue	2nd series	189,100	IPCA + 6.6579% p.a.
Second issue	Sole series	289,952	IPCA + 6.6579% p.a.

For measuring the fair value, the unit prices based on the curve and the respective trading unit prices were used, observed in the history of trading of financial instruments in the secondary market until the base date of the measurement.

14.4 Covenants:

The Company's debentures require the fulfilment of a series of covenants.

Among the main covenants, we highlight the following:

- i) indebtedness ratios (gross debt-to-equity) equal to 0.35 or lower. Gross debt being the total borrowings and financing calculated by the Company.
- ii) not being downgraded to a rating below brAA+ by the rating agency.
- iii) compliance with the rules by CNSP, SUSEP and/or CMN in relation to minimum capital, technical reserves, liquidity, solvency and guarantee assets. In the event of any breach of regulatory requirement, these must be remedied within the period established by SUSEP, which determines the submission of the Solvency Regularization Plan (PRS) and the Sufficiency of Coverage Regularization Plan (PRC) within 45 days and 30 days, respectively, from the date of SUSEP's notification.

At the end of the year 2024, Company was compliant with all covenants established in the respective indentures.

15 Provisions for taxes and contributions

	Parent company		Consolidated	
	2024	2023	2024	2023
Income tax payable	64,226	31,713	65,488	32,867
Income tax pay in advance	(58,981)	-	(58,981)	-
CSLL payable	39,273	12,869	39,735	13,289
CSLL pay in advance	(35,969)	-	(35,969)	-
COFINS payable	3,551	5,661	3,682	5,807
PIS payable	577	920	605	952
Installment payment IRPJ	27,515	42,522	27,515	42,522
Installment payment CSLL	10,004	15,462	10,004	15,461
Total	50,196	109,147	52,079	110,898
Current	33,142	71,629	35,025	73,380
Non-current	17,054	37,518	17,054	37,518

IRB-Brasil Resseguros S.A.**Notes to the parent company and consolidated financial statements**

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16 Reinsurance and Retrocession contract assets and liabilities**16.1 Reinsurance**

	Parent Company and Consolidated	
	2024	2023
Liabilities for remaining coverage (LRC)	(57,178)	145,695
Excluding loss component (Note 17.1)	(168,400)	(47,723)
Estimates of the present value of the future cash flows (Note 18.1)	(1,887,198)	(1,689,679)
Risk adjustment for non-financial risks (Note 18.1)	216,785	(21,370)
Contractual Service Margin (CSM) (Note 18.1)	1,502,013	1,663,326
Loss component (Note 17.1)	111,222	193,418
Estimates of the present value of the future cash flows (Note 18.1)	63,348	157,929
Risk adjustment for non-financial risks (Note 18.1)	47,874	35,489
Liabilities for incurred claims (LIC) (Note 17.1)	9,963,427	9,665,226
Estimates of the present value of the future cash flows (Note 18.1)	9,694,638	9,589,216
Risk adjustment for non-financial risks (Note 18.1)	268,789	76,010
Reinsurance liabilities	9,906,249	9,810,921
Current	3,949,162	4,052,064
Non-current	5,957,087	5,758,857

16.2 Retrocession

	Parent Company and Consolidated	
	2024	2023
Assets and liabilities for remaining coverage (LRC)	(735,080)	(837,362)
Excluding loss component (Note 17.2)	(746,043)	(853,475)
Estimates of the present value of the future cash flows (Note 18.2)	(1,771,387)	(1,643,337)
Risk adjustment for non-financial risks (Note 18.2)	110,739	1,924
Contractual Service Margin (CSM) (Note 18.2)	914,605	787,938
Loss-recovery component (Note 17.2)	10,963	16,113
Assets for incurred claims (LIC) (Note 17.2)	3,911,934	3,798,123
Estimates of the present value of the future cash flows (Note 17.2)	3,815,554	3,764,615
Risk adjustment for non-financial risks	96,380	33,508
Retrocession assets and liabilities	3,176,854	2,960,761
Current	946,103	642,950
Non-current	2,230,751	2,317,811

17 Breakdown of reinsurance and retrocession contract balances**Reinsurance**

	Parent Company and Consolidated					
	2024			2023		
	Liabilities for remaining coverage (LRC)	Liabilities for incurred claims (LIC)	Total	Liabilities for remaining coverage (LRC)	Liabilities for incurred claims (LIC)	Total
	Excluding loss component	Loss component		Excluding loss component	Loss component	
Agriculture	(166,101)	63,173	709,171	(199,240)	93,277	986,439
Aviation	(12,397)	5,846	972,740	(18,673)	1,582	791,158
Casualty	38,551	(3,313)	902,834	73,928	(3,834)	872,841
Financial risks	11,332	(7)	726,097	3,943	13	1,120,838
Life	(366,269)	31,585	710,249	(195,664)	87,594	860,905
Marine	(80,415)	2,035	910,502	(71,142)	330	742,092
Motor	(2,997)	963	198,889	482	799	220,301
Property	351,009	6,133	4,091,502	287,007	3,998	3,537,327
Special risks	58,887	4,807	631,995	71,636	9,659	445,207
London branch	-	-	109,448	-	-	88,118
Total	(168,400)	111,222	9,963,427	(47,723)	193,418	9,665,226

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Retrocession

	Parent Company and Consolidated							
	2024							2023
	Assets and Liabilities for remaining coverage (LRC)		Assets for incurred claims (LIC)	Total	Assets and Liabilities for remaining coverage (LRC)		Assets for incurred claims (LIC)	Total
	Excluding loss component	Loss-recovery component			Excluding loss component	Loss-recovery component		
Agriculture	(238,723)	4,277	41,966	(192,480)	(22,822)	6,673	91,423	75,274
Aviation	47,709	1,529	580,184	629,422	(158,481)	392	486,559	328,470
Casualty	71,358	(1,715)	470,504	540,147	46,050	(1,983)	392,101	436,168
Financial risks	(13,324)	(2)	133,108	119,782	(15,115)	3	533,298	518,186
Life	43,894	1,333	100,223	145,450	(5,697)	3,590	93,977	91,870
Marine	(34,824)	594	389,684	355,454	(18,250)	83	340,840	322,673
Motor	(547)	68	8,098	7,619	(1,795)	36	9,259	7,500
Property	(332,732)	1,771	1,815,038	1,484,077	(299,535)	1,451	1,525,595	1,227,511
Special risks	(81,395)	3,108	263,681	185,394	(231,095)	5,868	237,136	11,909
London branch	(207,459)	-	109,448	(98,011)	(146,735)	-	87,935	(58,800)
Total	(746,043)	10,963	3,911,934	3,176,854	(853,475)	16,113	3,798,123	2,960,761

The Company shows below the reconciliation of the opening and closing balances of assets and liabilities for remaining coverage (LRC) and the assets and liabilities for incurred claims (LIC), which exclude any reinsurance acquisition cash flow asset and other pre-recognition cash flows.

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17.1 Changes in reinsurance contract balances

	Parent Company and Consolidated							
	2024						2023	
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)	Total	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
Opening balance of liabilities	(47,723)	193,418	9,665,226	9,810,921	(833,075)	178,831	10,898,263	10,244,019
Reinsurance revenue	(47,723)	193,418	9,665,226	9,810,921	(833,075)	178,831	10,898,263	10,244,019
Reinsurance expenses	(6,057,974)	-	-	(6,057,974)	(5,794,710)	-	-	(5,794,710)
Incurred claims and other directly attributable expenses	282,607	(86,004)	3,894,093	4,090,696	209,185	33,179	4,129,057	4,371,421
Incurred claims and other directly attributable expenses	-	-	2,312,651	2,312,651	-	-	2,169,431	2,169,431
Adjustments to liabilities for incurred claims	-	-	1,581,442	1,581,442	-	-	1,959,626	1,959,626
Write-offs (reversals) in onerous contracts	813	(86,004)	-	(85,191)	-	33,179	-	33,179
Amortization of reinsurance acquisition cash flows	281,794	-	-	281,794	209,185	-	-	209,185
Reinsurance result	(5,775,367)	(86,004)	3,894,093	(1,967,278)	(5,585,525)	33,179	4,129,057	(1,423,289)
Net financial result of reinsurance contract issued (note 23.2)	(7,209)	(3,800)	69,106	58,097	(1,034)	(15,497)	667,619	651,088
Effect of movements in exchange rates (note 23.2)	(44,409)	7,608	1,258,193	1,221,392	23,447	(3,095)	(385,977)	(365,625)
Cash flows	(5,826,985)	(82,196)	5,221,392	(687,789)	(5,563,112)	14,587	4,410,699	(1,137,826)
Premiums received								
Premiums received	5,789,197	-	-	5,789,197	6,604,130	-	-	6,604,130
Claims and other directly attributable expenses paid	-	-	(4,923,191)	(4,923,191)	-	-	(5,643,736)	(5,643,736)
Reinsurance acquisition cash flows	(192,889)	-	-	(192,889)	(255,666)	-	-	(255,666)
Saldo de fechamento dos ativos	5,596,308	-	(4,923,191)	673,117	6,348,464	-	(5,643,736)	704,728
Transferência para outras rubricas no balanço patrimonial	110,000	-	-	110,000	-	-	-	-
Closing balance, gross	(168,400)	111,222	9,963,427	9,906,249	(47,723)	193,418	9,665,226	9,810,921
Closing balance, net	(168,400)	111,222	9,963,427	9,906,249	(47,723)	193,418	9,665,226	9,810,921

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17.2 Changes in retrocession contract balances

	Parent Company and Consolidated							
	2024						2023	
	Assets and liabilities for remaining coverage (LRC)		Assets for incurred claims (LIC)	Total	Assets and liabilities for remaining coverage (LRC)		Assets for incurred claims (LIC)	Total
	Excluding component of loss	Loss-recovery component			Excluding component of loss	Loss-recovery component		
Opening balance of assets	(619,445)	12,419	3,591,220	2,984,194	(503,727)	20,832	3,828,208	3,345,313
Opening balance of liabilities	(234,030)	3,694	206,903	(23,433)	(393,829)	1,804	248,507	(143,518)
Opening balance, net	(853,475)	16,113	3,798,123	2,960,761	(897,556)	22,636	4,076,715	3,201,795
Allocation of retrocession premiums	(2,161,696)	-	-	(2,161,696)	(2,679,183)	-	-	(2,679,183)
Amounts recoverable from retrocessionaire	-	(7,273)	978,422	971,149	-	(6,358)	936,564	930,206
Recovery of incurred claims and other directly attributable expenses	-	-	978,422	978,422	-	-	936,564	936,564
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	(7,273)	-	(7,273)	-	(6,358)	-	(6,358)
Net expenses from retrocession contracts	(2,161,696)	(7,273)	978,422	(1,190,547)	(2,679,183)	(6,358)	936,564	(1,748,977)
Net financial result of retrocession contracts (note 23.2)	(39,410)	-	(32,296)	(71,706)	25,681	-	159,635	185,316
Effect of movements in exchange rates (note 23.2)	(52,840)	2,123	489,510	438,793	19,495	(165)	(154,360)	(135,030)
Total changes in the statement of profit or loss	(2,253,946)	(5,150)	1,435,636	(823,460)	(2,634,007)	(6,523)	941,839	(1,698,691)
Cash flows								
Premiums paid	2,361,378	-	-	2,361,378	2,678,088	-	-	2,678,088
Amounts received	-	-	(1,321,825)	(1,321,825)	-	-	(1,220,431)	(1,220,431)
Total cash flows	2,361,378	-	(1,321,825)	1,039,553	2,678,088	-	(1,220,431)	1,457,657
Closing balance, gross								
Closing balance of assets	(452,971)	13,507	3,909,833	3,470,369	(619,445)	12,419	3,591,220	2,984,194
Closing balance of liabilities	(293,072)	(2,544)	2,101	(293,515)	(234,030)	3,694	206,903	(23,433)
Closing balance, net	(746,043)	10,963	3,911,934	3,176,854	(853,475)	16,113	3,798,123	2,960,761

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18 Measurement components of reinsurance and retrocession contract balances

Reinsurance

	Parent Company and Consolidated							
	2024				2023			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM)	Total
Agriculture	532,088	44,887	29,268	606,243	842,332	15,958	22,186	880,476
Aviation	943,193	22,722	274	966,189	771,416	1,806	845	774,067
Casualty	861,041	18,186	58,845	938,072	852,668	3,877	86,390	942,935
Financial risks	597,867	18,254	121,301	737,422	973,959	2,644	148,191	1,124,794
Life	242,633	62,763	70,169	375,565	454,215	11,536	287,084	752,835
Marine	724,418	61,664	46,040	832,122	586,598	10,356	74,326	671,280
Motor	173,580	10,782	12,493	196,855	205,303	1,090	15,189	221,582
Property	3,440,672	235,318	772,654	4,448,644	3,224,706	25,217	578,409	3,828,332
Special risks	245,848	58,872	390,969	695,689	58,151	17,645	450,706	526,502
London branch	109,448	-	-	109,448	88,118	-	-	88,118
Total	7,870,788	533,448	1,502,013	9,906,249	8,057,466	90,129	1,663,326	9,810,921

Retrocession

	Parent Company and Consolidated							
	2024				2023			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM)	Total
Agriculture	(214,406)	3,065	18,861	(192,480)	30,626	1,371	43,639	75,636
Aviation	605,933	12,747	10,742	629,422	321,494	596	6,381	328,471
Casualty	499,614	7,401	33,132	540,147	380,582	2,712	52,874	436,168
Financial risks	75,527	4,025	40,230	119,782	495,809	415	21,962	518,186
Life	75,539	9,198	60,713	145,450	41,529	1,637	48,702	91,868
Marine	287,943	23,035	44,476	355,454	275,804	4,603	42,267	322,674
Motor	7,288	249	82	7,619	7,429	16	55	7,500
Property	1,008,516	105,716	369,845	1,484,077	970,845	11,181	245,122	1,227,148
Special risks	(192,813)	41,683	336,524	185,394	(327,927)	12,901	326,936	11,910
London branch	(98,011)	-	-	(98,011)	(58,800)	-	-	(58,800)
Total	2,055,130	207,119	914,605	3,176,854	2,137,391	35,432	787,938	2,960,761

The Company shows below the amounts of the measurement components of the reinsurance contract balances, comprising the present value of cash flows, risk adjustment and the insurance contractual service margin (CSM).

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18.1 Reconciliation of the measurement components of reinsurance contract balances

	Parent Company and Consolidated							
	2024				2023			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total
Opening balance of liabilities	8,057,466	90,129	1,663,326	9,810,921	8,464,897	115,189	1,663,933	10,244,019
Opening balance, net	8,057,466	90,129	1,663,326	9,810,921	8,464,897	115,189	1,663,933	10,244,019
Changes that relate to current reinsurance coverage	(309,426)	(171,731)	(2,875,877)	(3,357,034)	(416,579)	(25,319)	(2,967,174)	(3,409,072)
CSM recognized for services provided	-	-	(2,875,877)	(2,875,877)	-	-	(2,967,174)	(2,967,174)
Change in risk adjustment for non-financial risk for risk expired	-	(171,731)	-	(171,731)	-	(25,319)	-	(25,319)
Experience adjustments	(309,426)	-	-	(309,426)	(416,579)	-	-	(416,579)
Changes that relate to future reinsurance coverage	(2,832,471)	403,331	2,347,454	(81,686)	(2,835,038)	8,191	2,860,026	33,179
Changes in estimates that adjust the CSM	(1,147,128)	225,852	921,276	-	(1,326,211)	(11,136)	1,337,347	-
Changes in estimates that result in losses (reversals of losses) on onerous contracts and other losses	(150,160)	(3,136)	-	(153,296)	(27,979)	(2,871)	-	(30,850)
Contracts initially recognised in the year (Note 19.1)	(1,535,183)	180,615	1,426,178	71,610	(1,480,848)	22,198	1,522,679	64,029
Changes that relate to past reinsurance coverage	1,299,979	171,463	-	1,471,442	1,965,775	(13,171)	-	1,952,604
Adjustments to liabilities for incurred claims	1,409,979	171,463	-	1,581,442	1,965,775	(13,171)	-	1,952,604
Past service adjustments	(110,000)	-	-	(110,000)	-	-	-	-
Reinsurance result	(1,841,918)	403,063	(528,423)	(1,967,278)	(1,285,842)	(30,299)	(107,148)	(1,423,289)
Net financial expenses from reinsurance contracts issued (23.2)	(101,170)	(2,143)	161,410	58,097	481,353	8,710	161,025	651,088
Effect of movements in exchange rates (23.2)	973,293	42,399	205,700	1,221,392	(307,670)	(3,471)	(54,484)	(365,625)
Total changes in the statement of profit or loss	(969,795)	443,319	(161,313)	(687,789)	(1,112,159)	(25,060)	(607)	(1,137,826)
Cash flows	673,117	-	-	673,117	704,728	-	-	704,728
Transferência para outras rubricas no balanço patrimonial	110,000	-	-	110,000	-	-	-	-
Closing balance of liabilities	7,760,788	533,448	1,502,013	9,796,249	8,057,466	90,129	1,663,326	9,810,921
Closing balance, net	7,870,788	533,448	1,502,013	9,906,249	8,057,466	90,129	1,663,326	9,810,921

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18.1.1 Breakdown by contract

	Parent Company and Consolidated							
	2024				2023			
	Groups of contracts at the transition date				Groups of contracts at the transition date			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance Margin (CSM)	Total
Opening balance of liabilities	6,295,897	51,350	430,794	6,778,041	8,378,598	76,836	588,882	9,044,316
Opening balance, net	6,295,897	51,350	430,794	6,778,041	8,378,598	76,836	588,882	9,044,316
Changes that relate to current reinsurance coverage	(157,228)	(18,144)	(694,054)	(869,426)	10,234	(8,966)	(817,355)	(816,087)
CSM recognized for services provided	-	-	(694,054)	(694,054)	-	-	(817,355)	(817,355)
Change in risk adjustment for non-financial risk for risk expired	-	(18,144)	-	(18,144)	-	(8,966)	-	(8,966)
Experience adjustments	(157,228)	-	-	(157,228)	10,234	-	-	10,234
Changes that relate to future reinsurance coverage	(468,652)	30,597	356,708	(81,347)	(638,473)	(1,064)	640,105	568
Changes in estimates that adjust the CSM	(382,275)	25,567	356,708	-	(639,997)	(108)	640,105	-
Changes in estimates that result in derecognition (reversals) of losses on onerous contracts and other losses	(86,377)	5,030	-	(81,347)	1,524	(956)	-	568
Changes that relate to past reinsurance coverage	579,468	86,163	-	665,631	1,128,801	(17,304)	-	1,111,497
Adjustments to liabilities for incurred claims	689,468	86,163	-	775,631	1,128,801	(17,304)	-	1,111,497
Past service adjustments	(110,000)	-	-	(110,000)	-	-	-	-
Reinsurance result	(46,412)	98,616	(337,346)	(285,142)	500,562	(27,334)	(177,250)	295,978
Net financial expenses from reinsurance contracts issued	(153,179)	(5,819)	23,817	(135,181)	422,461	4,248	35,743	462,452
Effect of movements in exchange rates	689,274	14,550	25,050	728,874	(271,410)	(2,400)	(16,581)	(290,391)
Total changes in the statement of profit or loss	489,683	107,347	(288,479)	308,551	651,613	(25,486)	(158,088)	468,039
Cash flows	(1,903,654)	-	-	(1,903,654)	(2,734,314)	-	-	(2,734,314)
Transfer to other line items in the balance sheet	110,000	-	-	110,000	-	-	-	-
Closing balance of liabilities	4,881,926	158,697	142,315	5,182,938	6,295,897	51,350	430,794	6,778,041
Closing balance, net	4,991,926	158,697	142,315	5,292,938	6,295,897	51,350	430,794	6,778,041

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18.1.1 Breakdown by contract

	Parent Company and Consolidated							
	2024				2023			
	Other groups of contracts				Other groups of contracts			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance Margin (CSM)	Total
Opening balance of liabilities	1,761,569	38,779	1,232,532	3,032,880	86,299	38,353	1,075,051	1,199,703
Opening balance, net	1,761,569	38,779	1,232,532	3,032,880	86,299	38,353	1,075,051	1,199,703
Changes that relate to current reinsurance coverage	(152,198)	(153,587)	(2,181,823)	(2,487,608)	(426,813)	(16,353)	(2,149,819)	(2,592,985)
CSM recognized for services provided	-	-	(2,181,823)	(2,181,823)	-	-	(2,149,819)	(2,149,819)
Change in risk adjustment for non-financial risk for risk expired	-	(153,587)	-	(153,587)	-	(16,353)	-	(16,353)
Experience adjustments	(152,198)	-	-	(152,198)	(426,813)	-	-	(426,813)
Changes that relate to future reinsurance coverage	(2,363,819)	372,734	1,990,746	(339)	(2,196,565)	9,255	2,219,921	32,611
Changes in estimates that adjust the CSM	(764,853)	200,285	564,568	-	(686,214)	(11,028)	697,242	-
Changes in estimates that result in derecognition (reversals) of losses on onerous contracts and other losses	(63,783)	(8,166)	-	(71,949)	(29,503)	(1,915)	-	(31,418)
Contracts initially recognised in the year (Note 19.1)	(1,535,183)	180,615	1,426,178	71,610	(1,480,848)	22,198	1,522,679	64,029
Changes that relate to past reinsurance coverage	720,511	85,300	-	805,811	836,974	4,133	-	841,107
Adjustments to liabilities for incurred claims	720,511	85,300	-	805,811	836,974	4,133	-	841,107
Reinsurance result	(1,795,506)	304,447	(191,077)	(1,682,136)	(1,786,404)	(2,965)	70,102	(1,719,267)
Net financial expenses from reinsurance contracts issued	52,009	3,676	137,593	193,278	58,892	4,462	125,282	188,636
Effect of movements in exchange rates	284,019	27,849	180,650	492,518	(36,260)	(1,071)	(37,903)	(75,234)
Total changes in the statement of profit or loss	(1,459,478)	335,972	127,166	(996,340)	(1,763,772)	426	157,481	(1,605,865)
Cash flows	2,576,771	-	-	2,576,771	3,439,042	-	-	3,439,042
Closing balance of liabilities	2,878,862	374,751	1,359,698	4,613,311	1,761,569	38,779	1,232,532	3,032,880
Closing balance, net	2,878,862	374,751	1,359,698	4,613,311	1,761,569	38,779	1,232,532	3,032,880

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18.2 Reconciliation of the measurement components of retrocession contract balances

	Parent Company and Consolidated							
	2024				2023			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total
Opening balance of assets	2,495,146	24,339	464,709	2,984,194	2,694,472	23,125	627,716	3,345,313
Opening balance of liabilities	(357,755)	11,093	323,229	(23,433)	(478,281)	10,684	324,079	(143,518)
Opening balance, net	2,137,391	35,432	787,938	2,960,761	2,216,191	33,809	951,795	3,201,795
Changes that relate to current coverage	242,066	(123,656)	(1,523,567)	(1,405,157)	394,935	241	(1,776,796)	(1,381,620)
CSM recognized for services received	-	-	(1,512,671)	(1,512,671)	-	-	(1,757,593)	(1,757,593)
Change in risk adjustment for non-financial risk for risk expired	-	(123,656)	-	(123,656)	-	241	-	241
Experience adjustments	241,258	-	-	241,258	393,871	-	-	393,871
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	(2,527)	(2,527)	-	-	(19,203)	(19,203)
Changes in estimates that do not adjust the CSM	808	-	(8,369)	(7,561)	1,064	-	-	1,064
Changes that relate to future coverage	(1,670,706)	193,201	1,481,125	3,620	(1,591,108)	2,551	1,601,242	12,685
Changes in estimates that adjust the CSM	(357,200)	89,510	267,690	-	(536,051)	203	535,848	-
Changes in estimates related to losses and reversal of losses on onerous underlying contracts	-	-	3,620	3,620	-	-	12,685	12,685
Contracts initially recognised in the year (Note 19.2)	(1,313,506)	103,691	1,209,815	-	(1,055,057)	2,348	1,052,709	-
Changes that relate to past coverage	122,512	88,478	-	210,990	(378,401)	(1,641)	-	(380,042)
Adjustments to assets for incurred claims	122,512	88,478	-	210,990	(378,401)	(1,641)	-	(380,042)
Effect of changes in non-performance risk of reinsurers	(1,306,128)	158,023	(42,442)	(1,190,547)	(1,574,574)	1,151	(175,554)	(1,748,977)
Net finance income or expense from retrocession (note 23.2)	(129,274)	(1,738)	59,306	(71,706)	141,374	2,141	41,801	185,316
Effect of movements in exchange rates (note 23.2)	313,588	15,402	109,803	438,793	(103,257)	(1,669)	(30,104)	(135,030)
Total changes in the statement of profit or loss	(1,121,814)	171,687	126,667	(823,460)	(1,536,457)	1,623	(163,857)	(1,698,691)
Cash flows	1,039,553	-	-	1,039,553	1,457,657	-	-	1,457,657
Closing balance, gross								
Closing balance of assets	2,347,918	207,104	915,347	3,470,369	2,495,146	24,339	464,709	2,984,194
Closing balance of liabilities	(292,788)	15	(742)	(293,515)	(357,755)	11,093	323,229	(23,433)
Closing balance, net	2,055,130	207,119	914,605	3,176,854	2,137,391	35,432	787,938	2,960,761

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18.2.1 Breakdown by contract

	Parent Company and Consolidated							
	2024				2023			
	Groups of contracts at the transition date				Groups of contracts at the transition date			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total
Opening balance of assets	2,469,891	13,291	32,996	2,516,178	2,736,028	18,172	89,784	2,843,984
Opening balance of liabilities	78,235	8,353	14,042	100,630	165,627	9,755	22,458	197,840
Opening balance, net	2,548,126	21,644	47,038	2,616,808	2,901,655	27,927	112,242	3,041,824
Changes that relate to current coverage	(3,188)	(19,846)	(27,705)	(50,739)	275,882	(2,714)	(215,506)	57,662
CSM recognized for services received	-	-	(19,336)	(19,336)	-	-	(196,821)	(196,821)
Change in risk adjustment for non-financial risk for risk expired	-	(19,846)	-	(19,846)	-	(2,714)	-	(2,714)
Experience adjustments	(3,996)	-	-	(3,996)	274,818	-	-	274,818
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-	-	-	(18,685)	(18,685)
Changes in estimates that do not adjust the CSM	808	-	(8,369)	(7,561)	1,064	-	-	1,064
Changes that relate to future coverage	(2,644)	2,725	(3,063)	(2,982)	(133,660)	(37)	145,664	11,967
Changes in estimates that adjust the CSM	(2,644)	2,725	(81)	-	(133,660)	(37)	133,697	-
Changes in estimates related to derecognition (reversals) of losses on onerous underlying contracts	-	-	(2,982)	(2,982)	-	-	11,967	11,967
Changes that relate to past coverage	(30,885)	38,884	-	7,999	72,636	(3,932)	-	68,704
Adjustments to assets for incurred claims	(30,885)	38,884	-	7,999	72,636	(3,932)	-	68,704
Effect of changes in non-performance risk of reinsurers	(36,717)	21,763	(30,768)	(45,722)	214,858	(6,683)	(69,842)	138,333
Net finance income or expense from retrocession	(132,933)	(2,751)	1,903	(133,781)	158,558	1,393	6,827	166,778
Effect of movements in exchange rates	292,732	4,668	2,300	299,700	(109,307)	(993)	(2,189)	(112,489)
Total changes in the statement of profit or loss	123,082	23,680	(26,565)	120,197	264,109	(6,283)	(65,204)	192,622
Cash flows	(697,171)	-	-	(697,171)	(617,638)	-	-	(617,638)
Closing balance, gross								
Closing balance of assets	1,972,176	45,309	23,157	2,040,642	2,469,891	13,291	32,996	2,516,178
Closing balance of liabilities	1,861	15	(2,684)	(808)	78,235	8,353	14,042	100,630
Closing balance, net	1,974,037	45,324	20,473	2,039,834	2,548,126	21,644	47,038	2,616,808

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18.2.1 Breakdown by contract

	Parent Company and Consolidated							
	2024				2023			
	Other groups of contracts				Other groups of contracts			
	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total	Estimates of the present value of the future cash flows	Risk adjustment for non-financial risks	Contractual insurance margin (CSM)	Total
Opening balance of assets	25,255	11,048	431,713	468,016	(41,556)	4,953	537,932	501,329
Opening balance of liabilities	(435,990)	2,740	309,187	(124,063)	(643,908)	929	301,621	(341,358)
Opening balance, net	(410,735)	13,788	740,900	343,953	(685,464)	5,882	839,553	159,971
Changes that relate to current coverage	245,254	(103,810)	(1,495,862)	(1,354,418)	119,053	2,955	(1,561,290)	(1,439,282)
CSM recognized for services received	-	-	(1,493,335)	(1,493,335)	-	-	(1,560,772)	(1,560,772)
Change in risk adjustment for non-financial risk for risk expired	-	(103,810)	-	(103,810)	-	2,955	-	2,955
Experience adjustments	245,254	-	-	245,254	119,053	-	-	119,053
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	(2,527)	(2,527)	-	-	(518)	(518)
Changes that relate to future coverage	(1,668,062)	190,476	1,484,188	6,602	(1,457,448)	2,588	1,455,578	718
Changes in estimates that adjust the CSM	(354,556)	86,785	267,771	-	(402,391)	240	402,151	-
Changes in estimates related to derecognition (reversals) of losses on onerous underlying contracts	-	-	6,602	6,602	-	-	718	718
Contracts initially recognized in the year (Note 19.2)	(1,313,506)	103,691	1,209,815	-	(1,055,057)	2,348	1,052,709	-
Changes that relate to past coverage	153,397	49,594	-	202,991	(451,037)	2,291	-	(448,746)
Adjustments to assets for incurred claims	153,397	49,594	-	202,991	(451,037)	2,291	-	(448,746)
Effect of changes in non-performance risk of reinsurers	(1,269,411)	136,260	(11,674)	(1,144,825)	(1,789,432)	7,834	(105,712)	(1,887,310)
Net finance income or expense from retrocession	3,659	1,013	57,403	62,075	(17,184)	748	34,974	18,538
Effect of movements in exchange rates	20,856	10,734	107,503	139,093	6,050	(676)	(27,915)	(22,541)
Total changes in the statement of profit or loss	(1,244,896)	148,007	153,232	(943,657)	(1,800,566)	7,906	(98,653)	(1,891,313)
Cash flows	1,736,724	-	-	1,736,724	2,075,295	-	-	2,075,295
Closing balance, gross	-	-	-	-	-	-	-	-
Closing balance of assets	375,742	161,795	892,190	1,429,727	25,255	11,048	431,713	468,016
Closing balance of liabilities	(294,649)	-	1,942	(292,707)	(435,990)	2,740	309,187	(124,063)
Closing balance, net	81,093	161,795	894,132	1,137,020	(410,735)	13,788	740,900	343,953

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18.3 Expectation of recognition of CSM over time

	Parent Company and Consolidated					
	2024			2023		
	Issued reinsurance contracts			Issued reinsurance contracts		
	Brazil	Abroad	Total	Brazil	Abroad	Total
Less than 2 years	1,119,509	316,373	1,435,882	816,896	63,627	880,523
From 2 to 5 years	51,178	10,122	61,300	30,669	-	30,669
From 5 to 10 years	4,714	5	4,719	3,413	-	3,413
More than 10 years	112	-	112	-	-	-
Total	1,175,513	326,500	1,502,013	850,978	63,627	914,605

	Parent Company and Consolidated					
	2024			2023		
	Issued reinsurance contracts			Issued reinsurance contracts		
	Brazil	Abroad	Total	Brazil	Abroad	Total
Less than 2 years	1,245,620	348,239	1,593,859	700,858	63,290	764,148
From 2 to 5 years	50,312	8,186	58,498	16,183	-	16,183
From 5 to 10 years	10,637	20	10,657	7,607	-	7,607
More than 10 years	312	-	312	-	-	-
Total	1,306,881	356,445	1,663,326	724,648	63,290	787,938

19 Effects on the statement of financial position of contracts initially recognized in the year

19.1 Reinsurance contracts

	Parent Company and Consolidated					
	2024			2023		
	Profitable contracts issued	Onerous contracts issued	Total	Profitable contracts issued	Onerous contracts issued	Total
Reinsurance acquisition cash flows	171,054	6,949	178,003	157,876	92	157,968
Estimates of present value of cash outflows (inflows)	(1,766,661)	53,475	(1,713,186)	(1,701,851)	63,036	(1,638,815)
Risk adjustment for non-financial risks	169,429	11,186	180,615	21,296	901	22,197
Contractual Service Margin (CSM)	1,426,178	-	1,426,178	1,522,679	-	1,522,679
Losses on initial recognition	-	71,610	71,610	-	64,029	64,029

19.2 Retrocession contracts

	Parent Company and Consolidated	
	2024	2023
	Contracts initiated without loss-recovery component	Contracts initiated without loss-recovery component
Estimates of present value of cash inflows (outflows)	(1,313,501)	(1,055,056)
Risk adjustment for non-financial risks	103,691	2,347
Contractual Service Margin (CSM)	1,209,810	1,052,709
Income on initial recognition	-	-

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20 Related parties

Considering that the Company is a Corporation, with diluted control, the following were defined as related parties: its subsidiaries, Fundação de Previdência dos Servidores do IRB - PREVIRB, and the key management personnel.

The main transactions made by the Company with related parties at arm's length are as follows:

		Parent Company				Consolidated			
		2024		2023		2024		2023	
		Receivable	Payable	Receivable	Payable	Receivable	Payable	Receivable	Payable
Pension plans	(i)	145,952	114,902	169,271	122,620	145,952	114,902	169,271	122,620
Borrowings and financing - Debentures	(ii)	-	48,608	-	46,247	-	48,608	-	46,247
Amounts receivable/payable to the subsidiary	(iii)	178	4,326	39	4,820	-	-	-	-

		Parent Company		Consolidated	
		2024	2023	2024	2023
		Profit or loss	Profit or loss	Profit or loss	Profit or loss
Pension plans	(i)				
Expense		(12,234)	(12,616)	(12,234)	(12,616)
Revenues		25,142	46,240	25,142	46,240
Other comprehensive income		(28,507)	30,535	(28,507)	30,535
		(15,599)	64,159	(15,599)	64,159
Borrowings and financing - Debentures	(ii)	(5,433)	(1,164)	(5,433)	(1,164)
Subsidiary net result	(iii)	(50,044)	(56,966)	-	-
IRB Asset Management		(50,113)	(56,966)	-	-
Andrina SSPE		69	-	-	-

(i) Refer to the amounts receivable and payable with PREVIRB, related to post-employment benefit plans of which the Company is the sponsor.

(ii) Refer to the amounts payable to debenture holders that are related parties of the Company. In December 2024 and 2023, these are represented by PREVIRB.

(iii) The amounts correspond to the apportionment of expenses and amounts payable to the subsidiary for asset management services.

20.1 Compensation of key management personnel

The total compensation of executive officers and other board and committee members of the Company as at December 31, 2024 and 2023 is as follows:

	Parent Company				Consolidated			
	Trade and other payables		Profit or loss		Trade and other payables		Profit or loss	
	2024	2023	2024	2023	2024	2023	2024	2023
Short-term benefits	11,401	9,763	41,320	44,198	13,054	10,940	46,695	44,198
Long-term benefits	1,343	-	-	-	1,598	-	-	-
Post-employment benefit	-	-	1,452	2,543	-	-	1,619	2,543
	12,744	9,763	42,772	46,741	14,652	10,940	48,314	46,741

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21 Court deposits, other lawsuits and tax liabilities

Parent Company and Consolidated			
2024			
	Court deposits	Civil and labor contingencies	Tax liabilities
Tax	48,136	-	110,776
PIS	2,366	-	2,366
COFINS	16,604	-	16,604
IRPJ e CSLL	26,270	-	88,862
ISS	1,667	-	-
FGTS (government severance fund for employees)	1,229	-	2,944
Social security	66,754	-	450
INSS (social security contribution)	66,754	-	450
Labor and civil	70,832	56,134	-
Labor claims	27,005	51,338	-
Civil lawsuits	43,827	4,796	-
	185,722	56,134	111,226

Parent Company and Consolidated			
2023			
	Court deposits	Civil and labor contingencies	Tax liabilities
Tax	44,329	-	18,060
ILL (tax on net income)	18,060	-	18,060
Social contribution	9,144	-	-
income tax	15,569	-	-
ISS	1,556	-	-
Social security	65,212	-	442
INSS (social security contribution)	63,990	-	-
FGTS (government severance fund for employees)	1,222	-	442
Labor and civil	75,456	57,479	-
Labor claims	25,710	53,445	-
Civil lawsuits	49,746	4,034	-
	184,997	57,479	18,502

21.1 Civil, labor, tax and social security lawsuits

The Company is party to the following lawsuits, shown by nature, likelihood of loss, amounts at risk, and provision:

Parent Company and Consolidated				
2024				
	Quantity	Amount at risk	Civil and labor contingencies	Tax liabilities
Tax				
Probable	8	48,185	-	48,185
Possible	7	133,484	-	-
	15	181,669	-	48,185
Social security				
Probable	1	450	-	450
Possible	7	67,267	-	-
	8	67,717	-	450
Labor and civil				
Probable	28	56,134	56,134	-
Possible	128	169,270	-	-
Remote	10	281,256	-	-
	166	506,660	56,134	48,635

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	Parent Company and Consolidated			
	2023			
	Quantity	Amount at risk	Civil and labor contingencies	Tax liabilities
Tax				
Probable	1	18,060	-	18,060
Possible	10	336,005	-	-
	12	354,064	-	18,060
Social security				
Probable	2	442	-	442
Possible	12	71,700	-	-
	14	72,142	-	442
Labor and civil				
Probable	46	57,479	57,479	-
Possible	153	194,562	-	-
Remote	9	271,611	-	-
	208	523,653	57,479	18,502

In addition to the above-mentioned lawsuits, the Company has provisions related to administrative proceedings in the amount of R\$64,163 (R\$ 137 as at December 31, 2023).

Only the lawsuits whose estimates of loss are considered probable can be provisioned, accordingly, the disputes whose losses are considered possible and remote are not provisioned, once there is no expected unfavorable decision for the Company in such claims.

The cases for which loss is considered possible, the accounting standard requires that the amounts of potential loss are disclosed in the notes. For labor contingencies, the expected disbursement arising from settlements is considered.

21.2 Changes in legal obligations and lawsuits

	Parent Company and Consolidated				
	2023	Additions	Inflation adjustments	Reversal / Payment	2024
Tax	18,502	26,509	3,741	(567)	48,185
PIS	2,253	-	113	-	2,366
COFINS	15,807	-	797	-	16,604
IRPJ e CSLL	-	25,030	1,241	-	26,271
FGTS (government severance fund for employees)	442	1,479	1,590	(567)	2,944
Social security	-	286	164	-	450
INSS (social security contribution)	-	286	164	-	450
Labor and civil	57,479	11,132	11,312	(23,789)	56,134
Labor claims (21.4)	53,445	11,107	10,571	(23,785)	51,338
Civil lawsuits	4,034	25	741	(4)	4,796
Closing balance	75,981	37,927	15,217	(24,356)	104,769

	Parent Company and Consolidated				
	2022	Additions	Inflation adjustments	Reversal / Payment	2023
Tax	17,282	-	1,220	-	18,502
FGTS (government severance fund for employees)	409	-	33	-	442
ILL (tax on net income)	16,873	-	1,187	-	18,060
Labor and civil	65,460	12,065	10,766	(30,812)	57,479
Labor claims (note 21.4)	54,783	3,821	10,176	(15,335)	53,445
Civil lawsuits	10,677	8,244	590	(15,477)	4,034
Closing balance	82,742	12,065	11,986	(30,812)	75,981

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21.3 Tax proceedings

21.3.1 INSS

Following the inspections by the National Institute of Social Security (INSS), tax assessment notices were issued and tax foreclosure proceedings were filed in 1989 and 1999, respectively, based on alleged differences in the tax and social security classifications adopted by the Company.

The Company filed administrative appeals to cancel such penalties, being awarded unfavorable outcome, so it applied for a Writ of Mandamus (MS) in 1999, in which the adjusted amount in dispute is R\$66,305 (R\$67,488 as at December 31, 2023) related to the notices assessed by the INSS related to the 2.5% surtax payable by the companies that are equivalent to financial institutions. The INSS-related amounts in dispute are fully deposited in court and the adjusted amount is R\$66,305 (R\$63,990 as at December 31, 2023).

Despite the RE 599.309 (Leading Case) ruling about the constitutionality of the 2.5% surtax on payroll imposed on financial institutions and equivalent companies, we understand that such decision does not apply to the specific case of the Company. The Company defends as main thesis the fact that IRB Re, in the period from January 1993 to September 1998, was not equivalent to private insurance companies, once the Company was an Institute in such period, with own legal personality, which main activity was the regulation and oversight of the Brazilian reinsurance market, thus not being subject to SUSEP's rules.

Therefore, as neither the Federal Supreme Court (STF) nor the lower courts examined such specific thesis of the Company in the records of the Writ of Mandamus 0023782-04.1999.4.02.5101, IRB Re filed the Action to Overrule 0002271-86.2020.4.02.0000 in November 2020.

Finally, it is worth noting that the Company applied for injunction, in the records of such action to overrule such decision, aiming to suspend the conversion of court deposit into income for the federal government in the records of the original Writ of Mandamus. In this sense, the Company, through an external firm handling this case, has made all the efforts to obtain the decision on such injunction as soon as possible.

The Company, together with the external firm handling this case, considers that loss is possible on such action to overrule the decision, aiming at (i) the judgment of such injunction about the court deposit already made, as well as (ii) the analysis of the specific thesis of IRB Re that is not equivalent to private insurance companies during the period from January 1993 to September 1998.

21.3.2 - FINSOCIAL

It refers to a joinder of Declaratory and Annulment Action with application for urgent temporary relief, filed in July 2016 by IRB Re, in view of the administrative decision that denied the refund, claimed by the Company, of the FINSOCIAL tax credits, in the historical amount of R\$ 56,107, based on the authorization provided in article 169 of the National Tax Code (CTN).

With the end of the dispute over the FINSOCIAL tax credits in the administrative level, with unfavorable outcome to the Company, the IRPJ debit, for the second quarter of 2002, object of the Administrative Proceedings 19740.00013/2007-28, which would be settled by offsetting against the credits of such application for tax refund, became due again.

In view of this scenario, to make the credit claimed by IRB Re recognized and then settle the debit to which Administrative Proceedings 19740.00013/2007-28 refers, such action was filed because of the administrative decision that denied the refund claimed by the Company.

On April 10, 2023, a favorable court decision was awarded on such action to the Company.

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On May 14, 2023, the federal government filed an appeal for overturning the awarded decision.

After the reply briefs submitted by IRB Re, a new request for substituting the court deposit with surety bond was made on September 14, 2023, in view of the decision favorable to the Company, awarded in this action.

On September 27, 2023, a decision favorable to IRB Re was awarded, granting the substitution of surety bond policy for such court deposit in the full amount, returning such funds to the Company's cash.

On April 12, 2024, a decision was awarded, whereby the Third Specialized Panel denied the appeal and the required remittance.

At present, the proceedings is in the phase of appeals at higher stages of appeal.

The Company's Legal area and external law firm, which is handling such case, estimate that the chances of unfavorable outcome in the legal dispute over such administrative decision is remote. Because different from the administrative decision, the plenary STF session ruled the extraordinary appeal (RE) 566.621 under the general repercussion regime, to establish the understanding that in the refunds claimed before the Complementary Law 118/2005 came into effect, which is the case of the claim in question, a 10-year period is applicable (five-plus-five thesis).

21.3.3 – Tax Administrative Proceedings – PIS and COFINS Credits (Tax base Increase)

It refers to the Offset Statement (DCOMP) of the original credit of R\$ 437,783 (COFINS) and R\$ 77,876 (PIS), of which R\$86,525 (R\$ 81,998 as at December 31, 2023) is still pending offset, arising from final and unappealable court decision on October 29, 2013 in the records of Ordinary Suit 0010496-12.2006.4.02.5101, which aimed to state the inexistence of legal relationship that would require payment of the Contribution to the Social Integration Program (PIS) and the Contribution to Social Security Financing (COFINS) as established in art. 3, paragraph 1, Law 9,718/98 (Increase in the Tax Base).

In June 2019, it was published a decision requiring due diligence of the documentation of such credit claim. In September 2020, the proceedings was sent to the Biggest Taxpayer Office (DEMAC).

We currently consider that the chances of favorable outcome are possible in relation to the legal basis of such credit, in view of the final and unappealable favorable court decision to the Company.

21.3.4 Annulment Action # 0002281-76.2008.4.02.5101 – PIS/PASEP Tax Credits:

It refers to an Annulment Action of the administrative decision awarded in the records of PAF # 10768.011679/2001-33 on February 22, 2008, regarding the part that denied the application for tax refund of the amounts unduly paid as contribution to PIS, based on the Decree-Laws 2,445/88 and 2,449/88, in the period from October 1991 to December 1995, with the consequent recognition of IRB Re's entitlement to the credit arising from the unduly paid taxes.

On September 4, 2020, the decision was published, in which the Superior Court of Justice's Second Panel unanimously granted the internal appeal to IRB Re, to take cognizance and grant its special appeal, aiming to dismiss the prescription of the 10 years before the filing of administrative proceedings, guaranteeing the refund for the amounts improperly collected as PIS/PASEP over the entire period in dispute.

Such decision became final and unappealable on October 29, 2020, and after the records returned to the original court, a decision was provided certifying the unappealable status and determining that IRB Re made a statement regarding the execution of the decision.

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On October 30, 2020, the records were sent to STF as appeal, being assessed under ARE 1297479. Considering that there was a mistake in sending the records to the STF, it was determined to be returned to the original court. On January 13, 2021, the records were received in the 20th Federal Court of Rio de Janeiro. On April 9, 2021, the execution of the decision was presented by IRB Re, claiming the amount of approximately R\$ 308,000.

On August 13, 2021, the federal government requested the rejection, indicating that in its understanding the portion of such tax credits that is owed to amounted to R\$ 215,788, adjusted until March 2021. In relation to the amount of R\$ 92,894, corresponding to the difference between the amount recognized as uncontested and the amount required by IRB Re, the federal government alleged execution excess, without, however, submitting any calculation that supported such statement.

On November 14, 2021, despite the previous decisions, the federal government attached the calculations, confirming the partial rejection of the execution of the decision submitted by IRB Re only with regard to the amount of unduly paid taxes, expressly recognizing as owed to the Company the amount of R\$ 261,034, also adjusted through March 2021.

On February 24, 2022, a decision was awarded verifying that “there was preclusion with regard to any impediment from refunding the PIS/PASEP collected over the period, because it was not timely evoked”.

On April 1, 2022, the Court Clerk in charge of accounting matters submitted new calculations, this time recognizing as owed to IRB Re the amount of R\$ 266,433, adjusted through March 2021.

On October 6, 2022, the Court Treasury submitted a new opinion, correcting its previous calculations to submit a new uncontested amount of R\$ 278,482, adjusted until March 2021.

On October 13, 2022, the 4th Specialized Panel of the Regional Federal Court 2 (TRF2) unanimously decided to grant the Interlocutory Appeal 5017147-24.2021.4.02.0000, granting to the Company the right to the court-ordered payment of government debt with regard to the uncontested amount of such tax credits.

In December 2022, a decision was awarded recognizing the agreement by the parties and instructing to proceed with the measures for issuing the court-ordered payment, for the Company, in the uncontested amount of approximately R\$ 261,000 (adjusted until March 2021), which was issued on January 17, 2023.

On February 23, 2023, the Company applied for a new court-ordered payment in detriment to the balance outstanding of the uncontested amount, of approximately R\$ 20,000. Of this application, the Federal Government was notified to make a statement about such application, as well as about the Company's statements on the new calculations presented by the Treasury.

Therefore, the Government Treasury made a statement on May 30, 2023 requiring the freezing of the court-ordered payment already issued, the denial of the application for new court-ordered payment regarding the outstanding balance, and, finally, the granting of an extended term for performing administrative diligences to confirm the amounts paid by the Company.

Thus, a decision was awarded rejecting the freezing required by the Federal Government and notifying it to include in the records the documentation that it alleged to be necessary for confirming the payment of Federal Revenue Collection Documents (DARFs). In addition, the audit of the books was also granted, having thus notified the parties to submit the requirements and technical assistant.

On July 7, 2023, a request containing the requirements and nomination of technical assistant was submitted by the Company.

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After the early redemption of the totality of the third debenture issue, in the approximate amount of R\$ 92 million, paid by the Company to debenture holders, on April 15, 2024, culminating in the cancellation of the granting of receivables from court-ordered payments which had been awarded for guaranteeing the payment of such debentures, on May 2, 2024, the Company received a net cash inflow of approximately R\$ 277 million (R\$ 285,998 – IRRF of R\$ 8,580), related to the court-ordered payment related to the uncontested amount of tax credits.

At present, the lawsuit is in the phase of expert examination for determining the amount outstanding refundable to the Company.

In view of the above, the Company's Legal department considers that the chances of favorable outcome for IRB Re are practically certain in relation to the acknowledgement of its entitlement to receive the full amount of PIS tax credits submitted by the Company in the execution phase, which amount to R\$333,951, amount adjusted until December 2024 (R\$ 326,392 as at December 31, 2023), of which R\$ 285,998 has already been received, as already mentioned.

Based on the progress of the above-described action and considering that the Company will claim the receipt of such tax credits through the grant of court-ordered payment of government debt, the amount is duly recognized in the line item trade and other receivables.

21.3.5 Declaratory Action 0031383-94.2018.4.02.5101 - Late Payment Fine:

It refers to a declaratory action aimed to recover the amounts unduly paid as late payment fine on payments of IRPJ, IRRF, CSLL, PIS Contribution and COFINS debits, related to the period from September 1994 to June 2001, which payments were made from July 1997 to May 2002, in view of the characterization of voluntary disclosure, established in article 138 of the National Tax Code (CTN), and, consequently, annulment of the final administrative decision on the records of administrative proceedings 10768.014957/2002-95, which denied such refund to IRB Re.

With regard to the outcome, a decision favorable to the Company was awarded, against which the federal government decided not to file an appeal, as the understanding of the theme has already been settled in Superior Courts. On February 1, 2022, the knowledge was taken with express waiver of the term by the federal government, no appeal having been filed, so that the records were submitted to the competent Court for examination of the remittance only. On March 22, 2023, the remittance was denied, to uphold the decision favorable to IRB Re.

Soon afterwards, the federal government filed counter appeals, on April 4, 2023, only regarding the attorney's fee award ordered to it, which was duly briefed by the Company; however, they were not accepted.

On August 23, 2024, a decision was awarded granting the Company's petition for attesting the partial decision on merits. On September 4, 2024, an interlocutory appeal was filed by the Federal Government. At present the decision on the appeal is pending.

The Company and its external legal advisors consider that it is practically certain the IRB Re's right to recognize the tax credit amounting to R\$ 121,967, R\$ 31,425 of principal and R\$90,542 of inflation adjustment, adjusted until December 2024 (R\$ 118,714 of which R\$ 31,425 of principal and R\$ 87,290 of inflation adjustment, adjusted until December 31, 2023). Based on the progress of the above-described action and considering that the Company will claim the receipt of such tax credits through the grant of court-ordered payment of government debt, the amount is duly recognized in the line item trade and other receivables.

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21.3.6 – Writ of Mandamus 5031965-50.2022.4.03.6100 –PIS/COFINS on Finance Income on Guarantee Assets:

It refers to the Writ of Mandamus (MS) filed by IRB Re against the federal government, on December 8, 2022, for ensuring the Company's unquestionable right to not being obliged to pay the contributions to PIS and COFINS on finance income arising from guarantee assets, and the exchange-rate changes or fluctuations related to insurance, coinsurance, reinsurance and retrocession operations, as well as having acknowledged the right to request refund and/or compensation for the amounts unduly collected in the five-year period prior to the filing of or during such MS, under the terms of Article 74 of Law 9,430/1996.

On April 18, 2023, the Company filed the Interlocutory Appeal 5010269-85.2023.4.03.0000 against the decision that denied the injunction. On May 8, 2023, the federal government submitted its reply briefs. On January 11, 2024, a decision was awarded denying the interlocutory appeal of relief.

On September 15, 2023, the Federal Supreme Court (STF) decision was awarded, with regard to the RE 400479 AgR-ED / RJ (AXA Seguros Brasil S.A. x Federal Government), concluding that PIS/COFINS should not be levied on the finance income arising from guarantee assets of technical reserves, considering that such finance income does not meet the concept of revenue. On October 10, 2023, such decision became final and unappealable.

On May 23, 2024, the decision that denied the writ of mandamus was awarded, the execution of which received a motion to stay, and appeal is pending examination.

In view of such favorable decision awarded by the STF, the Company reinforced its application for tax refund of the amounts unduly paid in the years prior to the filing of the MS.

Considering that the favorable decision awarded by the STF in 2023 did not have general repercussion, the plenary of such Court, in the second half of 2024, recognized the general repercussion of the court dispute if the finance income arising from the investments of the technical reserves of insurance companies (and reinsurers) makes up the tax base of PIS and COFINS.

Besides the possibility of refunding the amount unduly paid by the Company for PIS and COFINS on such finance income arising from guarantee assets, as of the year 2018, the possible favorable decision from the STF, with general repercussion, about such matter, will contribute to the Company's defense in the tax assessment notices, issued by the Federal Revenue Service, about the theme for the fiscal years prior to 2018. Thus far, most of the decisions awarded in such administrative tax proceedings of IRB have been favorable to the thesis defended by the Company and the entire insurance market.

In view of the above, the Company's Legal area, as well as its external legal advisors who handle such MS, consider that loss is considered "possible".

21.3.7 – Administrative Proceedings # 16327-721.226/2024-81 – PIS/COFINS on Exchange Rate Change

It refers to the tax assessment notices issued for collecting the amount related to the supposed non-inclusion, in the tax base of PIS and COFINS, of the exchange rate change gains related to insurance, coinsurance, reinsurance and retrocession operations.

At present, the objection filed by the Company on December 23, 2024 is pending judgment.

The Company, together with an external law firm considers that loss in such claim is possible and tends to remote. Considering the existence of errors in the determination of the tax base of such tax assessment

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notice, breaching the provisions of article 142 of CTN and the COSIT Regulatory Opinion 2/1996, it was not possible to quantify the value at risk in this administrative tax proceedings.

21.3.8 – Administrative Proceedings # 16327-720.955/2023-39 – Profit from Abroad

It refers to the tax assessment notice issued by the supposed non-inclusion, in the tax base of IRPJ and CSLL, of the profit earned in Argentina through the branch set up in such country, for the period from January 2018 to December 2019.

A decision has been recently published, reached in the session held on December 11, 2024, by unanimous vote, which did not examine the documents submitted by the Company and denied the challenge, to dismiss the nullity argument and, with regards to the merits, fully uphold the required deferred tax assets.

The Company, together with the external law firm, considers that the loss in such proceedings remote in relation to the portion of the income tax paid by the Company in Argentina, which was not offset, voluntarily, by the tax authority when issuing the tax assessment notice (total amount of R\$22,228 until December 31, 2024) and considers the loss is probable in relation to the other involved amounts (R\$62,591 until December 31, 2024).

21.3.9 – Other administrative tax proceedings

Among the most relevant administrative tax proceedings of the Company, there are the following: (i) Administrative Proceedings # 16327-721.226/2024-81 (PIS/COFINS on exchange rate change), mentioned in item 22.3.7; (ii) Administrative Tax Proceedings regarding the dispute on PIS and COFINS Credits (Tax Base Increase), mentioned in item 22.3.3; (iii) Administrative Proceedings # 16327-720.955/2023-39 – Profits from Abroad, mentioned in item 22.3.8.

In addition to the above-mentioned administrative tax proceedings, the Company informs that it currently is party to 49 proceedings (55 proceedings in 2023), the total in dispute amounting to approximately R\$801,537 (R\$872,626 in 2023). These include tax assessment notices challenging the thesis of the levy of PIS and COFINS on the finance income of guarantee assets.

The Company informs that the classification of the likelihood of loss of such administrative tax proceedings is possible, no proceedings being classified into probable loss.

21.4 Labor Claims / Civil Lawsuits

The Company is party to labor claims filed by current, retired and former employees, for, among other equally relevant claims, uniform salary and career plans, with the consequent payment of salary differences, as well as salary equation, private pension, overtime with consequence in other labor amounts, and for recognizing the annulment of dismissal and consequent readmission of the employee to the Company. There are also labor claims filed by service providers, aimed to recognize the subsidiary liability of IRB Re for the payment of labor amounts or recognition of employment relationship with the Company, as it was the client of the service.

It is also worth noting that the Company is party to five arbitration procedures and seven civil lawsuits mostly filed by minority shareholders, aiming to hold the Company accountable and consequently be awarded damages for alleged losses arising from the devaluation of the Company's shares, after the events occurred in the first quarter of 2020.

In relation to the Arbitration Procedure CAM 258/23, the Company signed the arbitration instrument on January 14, 2025, whose claimant is Caixa de Previdência dos Funcionários do Banco do Brasil – PREVI

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and the defendants are IRB Re, Fernando Passos and José Carlos Cardoso, this being the formal document that indicates the beginning of the arbitration procedure, establishing the rules and procedures that will guide such arbitration.

It is worth noting that the amounts involved in arbitration procedures cannot be settled in the current stages.

The Company's legal area as well as its external legal advisors consider that the adjusted amount of such labor and civil claims whose losses are considered probable is R\$56,134 (R\$ 57,479 as at December 31, 2023). Labor claims and civil lawsuits whose losses are considered possible totaled R\$169,270 (R\$ 194,562 as at December 31, 2023), of which R\$14,147 (R\$ 35,692 as at December 31, 2023) for civil lawsuits and R\$155,123 (R\$ 158,870 as at December 31, 2023) for labor claims.

21.4.1 Public Civil Action SINTRES

It refers to two public civil actions, filed in 2014 and 2018 by the National Reinsurance Workers' Union (SINTRES) and the National Federation of Insurance Professionals (FENESPIC), against the Company, on the argument that unilateral changes were allegedly introduced to the Company's Health Insurance Plan, which were prejudicial to the IRB Re's employees and retirees. The first action claims the reinstatement of the previous Health Insurance Plan, in the self-management modality, maintaining all the previously established benefits, besides individual and collective pain and suffering. In the second action, the plaintiffs claim the reinstatement of the previous costing type, reimbursement for amounts paid at levels above those set before the changes which had been made in June 2016, besides individual and collective pain and suffering.

At present, the decision on the interlocutory appeal on the appeal to review filed by the Company in Actions 0010694-57.2014.5.01.0075 and 0100808-56.2018.5.01.0025 are pending.

The Company's legal area and the external legal advisors, estimate that the amount at risk in the first action is R\$36,501, while in the second is R\$ 576, and classify the likelihood of loss in both actions as possible.

21.4.2 Public Civil Action - IBRACI

In view of the news broadcasted in the media on October 13, 2022, informing about the existence of a Public Civil Action (ACP) filed by Instituto Brasileiro de Cidadania (IBRACI), in progress in the Sixth Commercial Court of the Judicial District of the capital city of Rio de Janeiro, the Company released a Notice to the Market on October 17, 2022, at the request of the Brazilian Securities and Exchange Commission (CVM) and B3, clarifying that until such date it had not received any summons regarding such ACP, having been informed about it only by press.

Although it had not been served or summoned regarding such ACP, on January 31, 2023, the Company voluntarily opted for entering the records of the ACP, by filing its defense. The subject of such ACP are the irregularities regarding the information to the market about the Company's shareholding and the presentation of incorrect financial statements, making the allegation that they would had misled shareholders and investors.

The Company is being represented by an expert external firm, commissioned to protect its interests, which considered that loss in such action is possible, as the thesis defended by IBRACI is similar to that disputed in other legal claims and arbitration procedures involving the Company, already informed in its Reference Form.

The process is in the initial phase. Currently, a decision is awaited regarding the preliminary matters presented by IRB Re.

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21.4.3 Public Civil Action - IPGE

It refers to a Public Civil Action in 2023 filed by the Instituto de Proteção e Gestão do Empreendedorismo (IPGE) against: IRB Re and Others. The Action was filed under # 0811417-06.2023.8.19.0001 and assigned to the First Business Court of the Capital City of the State of Rio de Janeiro. The subject matter of this action consists of the supposed fraud and illicit practices performed against investors. The Instituto filed several claims, including the suit for pain and suffering, material damage, and grant, upon entry of judgment, of interlocutory relief to freeze the assets and rights of Defendants in the amount of the claims included in the complaint.

At present the action is waiting for the notification of all defendants to establish the term for submission of the respective defenses.

The Company's Legal area, as well as its external legal advisors, consider that loss is "possible".

21.5 Criminal Action

On August 17, 2020 the Company informed to the market that it had filed criminal complaints at the Federal Attorney's Office of the state of Rio de Janeiro, one of which related to the irregularities found in the Company's financial information, disclosed on February 18, 2020, due to the accounting misstatements and manipulations, among other irregularities found by the internal and forensic investigations, resulting in a restatement of the 2019 financials, as disclosed in the Material Fact notice of June 29, 2020.

In addition to such criminal complaint related to accounting manipulations, there are another two in progress, which were filed based on all documentation found in the internal investigations, conducted by the Company with the support of independent consulting firms, related to (i) the Company's shareholder's interests, as well as (ii) the irregularities in the payment of bonus to former Statutory Officers and Employees of the Company and of its Real Estate Subsidiary, besides the irregularities in the share repurchase program of IRB Re approved on February 19, 2020 by its Board of Directors.

Based on the three criminal complaints mentioned above, the Federal Police initiated three administrative investigations specific to examine the facts, which are being closely monitored by the Company's Legal area and the external expert law firm specialized in the criminal area.

In October 2023, based on one of such Administrative Investigations of the Federal Policy, the charge by the Federal Public Attorney's Office became public against Mr. Fernando Passos and Mr. Carlos Augusto Velloso, former CFO and former Claim Officer of IRB Re at that time, for the commission of market manipulation crime, claiming that they would have disclosed false information on the increase in the shares held by Berkshire Hathaway in IRB Re, aiming to appreciate the Company's share price. In May 2024, IRB Re was accepted in the records as assistant to prosecution.

21.6 Administrative Investigations at the Brazilian Securities and Exchange Commission (CVM)

We report the current status of the two Administrative Investigations at the CVM, which have the following aims:

- (i) CVM Administrative Investigation 19957.003611/2020-91: Administrative investigation conducted to find any irregularities related to transactions on the B3 involving the common shares issued by IRB Re, in the period from January 1 to March 31, 2020. The investigation is a result of Administrative Proceedings 19957.002942/2020-11, filed to evaluate transactions on B3 involving the common shares issued by IRB Re, because of: (i) the drop noted in the quoted prices of the

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shares issued by the Company after the disclosure by Squadra Investimentos – Gestão de Recursos Ltda. ("Squadra"); (ii) the supposed conflict of interest, even publicly admitted by Squadra, as it had short positions in the shares issued by the Company; (iii) the subsequent events that reinforced the drop in the quoted prices of the shares issued by the Company, culminating in the resignation of the CEO and Deputy CEO, Chief Financial and Investor Relations Officer of the Company on March 4, 2020. On November 25, 2021, CVM completed such Investigation and filed the Administrative Sanctions Procedure 19957.993611/2020-91, in which the following former Statutory Officers of IRB Re were accused: (i) the former CEO (former CEO) for neglecting his diligence duty by disclosing false information to the market, without taking the necessary measures to check the truthfulness of the information, as well as (ii) the former Deputy CEO, Chief Financial and Investor Relations Officer (former CFO), for the practice of price manipulation on the stock exchange market. (i) On December 19, 2024, the Board unanimously decided (i) to order the former CFO to pay a fine amounting to R\$20,000 for having manipulated the price in the stock exchange; and (ii) to consider the former CEO not guilty;

- (ii) CVM Administrative Investigation 9957.003612/2020-35: Administrative investigation conducted to find any irregularities related to the disclosure of information by the Company and its management members. Such investigation is a result of the CVM Proceedings 19957.011072/2019-20, 19957.001517/2020-05 and 19957.000767/2020-10 filed to investigate the suspicions raised by the company Squadra Investimentos - Gestão de Recursos Ltda. ("Squadra") about the compliance of the Company's financial statements with the accounting standards and rules in effect. On June 2, 2023, the conclusion pointed to the liability of the former Statutory Board members (former CEO and former CFO) of IRB Re in view of the breaches of the Brazilian Corporate Law and the CVM regulatory instructions, specifically regarding the following themes: (a) select dissemination of information to investors and journalists before its wide market disclosure; (b) irregularities in the share repurchase program of the Company approved on February 19, 2020; and (c) payment and receipt of irregular bonus. In November 2023, the defendants submitted their defenses. Particularly in relation to the frauds in the Company's financial statements for the fiscal year 2019, the Administrative Sanctions Procedure 19957.003588/2023-87 in August 2024, was filed, arising from the CVM Administrative Investigation 19957.003612/2020-35, to find any irregularities in the accounting records and financial statements of IRB Re for the fiscal year 2019, resulting in the filing of information against: (i) the former Statutory Board members of the Company at that time for breaching the articles 153, 154 and 176 of the Brazilian Corporate Law, by deliberately preparing accounting and financial information that did not fairly present the actual economic and financial conditions of the Company; and (ii) former effective members of the Board of Directors, for breaching articles 153 coupled with 142, item III, of the Brazilian Corporate Law, as they neglected their duty of diligence in the performance of their legal and statutory obligations to the Company. In December 2024, the defendants submitted their defenses.

22 Equity

22.1 Capital

As at December 31, 2024 and 2023, the subscribed and paid-up the Company share capital is broken down as follows:

	Parent Company and Consolidated	
	2024	2023
Number of shares	81,842,886	81,838,243
Capital	5,453,080	5,453,080
Cost with issuance of shares	(73,891)	(73,891)
Total	5,379,189	5,379,189

(A free translation of the original in Portuguese)

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As at December 31, 2024 and 2023, IRB Re's shareholding was as follows:

Parent Company and Consolidated		
2024		
Shareholder	Common shares	% shares in capital outstanding
Bradesco Seguros S.A.	13,039,902	15.9%
Itaú Seguros S.A.	9,514,040	11.6%
Bonsucex	4,150,785	5.1%
Other (i)	55,138,159	67.4%
	81,842,886	100.0%

Parent Company and Consolidated		
2023		
Shareholder	Common shares	% shares in capital outstanding
Bradesco Seguros S.A.	13,038,513	15.9%
Itaú Seguros S.A.	9,514,040	11.6%
BlackRock Inc	4,125,710	5.1%
Other (i)	55,164,623	67.4%
	81,842,886	100.0%

(i) Shareholder's interests under 5%.

22.2 Treasury shares

As at December 31, 2024 and 2023, the Company has 420,125 treasury shares, representing a total of R\$ 283,760.

On January 13, 2025, the Company's Board of Directors resolved to cancel the totality of 420,125 common shares held in treasury, without capital reduction, the shares having been mainly acquired in February 2020, in the scope of the last share repurchase program.

22.3 Equity valuation adjustment

The changes are as follows:

	Parent Company and Consolidated	
	2024	2023
Opening balance of the year	(479,007)	(538,263)
Recognition of expected credit losses according to CPC 48/IFRS 9 for financial assets measured at FVOCI	-	24,286
Decrease in fair value of financial assets - FVOCI (initial application)	-	(4,095)
Cumulative translation adjustments (i)	(49,496)	(60,868)
Changes in the fair value of financial assets - FVOCI	(121,218)	193,971
Amount reclassified from equity to profit or loss for the year of financial assets - FVOCI	(14,257)	(43,549)
Expected credit losses for financial instruments measured at FVOCI	(6,828)	(1,982)
Remeasurement of post-employment benefit obligations	(5,095)	18,595
Income tax and social contribution	58,956	(67,102)
Closing balance of the year	(616,945)	(479,007)

(i) The exchange differences on net assets of the Company's operations abroad, translating their functional currencies into the presentation currency, are recognized in equity and accumulated in the cumulative translation adjustments.

22.4 Earnings (loss) per share - basic and diluted

The following tables show the reconciliation between the earnings (loss) for the year and the amounts used for calculating basic and diluted earnings (loss) per share.

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Basic and diluted earnings (loss) per share is computed by dividing the net income (loss) for the year by the weighted average shares outstanding in the year. The basic earnings (loss) per share calculation were as follows:

	Parent Company and Consolidated	
	2024	2023
Numerator		
Net income (loss) for the year	805,740	(123,853)
Denominator (number of shares in units)		
Weighted average number of common shares outstanding	81,838,243	81,838,243
Earnings per share - basic and diluted (in reais)	9.85	(1.51)

22.5 Allocation of profit

	Parent Company and Consolidated	
	2024	2023
Net income (loss) for the year	805,740	(123,853)
Net income (loss) for the year (amount according to other accounting practice)	(433,074)	238,082
Net income for the year (not considering CPC 50/IFRS17)	372,666	114,229
Retained losses	(359,027)	(235,174)
Retained losses (amount according to other accounting practice)	(30,370)	(242,926)
Adjusted retained losses (not considering CPC 50/IFRS17)	(389,397)	(478,100)
Initial application of CPC 48 / IFRS 9, net of tax	-	(25,526)
Reversal of unclaimed interest on capital and dividends	862	-
Retained losses	(388,535)	(503,626)
Incurred losses	372,666	114,229
Retained losses (closing balance)	(15,869)	(389,397)

The Company adopts the regulation of the Superintendence of Private Insurance (SUSEP), which impose regulatory liquidity and solvency limits (Note 25). Thus, the measurement basis for reserve and profit allocation, including mandatory minimum dividend and proposed extraordinary dividends, follows the accounting rules of SUSEP, that is, does not consider the effects of CPC 50 / IFRS 17, which is not yet approved by this regulatory authority.

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23 Breakdown of profit or loss accounts

23.1 Reinsurance service result

Revenue and expenses with reinsurance and retrocession

	Parent Company and Consolidated					
	2024			2023		
	Brazil	Abroad	Total	Brazil	Abroad	Total
Amounts relating to changes in liabilities for remaining coverage						
Expected incurred claims and other directly attributable expenses	2,124,859	497,218	2,622,077	1,978,890	607,121	2,586,011
Change in risk adjustment for non-financial risk for risk expired	142,016	29,715	171,731	24,611	7,841	32,452
CSM recognized in profit or loss for services provided	2,400,789	475,088	2,875,877	2,352,207	614,967	2,967,174
Past service adjustments (i)	110,000	-	110,000	-	-	-
Other	(1,980)	(1,525)	(3,505)	(54)	(57)	(111)
Recovery of reinsurance acquisition cash flows	206,693	75,101	281,794	146,768	62,416	209,184
Total reinsurance revenue	4,982,377	1,075,597	6,057,974	4,502,422	1,292,288	5,794,710
Incurred claims and other directly attributable expenses	(1,717,470)	(595,181)	(2,312,651)	(1,266,910)	(896,897)	(2,163,807)
Changes that relate to past services - adjustments to liabilities for incurred claims	(967,635)	(442,344)	(1,409,979)	(1,175,673)	(783,953)	(1,959,626)
Changes in the past service risk adjustment	(120,457)	(51,006)	(171,463)	(2,863)	(2,762)	(5,625)
Losses and reversals of losses on onerous insurance contracts	65,205	19,986	85,191	(43,519)	10,340	(33,179)
Reinsurance acquisition cash flows	(206,693)	(75,101)	(281,794)	(146,768)	(62,416)	(209,184)
Total reinsurance service expenses	(2,947,050)	(1,143,646)	(4,090,696)	(2,635,733)	(1,735,688)	(4,371,421)
Amounts relating to changes in assets for remaining coverage						
Expected incurred claims and other directly attributable expenses	(540,388)	(18,639)	(559,027)	(815,758)	(105,321)	(921,079)
Change in risk adjustment for non-financial risk for risk expired	(114,102)	(9,554)	(123,656)	(1,275)	(127)	(1,402)
CSM recognized in profit or loss for services received	(1,405,420)	(107,251)	(1,512,671)	(1,438,796)	(318,788)	(1,757,584)
Recovery of incurred claims	1,034,424	(23,149)	1,011,275	701,551	235,000	936,551
Other	(5,464)	(1,004)	(6,468)	(1,281)	(4,182)	(5,463)
Total net retrocession contract expenses	(1,030,950)	(159,597)	(1,190,547)	(1,555,559)	(193,418)	(1,748,977)
Reinsurance service result	1,004,377	(227,646)	776,731	311,130	(636,818)	(325,688)

(i) The amount to be received in relation to the switching agreement of a specific Life group contract.

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23.1.1 Breakdown by contract

	Parent Company and Consolidated					
	Groups of contracts at the transition date					
	2024			2023		
	Brazil	Abroad	Total	Brazil	Abroad	Total
Amounts relating to changes in liabilities for remaining coverage						
Expected incurred claims and other directly attributable expenses	281,128	(121,514)	159,614	124,960	(108,974)	15,986
Change in risk adjustment for non-financial risk for risk expired	17,132	1,011	18,143	1,951	1,621	3,572
CSM recognized in profit or loss for services provided	568,080	126,358	694,438	509,543	307,813	817,356
Past service adjustments	110,000	-	110,000	-	-	-
Other	(1,980)	(1,525)	(3,505)	(54)	(57)	(111)
Recovery of reinsurance acquisition cash flows	137,880	17,886	155,766	105,881	28,895	134,776
Total reinsurance revenue	1,112,240	22,216	1,134,456	742,281	229,298	971,579
Incurred claims and other directly attributable expenses	(1,709)	(678)	(2,387)	(16,062)	(10,381)	(26,443)
Changes that relate to past services - Adjustments to liabilities for incurred claims	(563,579)	(125,889)	(689,468)	(640,887)	(465,584)	(1,106,471)
Changes in the risk adjustment	(61,837)	(24,327)	(86,164)	156	67	223
Losses and reversals of losses on onerous insurance contracts	64,450	20,017	84,467	(9,478)	9,390	(88)
Reinsurance acquisition cash flows	(137,880)	(17,886)	(155,766)	(105,881)	(28,895)	(134,776)
Total reinsurance service expenses	(700,555)	(148,763)	(849,318)	(772,152)	(495,403)	(1,267,555)
Amounts relating to changes in assets for remaining coverage						
Expected incurred claims and other directly attributable expenses	(1,314)	237	(1,077)	(103,041)	1,981	(101,060)
Change in risk adjustment for non-financial risk for risk expired	(15,882)	(3,964)	(19,846)	(450)	-	(450)
CSM recognized in profit or loss for services received	(24,782)	5,445	(19,337)	(51,155)	(145,668)	(196,823)
Recovery of incurred claims	59,046	(53,963)	5,083	8,287	113,974	122,261
Other	(8,914)	(1,633)	(10,547)	(1,585)	(4,299)	(5,884)
Total net retrocession contract expenses	8,154	(53,878)	(45,724)	(147,944)	(34,012)	(181,956)
Reinsurance service result	419,839	(180,425)	239,414	(177,815)	(300,117)	(477,932)

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23.1.1 Breakdown by contract

	Parent Company and Consolidated					
				Other groups of contracts		
	2024			2023		
	Brazil	Abroad	Total	Brazil	Abroad	Total
Amounts relating to changes in liabilities for remaining coverage						
Expected incurred claims and other directly attributable expenses	1,843,731	618,732	2,462,463	1,853,930	716,095	2,570,025
Change in risk adjustment for non-financial risk for risk expired	124,884	28,704	153,588	22,660	6,220	28,880
CSM recognized in profit or loss for services provided	1,832,709	348,730	2,181,439	1,842,664	307,154	2,149,818
Recovery of reinsurance acquisition cash flows	68,813	57,215	126,028	40,887	33,521	74,408
Total reinsurance revenue	3,870,137	1,053,381	4,923,518	3,760,141	1,062,990	4,823,131
Incurred claims and other directly attributable expenses (i)	(1,715,761)	(594,503)	(2,310,264)	(1,250,848)	(886,516)	(2,137,364)
Changes that relate to past services - Adjustments to liabilities for incurred claims	(404,056)	(316,455)	(720,511)	(534,786)	(318,369)	(853,155)
Changes in the risk adjustment	(58,620)	(26,679)	(85,299)	(3,019)	(2,829)	(5,848)
Losses and reversals of losses on onerous insurance contracts	755	(31)	724	(34,041)	950	(33,091)
Reinsurance acquisition cash flows	(68,813)	(57,215)	(126,028)	(40,887)	(33,521)	(74,408)
Total reinsurance service expenses	(2,246,495)	(994,883)	(3,241,378)	(1,863,581)	(1,240,285)	(3,103,866)
Amounts relating to changes in assets for remaining coverage						
Expected incurred claims and other directly attributable expenses	(539,074)	(18,876)	(557,950)	(712,717)	(107,302)	(820,019)
Change in risk adjustment for non-financial risk for risk expired	(98,220)	(5,590)	(103,810)	(825)	(127)	(952)
CSM recognized in profit or loss for services received	(1,380,638)	(112,696)	(1,493,334)	(1,387,641)	(173,120)	(1,560,761)
Recovery of incurred claims (i)	975,378	30,814	1,006,192	693,264	121,026	814,290
Other	3,450	629	4,079	304	117	421
Total net retrocession contract expenses	(1,039,104)	(105,719)	(1,144,823)	(1,407,615)	(159,406)	(1,567,021)
Reinsurance service result	584,538	(47,221)	537,317	488,945	(336,701)	152,244

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23.2 Finance income and expenses

	Parent Company		Consolidated	
	2024	2023	2024	2023
Net finance expenses from reinsurance contracts issued				
Effect of changes in discount rates	(58,097)	(651,088)	(58,097)	(651,088)
Net exchange rate change	(1,221,392)	365,625	(1,221,392)	365,625
Total finance result net of reinsurance contracts (recognized in profit or loss)	(1,279,489)	(285,463)	(1,279,489)	(285,463)
Net financial result of retrocession contracts				
Effect of changes in discount rates	(71,706)	185,316	(71,706)	185,316
Net exchange rate change	438,793	(135,030)	438,793	(135,030)
Total net finance income from retrocession contracts (recognized in profit or loss)	367,087	50,286	367,087	50,286
Net financial result of operations	(912,402)	(235,177)	(912,402)	(235,177)
Financial assets measured at amortized cost				
Interest revenue calculated using the effective interest method	50,086	63,556	51,603	67,609
Expected credit losses for financial instruments measured at amortized cost	2,295	(12,287)	2,295	(12,287)
Financial assets measured at fair value through profit or loss				
Net change in fair value of financial assets	(40,098)	43,305	(24,654)	43,280
Exchange rate changes	44,451	(41,513)	30,571	(41,513)
Financial assets measured at fair value through other comprehensive income				
Interest revenue calculated using the effective interest method	537,028	475,123	527,454	531,966
Net gains on derecognition of financial assets	(14,257)	(44,373)	(14,259)	(44,373)
Expected credit losses for financial instruments measured at FVOCI	6,828	1,982	6,828	1,982
Exchange rate changes	776,917	(184,053)	836,214	(184,053)
Total investment recognized in profit or loss for the year	1,363,250	301,740	1,416,052	362,611
Other financial results recognized in profit or loss for the year	(98,350)	(9,123)	(97,467)	(6,295)
Financial result	352,498	57,440	406,183	121,139
Financial assets measured at fair value through other comprehensive income				
Net change in fair value of financial assets	(135,475)	150,422	(135,475)	150,422
Expected credit losses for financial instruments measured at FVOCI	(6,828)	(1,982)	(6,828)	(1,982)
Total investment recognized in comprehensive income for the year	(142,303)	148,440	(142,303)	148,440

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23.3 Share of profit of equity-accounted investees

	Parent Company		Consolidated	
	2024	2023	2024	2023
Direct operating income (expenses) from investment properties	-	-	37,640	695
Adjustment of investments in subsidiaries (share of profit) - IRB Asset Management	34,981	41,825	-	-
Adjustment of investments in subsidiaries (share of profit) - IRB Chile, IRB Uso, IRB Renda and IRB Santos Dumont	33,421	30	-	-
Adjustment of investments in subsidiaries (share of profit) - Andrina SSPE	(1,092)	-	-	-
Reversal (recognition) of provision for Tax Incentives	(4)	24	(4)	-
Other share of profit	(469)	(53)	(469)	(81)
	66,837	41,826	37,167	614

23.4 Income tax and social contribution

(a) Reconciliation of income tax and social contribution

	Parent Company			
	2024		2023	
	Income tax	Social contribution	Income tax	Social contribution
Profit before provision for income tax/social contribution	463,724	463,724	132,073	132,073
Effects (CPC 48 / IFRS 9)	-	-	(25,152)	(25,152)
Effects (CPC 50 / IFRS 17)	724,463	724,463	(371,650)	(371,650)
Adjusted net income (loss) before provision for income tax/social contribution	1,188,187	1,188,187	(264,729)	(264,729)
Current nominal rates	25.0%	15.0%	25.0%	15.0%
Income tax and social contribution at nominal rate	(297,047)	(178,228)	66,182	39,709
Permanent additions and exclusions	63,680	29,148	21,547	13,437
Tax incentives	2,168	(138)	1,166	(123)
Ownership interests / branches	27,946	16,768	22,034	13,220
Other adjustments	(4,623)	(2,786)	(240)	(158)
Management expenses (i)	(1,879)	-	(2,239)	-
Adjustment Recovery PIS (court-ordered payment)	1,890	1,134	2,040	1,224
Adjustment Recovery IRPJ and CSLL (court-ordered payment) (ii)	3,764	2,258	4,849	2,910
Lease - IFRS 16	-	-	288	174
Out-of-court settlements	-	-	(6,351)	(3,810)
IRPJ and CSLL for previous years	(25,870)	(24,258)	-	-
Reversal of deferred tax liabilities	60,284	36,170	-	-
Income tax and social contribution in the statements of profit or loss	(233,367)	(149,080)	87,729	53,146
Current	(78,083)	(56,248)	(21,624)	(12,870)
Deferred	(155,284)	(92,832)	109,353	66,016
Actual rate	19.64%	12.55%	-66.42%	-40.24%

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	Consolidated			
	2024		2023	
	Income tax	Social contribution	Income tax	Social contribution
Profit before provision for income tax/social contribution	472,082	472,082	139,124	139,124
CPC 48 / IFRS 9 Adjustment	-	-	(25,152)	(25,152)
CPC 50 / IFRS 17 Adjustment	724,464	724,464	(371,650)	(371,650)
Adjusted net income (loss) before provision for income tax/social contribution	1,196,546	1,196,546	(257,678)	(257,678)
Current nominal rates	25.0%	15.0%	25.0%	15.0%
Income tax and social contribution at nominal rate	(316,005)	(185,053)	53,889	35,283
Permanent additions and exclusions	76,642	33,609	28,670	15,982
Tax incentives	2,168	(138)	1,165	(123)
Ownership interests / branches	27,946	16,768	22,034	13,220
Other adjustments	8,339	1,675	6,883	2,387
Management expenses (ii)	(1,879)	-	-	-
Adjustments recovery PIS (Special judicial order) (i)	-	-	(2,239)	-
Non-levy of IRPJ/CSLL on adjustment by Selic of unduly paid taxes (i)	-	-	2,040	1,224
Adjustment Recovery PIS (court-ordered payment)	1,890	1,134	-	-
Adjustment Recovery IRPJ and CSLL (court-ordered payment) (iii)	3,764	2,258	-	-
Lease - IFRS 16	-	-	4,849	2,910
Debtore devaluation (abroad)	-	-	289	174
Out-of-court settlements	-	-	(6,351)	(3,810)
IRPJ and CSLL previous years	(25,870)	(24,258)	-	-
Reversal of deferred tax liabilities	60,284	36,170	-	-
Income tax and social contribution in the statements of profit or loss	(239,362)	(151,444)	82,559	51,265
Current	(84,079)	(58,613)	(26,795)	(14,750)
Deferred	(155,283)	(92,831)	109,354	66,015
Actual rate	20.00%	12.66%	-59.30%	-36.80%

(i) On September 24, 2021, the Federal Supreme Court (STF), judging an extraordinary appeal with general repercussion, ruled for the unconstitutionality of the levy of Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) on the adjustment by Selic, levied on unduly paid taxes.

In this context, on October 13, 2021, a court decision was awarded on the Writ of Mandamus whereby the Company disputes such matter, in the sense of suspending the payment of the tax credit arising from the inclusion of the late payment interest (Selic) received in the survey of the credits arising from unduly paid taxes, by refund or offset, in the determination of the IRPJ and CSLL tax base.

Accordingly, supported by such court decisions, the Company recognized in the interim financial information as at December 31, 2024 an income from IRPJ and CSLL related to unduly paid taxes in the amount of R\$9,045 (R\$ 11,023 as at December 31, 2023), according to ICPC 22 – Uncertainty over Income Tax Treatments (equivalent to IFRIC 23), such amount being recorded in current taxes as tax credits and deferred tax assets, in non-current assets.

(ii) Amounts related to expenses for bonus and incentives to the executive board and retention bonus. According to the Revenue Service of Brazil's Regulatory Instruction 1700 of March 14, 2017, these amounts are not deductible from the tax base of Corporate Income Tax.

(iii) Reversal of the deferred tax liabilities of IRPJ and CSLL arising conversion into income of the court deposits made in the records of the writ of mandamus filed to question the increase in the CSLL rate introduced by Law 11,727/2008 which final and unappealable decision was awarded in 2020.

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23.5 Income tax and social contribution

(b) Changes in deferred IRPJ and CSLL accounts

	Parent Company and Consolidated					
	2023	Additions	Write-offs	2024	Profit or loss	Comprehensive income
Deferred tax assets						
Labor provisions	159,403	-	(10,838)	148,565	(10,838)	-
Allowance for doubtful accounts	22,467	-	(4,959)	17,508	(4,959)	-
Provision for tax and social security contingencies	7,401	18,282	-	25,683	18,282	-
Adjustment to market value - FVOCI	104,199	56,918	-	161,117	-	56,918
Provision for labor contingencies	21,384	-	(842)	20,542	(842)	-
Provision for profit sharing	14,958	-	(1,247)	13,711	(1,247)	-
Adjustment to market value - investment	8,493	-	-	8,493	-	-
Tax loss and social contribution loss carryforwards	2,218,519	-	(53,088)	2,165,431	(53,088)	-
Lease - IFRS 16	783	-	(61)	722	(61)	-
Provision for civil contingency	1,667	879	-	2,546	879	-
IRPJ / CSLL - IFRS 9	2,364	-	(3,649)	(1,285)	(3,649)	-
Tax Incentives Provision	-	-	(112)	(112)	(113)	-
Total deferred tax assets	2,561,638	76,079	(74,796)	2,562,921	(55,636)	56,918
Deferred tax liabilities						
Adjustment of court deposits	(108,484)	-	86,404	(22,080)	86,404	-
Actuarial gains or losses - post-employment benefits	-	-	-	-	(2,038)	2,038
Deferred PIS and COFINS	(115,616)	(7,942)	-	(123,558)	(7,942)	-
PIS (court-ordered payments)	(26,026)	-	21,108	(4,918)	21,108	-
IRPJ / CSLL - IFRS 9	-	-	-	-	-	-
IRPJ / CSLL - IFRS 17	(26,273)	(291,389)	-	(317,662)	(291,389)	-
Ajustment to realization amount	(2,379)	-	1,377	(1,002)	1,377	-
Total deferred tax liabilities	(278,778)	(299,331)	108,889	(469,220)	(192,480)	2,038
Total parent company and consolidated, net	2,282,860	(223,252)	34,093	2,093,701	(248,116)	58,956

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(b) Changes in deferred IRPJ and CSLL accounts

	Parent Company and Consolidated					
	2022	Additions	Write-offs	2023	Profit or loss	Comprehensive income
Deferred tax assets						
Labor provisions	162,576	-	(3,173)	159,403	(3,173)	-
Allowance for doubtful accounts	18,853	3,614	-	22,467	3,614	-
Provision for tax and social security contingencies	6,913	488	-	7,401	488	-
Adjustment to market value - available-for-sale securities	156,163	-	(51,964)	104,199	-	(51,964)
Provision for labor contingencies	21,918	-	(534)	21,384	(534)	-
Provision for profit sharing	-	14,958	-	14,958	14,958	-
Adjustment to market value - investment	8,493	-	-	8,493	-	-
Tax loss and social contribution loss carryforwards	2,233,899	-	(15,380)	2,218,519	(15,380)	-
Lease - IFRS 16	-	783	-	783	785	-
Provision for civil contingency	4,322	-	(2,655)	1,667	(2,655)	-
Total deferred tax assets	2,613,137	19,843	(73,706)	2,559,274	(1,897)	(51,964)
Deferred tax liabilities						
Adjustment of court deposits	(104,988)	(3,496)	-	(108,484)	(3,496)	-
Actuarial gains or losses - post-employment benefits	-	-	-	-	7,438	(7,438)
Deferred PIS and COFINS	(132,600)	-	16,984	(115,616)	16,984	-
PIS (special judicial order)	(26,026)	-	-	(26,026)	-	-
IRPJ / CSLL - IFRS 9	-	(287)	2,651	2,364	10,060	(7,409)
IRPJ / CSLL - IFRS 17	(174,933)	-	148,660	(26,273)	148,660	-
Adjustment to realization amount	-	(2,379)	-	(2,379)	(2,379)	-
Total deferred tax liabilities	(438,547)	(6,162)	168,295	(276,414)	177,267	(14,847)
Total parent company and consolidated, net	2,174,590	13,681	94,589	2,282,860	175,370	(66,811)

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24. Retirement and pension plans and other employee benefits

The Company sponsors Fundação de Previdência dos Servidores do Instituto de Resseguros do Brasil (PREVIRB), which assures its participants and dependants private pension benefits.

It offers defined benefit Plan A (employer) and variable contribution Plan B (personal) plans, using the “fully funded regime” in the actuarial valuations, for retirement benefits.

In addition, the Company offers the benefits described in Note 25.2 to eligible employees, as follows:

- a. Payment of full cost of private pension and death benefits – Pré-68.
- b. Health contribution plan for current and retired employees.
- c. Funeral benefit.
- d. Life insurance.

Plans A and B are administered by PREVIRB, whereas the others, mentioned in the previous paragraph, are administered by the Company.

(A free translation of the original in Portuguese)

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The main adopted actuarial assumptions are the following:

Demographic assumptions	Post-employment benefit plan administered by PREVIRB		Post-employment benefit plan administered by IRB	
	2024	2023	2024	2023
Actual discount rate (*)				
Plan A	7.65%	5.25%	-	-
Plan B	7.46%	5.25%	-	-
Pré-68 plan	-	-	7.74%	5.25%
Life insurance	-	-	7.74%	5.25%
Health insurance plan	-	-	7.44%	5.25%
Funeral benefit	-	-	7.31%	5.25%
Nominal rate of expected return on assets				
Plan A	12.36%	10.41%	-	-
Plan B	12.16%	10.41%	-	-
Pré-68 plan	-	-	12.45%	10.41%
Life insurance	-	-	12.45%	10.41%
Health insurance plan	-	-	12.14%	10.41%
Funeral benefit	-	-	12.00%	10.41%
Projection of real growth in salary	Plan A: Not adopted Plan B: 2%	Plan A: Not adopted Plan B: 3%	(**) Health Plan: 0% Other Plans: Not applicable	(**) Health Plan: 0% Other Plans: Not applicable
Projection of real growth in the highest salary of the INSS beneficiary	Zero	Zero	Not applicable	Not applicable
Projection of real growth in plan benefits	Zero	Zero	Not applicable	Not applicable
Assumptions on future generations of new entrants	Not adopted	Not adopted	Not applicable	Not applicable
Turnover assumption	Plan A: Not applicable Plan B: 7%	Plan A: Not applicable Plan B: 7%	Health Plan: 7% Other Plans: Not applicable	Health Plan: 7% Other Plans: Not applicable
Determining factors of real value over time, INSS and plan benefits	Not adopted	Not adopted	Not applicable	Not applicable
Demographic assumptions				
Mortality table	PLAN A: AT-2000 reduced by 10% / PLAN B: AT-2000 M&F (reduced by 10%) (D10) MI 85	PLAN A: AT-2000 reduced by 10% / PLAN B: AT-2000 M&F (reduced by 10%) (D10) MI 85	AT-2000 reduced by 10%	AT-2000 reduced by 10%
Mortality table of people with disability			MI 85	MI 85
Disability entry table	PLAN A: N/A - PLAN B:ÁLVARO VINDAS	PLAN A: N/A - PLAN B:ÁLVARO VINDAS	PLAN PRÉ-68: N/A - OLTER PLANS:ÁLVARO VINDAS	PLAN PRÉ-68: N/A - OLTER PLANS:ÁLVARO VINDAS

(i) The discount rate was determined pursuant to CVM Instruction 695, using the rate for Brazilian Federal Government bonds (NTN-B) as a base, indexed over expected post-employment benefits obligation.

(ii) Use as data for calculating the plan liability of the contribution based on a percentage of the participants salary, however, the mass that contains this characteristic is solely composed of retired participants.

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24.1 Variable contribution plans

The Company sponsors the B Pension Plan, a variable contribution plan, which planned benefits combine the characteristics of the defined contribution type over the contribution period and of the defined benefit type over the benefit grant period.

The plan assets recorded are separated from the Company's in funds controlled by trustees.

The Single Life Annuity benefit is structured according to the Variable Contribution Plan.

The benefit of Retirement due to Disability, Death Benefit, Funeral Benefit, Sickness Allowance, and Survivor Benefit are structured according to the Defined Benefit Plan and coverage by Insurance, and their changes are shown in the following charts.

The amount of contributions paid by the Company in the year, at the rates specified by this plan rules, was R\$1,085 (R\$ 1,095 as at December 31, 2023).

The change in the present value of the actuarial liabilities of the benefits of the Plan B risks in the year was as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of actuarial liabilities at the beginning of the year	121,837	93,922
Cost of current services	105	100
Interest rate cost	12,261	10,245
Actuarial loss	(11,292)	30,001
Paid benefits	(13,690)	(12,431)
Present value of actuarial liabilities	109,221	121,837

The change in the fair value of the Plan B's assets in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Initial fair value of the plan's assets	145,427	124,798
Return on investments	15,135	12,988
Employer contributions	1,085	1,095
Contributions of the plan's participants	2,370	2,320
Paid benefits	(13,690)	(12,431)
Return on assets	22,136	16,657
Closing fair value of the plan's assets	172,463	145,427

The amount recognized in the statement of financial position arising from the company's obligations related to this defined benefit plan was as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of sponsored defined benefit liability	(109,221)	(121,837)
Fair value of the plan's assets	172,463	145,427
Financial condition	63,242	23,590
Asset ceiling effect	(63,242)	(23,590)
Net asset from defined benefit liability	-	-

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24.2 Defined benefit plans

The Company grants retirement plans (Benefit Plan A and Pré-68 Plan) to employees entitled to additional benefits based on monthly salary, determined on retirement date; and other post-employment benefits to eligible employees (health contribution plan to active and retired employees, Funeral Benefit and Life Insurance).

Plan A

The Company did not pay contributions over the years of 2024 and 2023.

This plan had a technical surplus of R\$1,008,754 (R\$826,573 as at December 31, 2023) which, according to the accounting practices adopted in Brazil and the IFRS, was not recognized in the sponsor.

The Company has recognized in its financial statements, as an asset, the amount of R\$145,953 (R\$169,271 as at December 31, 2023) related to special reserve, an economic benefit available to the entity that shall be recognized in order to reduce or offset future contributions by the sponsor.

The change in the present value of the Plan A's actuarial liabilities in the years is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of actuarial liabilities at the beginning of the year	1,517,678	1,277,994
Interest rate cost	150,422	136,967
Actuarial (gain) / loss	(277,993)	240,986
Paid benefits	(142,965)	(138,269)
Present value of actuarial liabilities	1,247,142	1,517,678

The change in the fair value of the Plan A's assets in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Initial fair value of the plan's assets	2,344,251	2,147,498
Return on investments	243,972	270,170
Company contributions / Use of surplus	(33,575)	-
Paid benefits	(142,965)	(138,269)
Return on assets	(155,787)	64,852
Closing fair value of the plan's assets	2,255,896	2,344,251

The amount recognized in the statement of financial position arising from the company's obligations related to this defined benefit plan is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of sponsored defined benefit liability	(1,247,142)	(1,517,678)
Fair value of the plan's assets	2,255,896	2,344,251
Financial condition	1,008,754	826,573
Asset ceiling effect	(862,802)	(657,302)
Net asset from defined benefit liability	145,952	169,271

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The Funds that Guarantee the Plan A's Reserves of PREVIRB are as follows:

	Parent Company and Consolidated	
	2024	2023
Cash	183	148
Receivables from investments		
Government securities	668,091	602,410
Corporate bonds and deposits	68,573	99,126
Shares	88,102	108,233
Investment funds	1,611,569	1,591,797
Real estate investments	89,555	84,760
Transactions with participants	7,417	7,502
Amounts payable/receivable	1,724	2,042
Court/Appeal deposits	20,853	20,901
Funds receivable - court-ordered payment	-	43,303
	2,556,067	2,560,222
Payables for investments		
Transactions with participants	(133)	(112)
Other payables	(343)	(22)
	(476)	(134)
Investment contingent liabilities	-	(25,066)
Guarantee funds	2,555,591	2,535,022

Pré-68 Plan

The Pré-68 plan is targeted at IRB Re's employees and their beneficiaries, according to the situations described below:

- For purposes of Retirement Complement or Supplement, those employed until December 31, 1968;
- For purposes of Improving the Retirement Complement, those employed until December 31, 1968 and who have been vested in retirement until February 28, 1975;
- For purposes of Improving the Survivor Benefit, those beneficiaries of employees who passed before February 28, 1975;
- For purposes of Death Benefit, those beneficiaries of employees employed until December 31, 1968.

It is worth noting that these benefits are provided in the laws applicable to the Company prior to Law 6435, of July 15, 1977, which introduced the private pension regime, and, therefore, the Plan A Pension Rules considers this specific group of aged participants, whose benefits are fully covered by the Company.

In this sense, the Pré-68 Plan results could be included in the Plan A's profit or loss, however, they are reported in this Note separately to facilitate the understanding of the amounts incurred by the Company.

The Company has a technical reserve to cover liabilities under the above-mentioned benefits, which were applicable to 132 members as at December 31, 2024 (148 as at December 31, 2023), consisting of 125 retirees with an average age of 88.01 years (87.77 years as at December 31, 2023) and 7 pensioners with an average age of 89 years (87.99 years as at December 31, 2023).

The benefits paid by the Company to these participants/beneficiaries during the year, under the plan rules, amounted to R\$19,456 (R\$ 19,628 as at December 31, 2023).

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In this actuarial valuation, the reserve amount recognized was R\$94,063 (R\$116,329 as at December 31, 2023), according to the accounting practices adopted by the Company.

The debt agreement signed between IRB Brasil RE and PREVIRB in December 2015, for transferring the administrative responsibility for the payment of pension benefits under the Pré-68 Plan, was adjusted, reaching R\$114,902 (R\$122,620 as at December 31, 2023).

The amount recognized in the statement of financial position arising from the company's obligations related to this plan is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of defined benefit liability	(94,063)	(116,329)
Financial condition	(94,063)	(116,329)
Restriction of contracted deficit	(20,839)	(6,291)
Net amount of defined benefit liability	(114,902)	(122,620)

The change in the present value of the defined benefit plan's actuarial liabilities in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of actuarial liabilities at the beginning of the year	116,329	110,942
Interest rate cost	11,149	11,521
Actuarial (gain) / loss	(13,959)	13,494
Paid benefits	(19,456)	(19,628)
Present value of actuarial liabilities	94,063	116,329

The change in the fair value of the plan's assets in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Employer contributions	19,456	19,628
Paid benefits	(19,456)	(19,628)
Closing fair value of the plan's assets	-	-

Health and dental care

The change in the present value of the Health Insurance Plan's liabilities in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of actuarial liabilities at the beginning of the year	273,771	270,512
Cost of current services	459	432
Interest rate cost	26,813	28,514
Actuarial gain	(9,546)	7,208
Paid benefits	(36,626)	(32,895)
Present value of actuarial liabilities	254,871	273,771

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The change in the fair value of the Health Insurance Plan's assets in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Employer contributions	32,729	29,197
Contributions of the plan's participants	3,897	3,698
Paid benefits	(36,626)	(32,895)
Closing fair value of the plan's assets	-	-

The amount recognized in the statement of financial position arising from the company's liabilities related to this plan is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of sponsored defined benefit liability	(254,871)	(273,771)
Net liabilities from defined benefit liability	(254,871)	(273,771)

Funeral benefit

The change in the present value of the Funeral benefit's liabilities in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of actuarial liabilities at the beginning of the year	1,744	1,311
Interest rate cost	175	142
Actuarial gain	(592)	305
Paid benefits	(11)	(14)
Present value of actuarial liabilities	1,316	1,744

The change in the fair value of the Funeral Benefit's assets in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Employer contributions	11	14
Paid benefits	(11)	(14)
Closing fair value of the plan's assets	-	-

The amount recognized in the statement of financial position arising from the company's liabilities related to this plan (funeral benefit) is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of sponsored defined benefit liability	(1,316)	(1,744)
Net liabilities from defined benefit liability	(1,316)	(1,744)

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Group life insurance

The change in the present value of the Life insurance's liabilities in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of actuarial liabilities at the beginning of the year	197	168
Interest rate cost	18	18
Actuarial gain	(241)	(172)
Paid benefits	175	183
Present value of actuarial liabilities	149	197

The change in the fair value of the Life insurance's assets in the year is as follows:

	Parent Company and Consolidated	
	2024	2023
Employer contributions	(175)	(183)
Paid benefits	175	183
Closing fair value of the plan's assets	-	-

The amount recognized in the statement of financial position arising from the company's liabilities related to this plan is as follows:

	Parent Company and Consolidated	
	2024	2023
Present value of sponsored defined benefit liability	(149)	(197)
Net liabilities from defined benefit liability	(149)	(197)

24.3 Total obligations of IRB Re

The reserve for post-employment benefit of IRB Re in current and non-current is as follows:

	Parent Company and Consolidated	
	2024	2023
Current		
Private retirement and pension plans (i)	19,705	19,125
Health and dental insurance plan (ii)	16,509	15,733
Health and dental insurance plan - reserve for incurred but not reported events (ii)	175	175
Group life insurance (iii)	23	26
Funeral benefit (iv)	107	117
	36,519	35,176
Non-current		
Private retirement and pension plans (i)	95,197	103,495
Health and dental insurance plan (ii)	238,362	258,038
Group life insurance (iii)	126	171
Funeral benefit (iv)	1,209	1,627
	334,894	363,331
	371,413	398,507

(i) Post-employment benefit – retirement: The Company sponsors private pension and death benefits for employees hired until December 31, 1968, private retirement benefits for employees who retired up to February 28, 1975, and private pensions for the beneficiaries of employees deceased through February 28, 1975.

(ii) Post-employment benefit - health and dental care: Self-managed plans with medical care (outpatient), surgical (inpatient), obstetrics and dental coverage, in addition to reimbursements and pharmaceutical benefits for active and retired employees and pensioners and their dependents of the following categories: for employees hired on or before

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May 31, 2004. Dependents are spouses, children (24 years old or younger) and parents who earn less than one minimum salary. For employees hired on or after September 1, 2004, only spouses and children (24 years old or younger) are considered dependents. For employees hired on or after October 14, 1996, IRB Re covers 50.0% of the cost of the plan, i.e. of the amounts of tables I and II (items 5.1.4 and 5.1.5 of section 1 of the Regulations of the PCAM (Medical Care Contribution Plan), while the employees and beneficiaries cover the other 50.0%. For employees hired on or before October 13, 1996, the contribution of the employee and dependents ranges from 0.3% to 2.0% of the items that make up the benchmark salary base. Contributions are monthly deducted from salary, depending on the employment date, salary base (%), and age group (tables).

(iii) Post-employment benefit - life insurance: For employees hired until 1998, IRB Re covers 100.0% of the premium, whereas for employees hired after such year, it covers 50.0% of the premium. The employee's participation is optional. Employees who retire based on their length of employment may remain in the plan but must pay the full premium upon retirement. IRB Re fully covers the premium cost of employees who retire due to disability.

(iv) Post-employment benefit - funeral benefit: This benefit is provided only to employees hired until October 31, 1996. The benefit is limited to R\$ 1,384.38 for standard funeral, R\$ 1,630.36 for cremation, and R\$ 2,739.07 for funeral with cremation.

24.4 Consolidation of effects – Post-employment benefit

The consolidated amounts of employee benefits, as well as the adopted accounting procedures, are as follows.

The amounts recognized in profit or loss for the year and equity - other comprehensive income were as follows:

Total amounts recognized in profit or loss for the year:

	Parent Company and Consolidated					
	Defined benefit		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
Cost of service	-	-	(459)	(432)	(459)	(432)
Interest rate cost	(11,149)	(11,521)	(27,006)	(28,674)	(38,155)	(40,195)
Paid contributions	-	-	(1,085)	(1,095)	(1,085)	(1,095)
Asset ceiling	25,142	46,240	-	-	25,142	46,240
Total recognized amounts	13,993	34,719	(28,550)	(30,201)	(14,557)	4,518

Total amounts recognized in the statement of comprehensive income:

	Parent Company and Consolidated					
	Defined benefit		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
Actuarial (gains) / losses	136,165	(189,628)	10,380	(7,341)	146,545	(196,969)
Asset ceiling effect	(137,092)	198,526	-	-	(137,092)	198,526
Other changes	(14,548)	17,038	-	-	(14,548)	17,038
Total recognized amounts	(15,475)	25,936	10,380	(7,341)	(5,095)	18,595

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24.5 Sensitivity Analysis

The Management's analysis related to critical financial and actuarial assumption related to post-employment and other employee benefit plans are as follows:

Sensitivity to discount rate

		Scenario I -1.25%	Scenario II -0.25%	Scenario III +0,25%	Scenario IV +1,25%
PLAN A	Actual rate	5.65%	6.65%	8.65%	9.65%
	Nominal rate (i)	10.27%	11.31%	13.40%	14.44%
	Defined benefit liability	1,432,753	1,334,069	1,170,166	1,101,660
	Impact on main scenario	185,610	86,927	(76,977)	(145,483)
PLAN B	Actual rate	5.46%	6.46%	8.46%	9.46%
	Nominal rate (i)	10.07%	11.11%	13.20%	14.24%
	Defined benefit liability	135,384	120,870	100,253	91,643
	Impact on main scenario	26,162	11,647	(8,970)	(17,579)
PRE 68	Actual rate	5.74%	6.74%	8.74%	9.74%
	Nominal rate (i)	10.36%	11.40%	13.49%	14.53%
	Defined benefit liability	102,938	98,305	90,165	86,577
	Impact on main scenario	8,876	4,243	(3,897)	(7,485)
Health Insurance	Actual rate	5.44%	6.44%	8.44%	9.44%
	Nominal rate (i)	10.05%	11.09%	13.18%	14.22%
	Defined benefit liability	316,706	282,844	230,957	210,846
	Impact on main scenario	61,835	27,973	(23,914)	(44,025)
Funeral Benefit	Actual rate	5.31%	6.31%	8.31%	9.31%
	Nominal rate (i)	9.92%	10.96%	13.05%	14.09%
	Defined benefit liability	1,594	1,444	1,208	1,114
	Impact on main scenario	278	127	(109)	(202)
Life Insurance	Actual rate	5.74%	6.74%	8.74%	9.74%
	Nominal rate (i)	10.36%	11.40%	13.49%	14.53%
	Defined benefit liability	167	157	141	134
	Impact on main scenario	18	8	(8)	(15)

(i) Considers inflation.

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Sensitivity to mortality table

		Scenario I	Scenario II
PLAN A	Nominal rate (i)	12.36%	12.36%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	1,216,722	1,293,424
	Impact on main scenario	(30,421)	46,281
PLAN B	Nominal rate (i)	12.16%	12.16%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	107,455	110,854
	Impact on main scenario	(1,768)	1,632
PRE 68	Nominal rate (i)	12.45%	12.45%
	Table	AT-49	BR-EMS 2015
	Defined benefit liability	90,629	98,498
	Impact on main scenario	(3,433)	4,436
Health Insurance	Nominal rate (ii)	12.14%	12.14%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	243,547	273,711
	Impact on main scenario	(11,324)	18,840
Funeral Benefit	Nominal rate (i)	12.00%	12.00%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	1,366	1,231
	Impact on main scenario	50	(85)
Life Insurance	Nominal rate (i)	12.45%	12.45%
	Table	AT-2000	BR-EMS 2015
	Defined benefit liability	144	156
	Impact on main scenario	(4)	7

(i) Considers inflation.

(ii) Considers the composition of inflation and medical inflation.

25 Regulatory ratios

25.1 Coverage of Minimum Capital Requirement

The Company is required by SUSEP, for purposes of monitoring regulatory solvency, to maintain its Adjusted Equity (PLA) in excess of the Minimum Capital Requirement (CMR), both calculated on regulatory basis. The non-compliance with this requirement would lead to intervention under SUSEP's supervision and remediation actions designed to restore the minimum regulatory sufficiency level.

The CNSP Resolution 432/2021 and further amendments establish the methodology for calculating risk capital based on underwriting, credit, operational and market risks, calculating adjusted equity, as well as the regulatory sufficiency assessment criteria.

For the effects of the above-mentioned resolution, the following concepts apply:

I Minimum Capital Requirement (CMR): the amount of capital a local reinsurer is required to have, at any time, to operate, being equivalent to the higher of core capital and risk-based capital.

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II Core capital: fixed amount of capital, in the amount of R\$ 60,000, that a local reinsurer must have at any time.

III Risk-based capital: the variable amount of capital that a local reinsurer is required to have, at any time, to be able to guarantee the risks inherent in its operations, as provided in specific regulation.

IV Adjusted Equity (PLA): book value of equity or net assets in the books, as the case may be, adjusted by addition, deduction and limits, to determine, from the regulatory perspective, the funds available to the overseen companies to run their operations in view of fluctuations and adverse situations, being net of assets with subjectivity level of appreciation or that already guarantee similar financial activities, and of other assets which nature is considered inappropriate, from the regulatory authority's perspective, to save its capacity of incurring losses. For CMR coverage quality adjustments, three Adjusted Equity's tiers are considered:

The following table shows the sufficiency of adjusted equity, based on the criteria established by SUSEP, as at December 31, 2024 and 2023:

	Parent Company and Consolidated	
	2024	2023
Risk-based capital - underwriting risk (i)	511,362	675,312
Risk-based capital - credit risk	613,831	576,484
Risk-based capital - operational risk	59,111	53,606
Risk-based capital - market risk	110,910	85,848
Risk diversification benefit	(222,758)	(224,635)
Total risk-based capital	1,072,456	1,166,615
Core capital	60,000	60,000
Minimum capital requirement (ii)	1,072,456	1,166,615
Adjusted equity (iii)	1,966,681	1,700,548
Sufficiency of adjusted equity	894,225	533,933

(i) The fall in underwriting risk-based capital was mainly due to the reduction in the volume of retained claims in the moving average over the past 12 months, according to the methodology established in CNSP Resolution 432/2021.

(ii) The higher between total risk-based capital and core capital.

(iii) Equity used for purposes of CMR coverage sufficiency.

The following table shows the calculation of adjusted equity, based on the criteria established by SUSEP, as at December 31, 2024 and 2023:

	Parent Company and Consolidated	
	2024	2023
Equity	4,449,274	4,216,205
Deductions		
Prepaid expenses	(5,448)	(5,673)
Investments accounted for using the equity method	(72,140)	(43,248)
Deferred tax assets – tax loss and negative bases	(2,165,427)	(2,218,515)
Intangible assets	(130,599)	(118,965)
Tax credits (iv)	(393,132)	(202,301)
Other deductions	(50)	(50)
Deferred acquisition costs not directly related to PPNG	-	(137,906)
Economic adjustments	338,516	272,716
Adjustments of tier 3 PLA surplus (v)	(54,313)	(61,715)
Adjusted equity	1,966,681	1,700,548

(iv) Amount related to deferred tax assets for temporary differences deducted in the calculation of adjusted equity, corresponding to the amount of deferred tax assets (Note 8.1) that is in excess of 15.0% of minimum capital requirement (CMR).

(v) Amount related to the coverage adjustment of the CMR established according to the CNSP Resolution 432 and shown below.

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The PLA tier calculation results are demonstrated in the following table:

	Parent Company and Consolidated	
	2024	2023
Equity	4,449,274	4,216,205
Deductions		
Prepaid expenses	(5,448)	(5,673)
Investments accounted for using the equity method	(72,140)	(43,248)
Deferred tax assets – tax loss and negative bases	(2,165,427)	(2,218,515)
Intangible assets	(130,599)	(118,965)
Total tax credits	(554,000)	(377,293)
Other deductions	(50)	(50)
Fair value adjustments of financial assets at amortized cost (vi)	(8,313)	-
Deferred acquisition costs not directly related to PPNG (vii)	-	(137,906)
Real estate and real estate funds	(54,313)	(61,715)
PLA Tier 1	1,458,984	1,252,840
Surplus of unregistered premium flows - determined on LAT (vi)	224	2,140
Surplus between provisions and recorded realistic flows (vi)	346,605	270,576
PLA Tier 2	346,829	272,716
Deferred tax assets for temporary differences limited to 15% of CMR	160,868	174,992
Real estate and real estate funds	54,313	61,715
PLA Tier 3	215,181	236,707
CMR coverage quality adjustments		
a) Tier 1 PLA - minimum of 50% of CMR	-	-
b) Tier 3 PLA - maximum of 15% of CMR	(54,313)	(61,715)
c) Sum of tiers 2 and 3 PLA - maximum 50% of CMR	-	-
Adjusted equity	1,966,681	1,700,548

(vi) The sum of the indicated line items corresponds to the economic adjustment shown in the previous chart, R\$329,352 as at December 31, 2024 (R\$ 272,716 as at December 31, 2023).

(vii) The change noted in the line item deferred acquisition costs not directly related to the PPNG refers to the agreement for switching a specific contract of the Life group carried out in the second quarter of 2024. This agreement terminated any further liability of the Company related to such contract, and gave rise to a receivable in the amount of R\$110,000, which will be received by the Company in 60 equal installments adjusted by the CDI.

The PLA shall be calculated by the sum of the PLA Tier 1, PLA Tier 2 and PLA Tier 3, observing the limits imposed by the CMR coverage quality adjustments.

As shown above, the Company had sufficiency of PLA in relation to the CMR, complying with the regulatory provisions.

Management closely watches the Company's capital structure, aiming to identify and correct any imbalance or vulnerabilities that may arise. This preventive approach allows that measures are taken in advance to mitigate risks and assure the stability of this important regulatory indicator.

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25.2 Guarantee of technical reserves

The Company is required by the National Monetary Council (CMN), through the CMN Resolution 4,993 and further amendments, to hold guarantee assets that according to the legislation would be eligible and sufficient to cover the totality of the technical reserves recognized as at the reporting date, deducted for the asset adjustment account, both calculated according to the regulation.

Although the following chart fulfills the criteria established by regulatory body SUSEP, the Company considers that its disclosure is fundamental and is aimed to inform the sufficiency of the guarantee of technical reserves as at December 31, 2024:

	Parent Company and Consolidated	
	2024	2023
Technical reserves - reinsurance	14,417,377	13,074,490
(-) Retrocession assets	4,865,613	4,124,631
(-) Receivables	1,666,123	1,213,024
(-) Assets deposited abroad - downward adjustment (i)	1,273,590	1,107,834
Amount to be guaranteed	6,612,051	6,629,001
Assets available for guarantee:		
Shares in investment funds	5,212,103	4,795,585
Shares in Brazilian companies	7,719	23,102
Corporate bonds	142,553	
Time deposit abroad	393,725	352,080
Certificate of Deposit	432,327	420,142
Sovereign bonds	1,225,719	1,476,484
Total assets	7,414,146	7,067,393
Sufficiency of guarantee	802,095	438,392

(i) SUSEP's regulation allows certain assets deposited abroad by reinsurers to be recognized in Brazil as downward asset adjustments to the need for coverage of technical reserves. For this reason, the amount of R\$ 1,273,590 was used as downward asset adjustment of the technical reserve coverage requirement limiting to the technical reserve amount itself.

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Section F – Accounting policies

26 Material accounting policies

The Company consistently applied the accounting policies described below in the reporting years of the accompanying financial statements, unless stated otherwise.

26.1 CPC 50 / IFRS 17 – Insurance Contracts

CPC 50 / IFRS 17 – Insurance Contracts: The International Accounting Standard Board (IASB) issued this comprehensive standard for all companies that issue insurance and reinsurance contracts and prepare their financial statements according to the International Financial Reporting Standards (IFRS).

i. Insurance Contract

CPC 50 / IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance and reinsurance contracts issued. It also requires that these principles are applied to reinsurance and retrocession contracts.

Insurance contract is defined, by the standard, as a contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. According to CPC 50 / IFRS 17, reinsurance contracts are grouped for measurement purposes. The groups of contracts are initially determined by identifying the portfolios of contracts issued and held. A portfolio comprises contracts subject to similar risks and managed together.

The Company reviewed its reinsurance contracts that could contain one or more components that would be within the scope of another pronouncement if they were separate contracts. For example, the reinsurance contract may include an investment component or service component that is not reinsurance contract (or both) and did not identify any component in its contracts that should be recognized separately. After that, it identified its portfolios of reinsurance and retrocession contracts based on the current internal business management structure, considering relevant aspects such as: contract pricing, reserve management, and product management.

Besides the monitoring at the business division level, the Company also separately monitors their results according to the geography of risk acceptance, classifying them into separate segments in its financial statements. These segments are represented by “Brazil” for the risks accepted in the local market, and “Abroad” for the risks accepted in the international market. This criterion was considered when forming its reinsurance and retrocession portfolios. The only exception is the London branch, which will comprise a separate portfolio.

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Management determined the breakdown of its portfolios for risks accepted and ceded into 19 levels:

Brazil	Abroad
Agriculture	Agriculture
Aviation	Aviation
Casualty	Casualty
Financial risks	Financial risks
Life	Life
Marine	Marine
Motor	Motor
Property	Property
Special risks	Special risks
	London branch

Each portfolio of reinsurance contracts is divided into three levels of expected profitability:

- Group of contracts that are onerous on initial recognition;
- Group of contracts that on initial recognition have no significant possibility of becoming onerous subsequently; and
- Group of remaining contracts.

Each retrocession portfolio is assessed in the same way as the reinsurance portfolio is, except when the references to onerous contracts are replaced by contract on which a net gain on retrocession purchase is expected.

The Company assessed its portfolio and did not identify any contract on which a net gain is expected or that there is no significant possibility of having a net gain on initial recognition. According, the retrocession portfolios are classified as a group of remaining contracts.

A group of reinsurance contracts is recognized in the beginning of the coverage period, that is, period during which the Company provides services in relation to all premiums within the boundary of the contract.

When the contract is recognized, it is added to an existing group of contracts, or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts will be added. Groups of contracts are established on initial recognition, and once all contracts are added to the group, its composition is not reassessed.

Contracts are grouped in annual harvests according to the underwriting year.

ii. Contract boundaries

The measurement of a group of reinsurance and retrocession contracts includes all cash flows within the boundary of each contract in the group.

The substantive obligation of providing coverage may extend the boundary of a contract. In the automatic reinsurance contracts, for example, the policies issued during the effective period of a contract may have their effective period expiring after the coverage of such reinsurance contract.

In this case, the obligation of providing coverage is extended until the expiration of the effective period of the last covered policy, and, therefore, the cash flows will be projected considering such extended coverage period.

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The cash flows of reinsurance are within the boundary of a contract if they arise from the substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums or in which the Company has a substantive obligation to provide the policyholder with services. The substantive obligation to provide services ends when the Company:

- Has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; and
- Has the practical ability to reassess the risks of the portfolio of reinsurance contracts that contains the contract and can set a price or level of benefits that fully reflects the risk of that portfolio; and the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

For retrocession contracts, the cash flows are within the boundary of the contract if they arise from the substantive rights and obligations that exist during the reporting period when the Company is required to pay amounts to the retrocessionaire or have a substantive right to receive services from the retrocessionaire. The substantive right to receive services ends when the retrocessionaire:

- Has the practical ability to reassess the ceded risks and can set a price or level of benefits that fully reflects those risks; and
- Has the substantive right to terminate the coverage.

The Company checked the boundaries of the new standard CPC 50 / IFRS 17 and did not identify any significant change as compared to those already applied from the CPC 11/IFRS 4 perspective.

iii. Measurement model

The measurement of a group of reinsurance and retrocession contracts includes all cash flows within the boundary of each contract in the group.

CPC 50 / IFRS 17 establishes certain approaches for the measurement of groups of reinsurance contract issued and retrocession:

- General Measurement Model (BBA) (default model): applicable to any type of reinsurance contract issued or retrocession.
- Premium Allocation Approach (PPA) (simplified model): optional approach for contracts with coverage of 12 months or less, or which results are significantly different from those had the default model been adopted.

The Company adopts the general model, BBA, for measurement of all of its groups of reinsurance and retrocession contracts.

iv. Measurement of contracts according to the BBA

On initial recognition, the Company measures a group of reinsurance contracts as the total of (a) fulfillment cash flows, which comprise the estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and the risk adjustment for non-financial risk; and (b) the contractual service margin (CSM).

- Estimates of cash flows: projections of cash flows, which shall include the expected value of a range of scenarios that reflects the full range of possible outcomes of inflows and outflows within the

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contract boundaries that directly refer to the contract fulfillment. They also include the acquisition cash flows arising from costs of sales, underwriting and beginning of the group of contracts that are directly attributable to the portfolio of reinsurance contracts to which the group belongs. When estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences updated to reflect the Company's best estimate of current expectations of future events.

The reinsurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the Company belongs. Other costs that are incurred in fulfilling the contracts include:

- Claims handling, maintenance and administration costs.
- Recurring commissions payable on instalment premiums receivable within the contract boundary.
- Income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.
- Costs of claims of assumed contracts.
- Costs of claim-related expenses.

The reinsurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfilment activities and other activities using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. The Company generally allocates reinsurance acquisition cash flows to groups of contracts based on percentages established in contract.

CPC 50 / IFRS 17 requires that the Company allocates, as part of fulfillment cash flows of reinsurance and retrocession contracts, the fixed and variable overheads (such as the costs of accounting, human resources, information technology and support, building depreciation, rent, and maintenance and utilities) that are directly attributable to fulfilling the insurance contracts and that are within the boundaries of the cash flow projection. As a result of this allocation criterion, the total administrative expenses that is not directly attributable to contracts is R\$28,202 in 2024 (R\$ 31,365 in 2023).

- Contractual Service Margin (CSM): unearned profit that the Company will recognize as it provides services in the future under the reinsurance contracts in the group. The Company shall measure the contractual margin of reinsurance on initial recognition of a group of contracts.

On the initial recognition of a profitable group of reinsurance contracts, the CSM is equal to the sum of:

- Fulfilment cash flows, which are estimates of cash flows, adjustment to reflect the time value of money, and risk adjustment for non-financial risk; and
- Any other cash flows arising from the contracts in the group at that date.

If the sum is a net inflow, the CSM is recognized in profit or loss as services are provided in the period, according to the allocations of coverage units. The determination of coverage units is based

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on the calculation of remaining exposure, at each calculation date, estimated considering the level of breakdown of contract type, cession base and contract boundary, weighted by premium volume.

If the sum is a net outflow, then the group is onerous and a loss component is created to represent the net cash outflow in liabilities, and the loss is immediately recognized in profit or loss.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The fulfilment cash flows of group of reinsurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates, and current estimates of the risk adjustment for non-financial risk. Changes in the fulfilment cash flows are recognized as follows.

- Changes relating to future services: adjusted against the CSM (or recognized in the reinsurance service result in profit or loss if the group is onerous).
- Changes relating to current or past services: recognized in the insurance service result in profit or loss.
- Effects of the time value of money, financial risk: recognized as insurance finance income or expenses.

The Company treats the contractual margin and the fulfilment cash flows as monetary items, determining them in their respective foreign currency, and translating them into the functional currency at the transaction and reporting dates. The exchange differences are recognized in profit or loss for the year.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group during the year.
- Interest accreted on the carrying amount of the CSM during the year, measured at the discount rate on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
- Changes in fulfilment cash flows that relate to future services, except to the extent that:
 - any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognized as a loss in profit or loss, and creates a loss component.
 - any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognized in profit or loss.
- The effect of any exchange differences on the CSM.
- The amount recognized as insurance revenue due to services rendered in the year, based on the coverage unit allocated to the year.

The Company determines the amount of services provided in the period based on the weighting of the reinsurance contract premium allocated for the year, which represents an approximation of the exposure to the insured amount. The coverage units are reviewed and updated at each balance sheet date and are not adjusted for the time value of money.

Changes in fulfilment cash flows that relate to future services comprise:

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- Adjustments arising from premiums received in the year, related to future services and related cash flows, measured at the discount rates determined on initial recognition.
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk and changes therein.
- Changes in the risk adjustment for non-financial risk that relate to future services.

In addition, the Company's transition approaches applied on the date of transition to IFRS 17 (January 1, 2022) continue to impact part of the way in which the CSM balance at December 31, 2024 and December 31, 2023 was determined by applying the modified retrospective approach, which calculated a proxy CSM at January 1, 2022 taking into account, mainly, the expected amounts of insurance cash flows at that date and the cash flows paid or received that occurred before that date.

Retrocession contracts

The Company adopts the same accounting policies to calculate a group of retrocession contracts, except that the risk adjustment for non-financial risk shall represent the risk amount to be transferred from the Company to the retrocessionaires, and the CSM shall represent a net cost.

v. Incurred Claims

The Company estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and other expected recoveries by reviewing claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using loss reserving techniques, such as the chain-ladder and Bornhuetter- Ferguson methods. These techniques assume that the Company's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each geographic area and line of business, besides the separation between large claims and other claims.

The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the reinsurance contracts, also adjusted by the measurement of the risk adjustment for non-financial risk.

vi. Presentation and Disclosure

According to CPC 50 / IFRS 17, the portfolios of reinsurance and retrocession contracts, which are assets and liabilities, are presented separately in the statement of financial position. All assets and liabilities arising from a portfolio of contracts are presented on net basis; therefore, the future cash flows related to reinsurance contracts, either receivable and payable, are no longer presented separately. Any assets or liabilities recognized for cash flows arising before the recognition of the related group of contracts are included in the same line of the related portfolios of contracts.

According to CPC 50 / IFRS 17, the Company discloses detailed information on revenues and reconciliations to enable the users of financial statements to identify changes in cash flows and the amounts that are recognized in the statements of profit or loss and comprehensive income.

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The amounts recognized in the statement of profit or loss and other comprehensive income shall be disaggregated into:

- (a) an insurance service result, comprising insurance revenue and insurance service expenses; and
- (b) insurance finance income or expenses.

The amounts of retrocession contracts are presented separately.

Reinsurance revenue

The Company recognizes the reinsurance revenue as services are provided under the groups of reinsurance contracts. The reinsurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Company expects to receive consideration, and comprises the following items.

- A release of the CSM, measured based on coverage units.
- Changes in the risk adjustment for non-financial risk related to current services.
- Claims and other reinsurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than reinsurance acquisition cash flows at the date of initial recognition of a group of contracts, which are recognized as reinsurance revenue and reinsurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services and amounts related to incurred tax expenses.

In addition, the Company allocates a portion of premiums that relate to recovering reinsurance acquisition cash flows to each period in a systematic way. The Company recognizes the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as reinsurance service expenses.

Reinsurance service expenses

Reinsurance service expenses arising from reinsurance contracts are recognized in profit or loss as they are incurred and comprise the following items:

- Incurred claims and other reinsurance service expenses.
- Amortization of reinsurance acquisition cash flows: equivalent to the amount of reinsurance revenue recognized in the year that relates to recovering reinsurance acquisition cash flows.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.

Net expenses from retrocession contracts

The net expenses from retrocession contracts comprise an allocation of reinsurance premiums paid less the amount recovered from retrocessionaires.

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The Company recognizes an allocation of retrocession premiums paid in profit or loss as it receives services under groups of retrocession contracts. The allocation of retrocession premiums paid relating to the services received for each period represents the total of changes in the asset for remaining coverage that relate to services for which the Company expects to pay consideration.

For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognized:

- On recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognized.
- For changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

Reinsurance finance income and expenses

Reinsurance finance income and expenses comprise changes in the carrying amounts of reinsurance and retrocession contracts arising from the effects of the time value of money and financial risk.

26.2 Foreign currency translation

(a) Functional and presentation currency

The items included in the condensed financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The condensed financial statements are presented in Brazilian reais, which is the Company’s functional currency.

(b) Transactions and balances

The foreign exchange gains and losses arising from the settlement of these transactions and the translation using the exchange rate at the end of each reporting period, related to monetary assets and liabilities in foreign currencies, are recognized in the statement of profit or loss as “foreign exchange gains and losses”.

In the case of changes in the fair value of monetary securities, denominated in foreign currency and classified as available for sale, they are separated into translation differences arising from changes in amortized cost of the security and other changes in the carrying amount of the security. The exchange rate changes of monetary securities are recognized in profit or loss. The exchange rate changes of non-monetary securities are recognized in equity. The changes in the fair value of monetary and non-monetary securities, classified as available for sale, are recognized in equity.

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All exchange rate changes recognized in the statements of profit or loss are recognized in the line item Financial Result.

(c) Subsidiaries with different functional currency

The results and financial position of the entity, which has a functional currency different from the presentation currency, are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position.
- (ii) Income and expenses for each statement of profit or loss are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- (iii) All resulting exchange differences are recognized in a separate component in equity, in the line item "cumulative translation adjustments".

26.3 Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits with insignificant risk of change in value, the balance being presented net of escrow accounts in the cash flow statement, if any. Escrow accounts, if any, are recorded in the statement of financial position as "loans", in current liabilities.

26.4 Financial assets

According to CPC 48 / IFRS 9, on initial recognition a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income (FVOCI) - debt instrument; fair value through other comprehensive income - equity instruments; or fair value through profit or loss (FVTPL). The classification of financial assets, according to CPC 48 / IFRS 9, is usually based on the business model for managing the financial assets and its contractual cash flow characteristics. Embedded derivatives in which the host contract is a financial asset within the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is evaluated for classification.

A financial asset is measured at amortized cost if both of the following conditions are met and is not designated as measured at the fair value through profit or loss:

- it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition of an investment in equity instrument that is not held for trading, IRB Re may irrevocably elect to present the subsequent changes in fair value of the investment in other comprehensive income (OCI). This election is made on investment-by-investment basis.

All financial assets not classified into measured at amortized cost or fair value through other comprehensive income, as described above, are measured at fair value through profit or loss. It includes all derivative financial assets. At initial recognition, IRB Re may irrevocably designate a financial asset that would otherwise meet the requirements to be measured at amortized cost or at fair value through other comprehensive income or fair value through profit or loss if it doing so

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significantly eliminates or reduces an accounting mismatch that would otherwise arise (fair value election provided in the CPC 48 / IFRS 9).

A financial asset (unless it is a trade receivable without significant financing component that is initially measured at the transaction price) is initially measured at fair value, plus, for an item not measured at fair value through profit or loss, the transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets measured at fair value through profit or loss

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses, and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Debt instruments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses, and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity instruments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as gain in profit or loss, unless the dividend clearly represents a recovery of a portion of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

26.5 Separation between current and non-current

The Company reviews the amounts recorded in current assets and liabilities at each reporting date of the financial statements, to classify into non-current only those that are expected to be realized within 12 months from the respective reporting date.

The securities at “fair value through profit or loss” are presented in current assets, irrespective of their maturity dates. Deferred tax and social contribution assets and/or liabilities are classified into Non-current Assets or Liabilities.

The assets and liabilities without fixed maturity had their amounts recognized as current, except court deposits and contingent liabilities that have long-term characteristics in view of their dependence on court procedures, the liabilities of technical reserves are according to their characteristics and aims.

26.6 Intangible assets

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(a) Separately-acquired intangible assets

The separately-acquired intangible assets with finite useful lives are stated at cost, less accumulated amortization and impairment losses. The amortization is recognized on straight-line basis over the estimated useful lives of assets, which range between one and five years. The estimated useful life and the amortization method are reviewed at the end of each year, and the effect of any changes in such estimates is prospectively recognized. The separately-acquired intangible assets with indefinite useful lives are stated at cost, less accumulated impairment losses and are not amortized.

(b) Derecognition of intangible assets

An intangible asset is derecognized upon disposal or when there is no future economic benefits resulting from its use or disposal. The gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net proceeds from disposal and the carrying amount, are recognized in profit or loss when the asset is derecognized.

26.7 Property and equipment

Property and equipment for use

Property and equipment for use comprises equipment, furniture, machineries and fixtures, and the vehicles used in the Reinsurer's business operations. The property and equipment for use is usually stated at historical cost.

Historical cost includes expenditure that is directly attributable to the acquisition of the items that can be capitalized and to maintain the asset in conditions of use.

Subsequent expenditures are included in the carrying amount of property and equipment or recognized as a separate asset, as the case may be, only when it is probable the future economic benefits associated with the asset item will flow to the Reinsurer and the asset cost can be reliably measured.

The depreciation of other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

	Depreciation rate (a.a) - %	Years
Furniture and fixtures	10,0	10
IT equipment	20,0	5

The residual values and the useful lives of assets are reviewed and adjusted, if appropriate, at the end of each reporting period. The carrying amount of a property and equipment item is immediately fully or partially derecognized if the recoverable amount of the asset is lower than its carrying amount.

26.8 Impairment of non-financial assets

Non-financial assets (including intangible assets) are tested for impairment whenever events or circumstances indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recognized in the profit or loss for the period by the difference between the carrying amount and its recoverable amount. The recoverable amount is defined by CPC 01 (R1) - "Impairment of Assets" as the higher of an asset's value in use and fair value (less costs of disposal). For purposes of testing non-financial assets for impairment, the assets are grouped in the smallest level for which the Reinsurer is able to identify individual cash inflows from assets, defined as cash-generating units (CGUs).

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26.9 Provisions

(a) Legal provisions, contingent liabilities and contingent assets

Legal provisions for civil, labor, social security and tax claims are regularly reviewed and recognized based on the evaluations of the Company's legal department of the likely outcome of lawsuits at the end of the reporting period.

The provisions for lawsuits arising from operations of civil nature are adjusted in accordance with the methodology for measurement of Legal Claims (PSL) of the Company. The methodology adopted considers the percentage of risk of loss expected by the Company in each lawsuit included in the Judicial PSL, besides the classification of the probability of loss (probable, possible and remote), determined based on an individual evaluation of the characteristics of each legal claim. Such analyses are conducted by the external legal advisors that handle each lawsuit included in the Judicial PSL, and are later on ratified by the Company's Legal Management.

The provisions for labor, social security and tax lawsuits are recognized in the group of "other payables" in non-current liabilities. The civil contingencies related to reinsurance contracts are recognized in the line item "outstanding claims", in current liabilities. The estimated loss amounts of civil and labor contingencies are adjusted according to adjustment criteria and interest, applied to claims in the past, considering their nature and the courts where they have been filed. The estimated loss amounts of tax and social security contingencies are updated and adjusted by the Selic rate. The corresponding court deposits, when required, are recognized in the line item court deposits, in non-current assets, and adjusted by the Selic rate.

Contingent assets are regularly evaluated to ensure that the changes are appropriately reflected in the condensed financial statements. If it is practically certain that an inflow of economic benefits will arise, the asset and corresponding gain are recognized in the condensed financial statements in the year when the change in estimate occurs. If the inflow of economic benefits becomes probable, the Company discloses the contingent asset.

26.10 Income tax and social contribution - current and deferred

The Income Tax and Social Contribution are calculated according to the legislation in effect, at the rate of 15%, plus 10% of IRPJ on taxable profit and 15% of Social Contribution on Net Income on taxable profit.

On April 28, 2022, the Provisional Measure 1,115 was published, increasing the Social Contribution on Net Income (CSLL) rate payable by the financial, insurance and cooperative sectors by one percent, during the period from August 1, 2022 to December 31, 2022, however, the impacts are not relevant on the Company's condensed financial statements.

In addition, the Company is subject to the additional global minimum tax according to the Pillar Two tax legislation, arising from the tax laws released or substantially released by OCDE. This tax reform aims to impose taxes to multinational groups at a minimum rate of 15% on the income from each jurisdiction where they operate, applying a complementary tax system. The Company is evaluating the impacts of its exposure to Pillar Two.

(a) Current Income Tax and Social Contribution

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The provision for income tax and social contribution is based on the taxable profit for the year. The taxable profit differs from the profit shown in the statement of profit or loss of the Company, as it has adjustments to the composition of their tax bases, that is, it excludes taxable income or expenses or deductible in other years, besides permanently excluding non-taxable or non-deductible items.

(b) Deferred Income Tax and Social Contribution

Deferred income tax and social contribution ("deferred tax") are recognized for temporary differences at the end of each year, between the asset and liability balances recognized in the condensed financial statements and the corresponding tax bases used in the calculation of taxable profit, including the tax loss balance, if applicable. Deferred tax liabilities are usually recognized for all taxable temporary differences, and deferred tax assets are recognized for all deductible temporary differences, as the Company has expected future profits in an amount sufficient to use all of these deductible temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, if it is probable that future taxable profit will be available against which the deductible temporary difference can be used.

If in the future the expectation of generation of future taxable profit is not sufficient to be used against the deferred tax assets arising from income tax losses and/or social contribution loss carryforwards, and those for temporary differences according to the accounting and tax criteria, the same shall be derecognized according to the specific standard, as well as the accounting standards applicable to the Company.

The Company carries out a technical study that considers the future generation of profits according to the Management's expectation, considering the company's ability to continue as a going concern and a set of assumptions and estimates. The technical study is revised every reporting date of the financial statements, following the Company's strategic planning, and approved by the competent governance bodies, such as the Statutory Board and Board of Directors.

26.11 Employee benefits

Short-term obligations: The short-term employee benefit obligations are recognized at the estimated amount payable and entered as expense as the respective service is rendered.

Other short-term obligations: Other short-term benefits such as health insurance, dental care, life and accident insurance, parking space, transport allowance, food allowance, and professional training are offered to employees and management members and recognized in profit or loss for the year as incurred.

Profit sharing: The Company has collective bargaining agreements with unions, including the Profit Sharing Agreement (PPLR), in compliance with the requirements established in Law 10,101/00 and Law 12,832/13, as well as other pertinent legal regulations. The respective agreement is aimed at establishing the general rules and conditions related to the implementation of the PPLR so that the participants are recognized by their contribution as soon as they reach a minimum level of corporate, individual and sectoral targets set for the year. All rules and conditions of the program are annually reviewed by the Personnel Executive Management and submitted for approval from the Company's Board of Directors. The determination of the amount to be provisioned considers the profit before income tax, adjusted according to the plan's guidelines, and the accounting record is directly recognized in the profit or loss for the year. The PPLR for the year ended December 31, 2024 was approved by the Board of Directors on December 21, 2023 - 317ª RO do CA.

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Post-employment benefit: Each quarter an actuarial valuation is performed to determine the amounts to be recognized as post-employment benefit obligation. In this valuation, the components required to calculate the amounts to be recognized in profit or loss and other comprehensive income, such as costs, actuarial gains and losses, interest, among others, are also determined. The post-employment benefits of IRB Re include retirement benefits and other benefits, such as life and health insurance, and funeral benefit.

(a) Retirement benefits

For retirement plans classified as defined benefit, the projected unit credit method is used for determining the present value of obligations and their respective current and past service costs, if applicable.

For the variable contribution plan, managed by PREVIRB, the sponsor's liability is determined by the amounts to be contributed over the year, besides the actuarial risk tied to the risk benefits.

The retirement benefit liabilities, when recognized in the statement of financial position, represents the present value of the defined benefit liabilities, adjusted by the actuarial gains and losses, service costs, interest cost, and the benefits paid over the year.

(b) Other post-employment benefits

Health and life insurance plans and funeral benefit may be provided for life or fixed period, as established in the applicable legislation.

The amount of liabilities related to these plans is determined according to an actuarial methodology similar to that applied to the previously described benefit plans.

26.12 Capital

Common and preferred shares are classified in equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

When a company buybacks its own shares (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from the Company's equity until the shares are cancelled or reissued. When such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax and social contribution effects, is included in the Company's equity.

26.13 Dividends

According to IRB Re's by-laws, the calculation of the distribution of mandatory minimum dividend is made based on the profit for the year after deduction for retained losses, provision for income tax and legal reserve. Such amount is recorded as liability in the line item trade payables, as it represents a legal obligation established in the Company's by-laws.

However, if the Company's Management opts for proposing additional dividends after the end of the reporting year to which the financial statements refer, but before the approval from the shareholders' meeting, this portion proposed by Management is recorded in the line item "Proposal for distribution of additional dividends" in equity.

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26.14 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of products and services in the course of ordinary activities. Revenue is stated net of cancellations.

The Reinsurer recognizes revenue when the amount can be measured reliably, it is probable that future economic benefits flow to the entity, and when specific criteria have been met for each of the activities, according to the description below. IRB Brasil Re bases its estimates on past experience, considering the client type, transaction type, and the specifications of each operation.

(a) Reinsurance revenue

The Company recognizes the insurance revenue as services are provided under the groups of reinsurance contracts. The insurance revenue from services for each year represents the total of changes in the liability for remaining coverage that refer to the services for which the Company expects to receive a consideration, and comprise the following items.

- A release of the CSM, measured based on coverage units.
- Changes in the risk adjustment for non-financial risk related to current services.
- Estimated claims and other reinsurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than reinsurance acquisition cash flows at the date of initial recognition of a group of contracts, which are recognized as reinsurance revenue and reinsurance service expenses at that date.
- Other amounts, including experience adjustments for premium receipts for current or past services and amounts related to incurred tax expenses.

In addition, the Company allocates a portion of premiums that relate to recovering reinsurance acquisition cash flows to each period in a systematic way. The Company recognizes the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as reinsurance service expenses.

(b) Dividend and interest income

Dividend income is recognized when the shareholders' right to receive such dividends is established (provided that it is probable that the future economic benefits shall flow to the Reinsurer and the income amount can be measured reliably).

Interest income is recognized when it is probable that the future economic benefits will flow to the Reinsurer and the income amount can be measured reliably. Interest income is recognized on straight-line basis over time and the effective interest rate applied to the principal amount outstanding, considering that the effective interest rate is the one that discounts the future cash inflows estimated over the estimated life of the financial asset in relation to the initial net carrying amount of such asset.

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26.15 Reinsurance finance income and expenses

The reinsurance finance income and expenses comprise the changes in the carrying amounts of reinsurance and retrocession contracts arising from the effects of the time value of money and financial risk.

27 Key accounting estimates and assumptions

The preparation of financial statements requires the use of certain accounting estimates and the exercise of high judgment level by the Management when applying certain accounting policies. However, the uncertainty over such assumptions and estimates could lead to results that require a significant adjustment to the carrying amount of the asset or liability affected in future periods. In the process of applying the accounting practices, Management exercised the following judgments, besides those that involved estimates and assumptions, which main effects were on the amounts recognized in the financial statements.

(a) Estimates and judgments used in the valuation of reinsurance liabilities and retrocession assets

For the recognition of reinsurance liabilities and retrocession assets of the Company, the most critical accounting estimates are applied in terms of preparation of financial statements in accordance with the CPC. There are many sources of uncertainties that have to be considered in the estimate of the liabilities the Company will ultimately settle. The sensitivity analysis related to this critical estimate is shown in Note 2.2.2.2.

Based on the Company's information and experience, the methodologies and assumptions used in the measurement of reinsurance liabilities and retrocession assets, to obtain the best estimates of the assets and liabilities to be recognized, are established. Such estimates are periodically reviewed to ensure that when the Reinsurer's obligations are settled, these amounts differ as little as possible from those initially recognized, from the statistical-actuarial perspective.

(b) Estimates and judgments used in the valuation of the provisions for tax, civil and labor contingencies

The Company is party to labor, tax and civil lawsuits in progress at the reporting date of the condensed financial statements. When determining and recording the accounting estimates, the Company is supported by the opinion of its legal counsel specialized in each area, case progress, and the status of judgment of each specific case, for determining the estimate loss amount and the classification of the risk level into probable, possible and remote. The Reinsurer also uses its best judgments about these cases.

(c) Estimates used in the measurement of the recoverability (impairment) of financial assets

The Company follows the guidance of CPC 48 – "Financial Instruments" to determine the expected credit loss. This determination requires significant judgment. For this judgment, the Company assesses if the credit risk of a financial assets has significantly increased since initial recognition and when estimating the expected credit losses, IRB RE considers reasonable and supportable information that are relevant and available without undue cost or effort. It includes information and quantitative and qualitative analyses, based on the historical experience of IRB RE, in the assessment of credit and considering forward-looking information.

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The Company adopts a methodology widely used in the market. This methodology consists of using the information provided by Bloomberg and the rating agencies (S&P Global Ratings, Fitch Ratings, and Moody's Investors Service) to determine the Expected Credit Loss of Allowance for Doubtful Accounts (PECLD, PDD, PE or ECL), according to the requirements of IFRS 9.

(d) Estimates and judgments used in the determination of retirement benefits

The cost of retirement plans with post-employment defined benefits and the present value of retirement liability are determined using actuarial valuation. The actuarial valuation involves the use of assumptions about the discount rates, expected return rates on assets, future salary increases, mortality and disability rates, and future increases in retirement and pension benefits. Defined benefit liabilities are highly sensitive to changes in such assumptions. All assumptions are periodically revised. When determining the appropriate discount rate, Management considers the risk-free interest rates. The mortality rate is based on mortality tables released in the country. Future increases in salaries and retirement and pension benefits are based on future inflation rates expected for the country. The sensitivity analyses related to this key estimate are disclosed in Note 23.5, as well as further details on the adopted assumptions.

(e) Tax credits

With regard to the recognition of unused tax credits of Income Tax and Social Contribution for temporary differences, tax loss, the deferred tax asset shall be recognized to the extent that it is probable that in the future taxable profit will be available against which such tax loss can be used. The evaluation of this situation requires the use of significant judgment by the Company's Management to determine future estimates regarding the ability to generate future taxable profits, based on the projections of future results prepared and supported by internal assumptions and future economic scenarios that may be subject to changes.

The Company prepares a technical study that evaluates the future profit generation. This technical study is periodically revised, following the Company's strategic planning, and approved by the competent governance bodies, such as the Statutory Board and Board of Directors.

28 New accounting standards and interpretations not yet in effect

Certain new accounting standards shall come into effect for the years beginning after January 1, 2024. The Company has not yet adopted the following accounting standards in the preparation of the accompanying financial statements.

(a) IFRS 18 Presentation and Disclosure in Financial Statements

The IFRS 18 will replace CPC 26/IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027. The new accounting standard introduces the following new main requirements.

Entities are required to classify all income and expense into the following five categories in the statement of profit or loss: operating, investing, financing, discontinued operations and income tax. Entities are also required to report a subtotal of operating profit. The net income of entities will not change.

- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.

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- Improved guidance on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as starting point for the cash flow statement when reporting the operating cash flows using the indirect method.

The Company is still in the process of evaluation of the impact of the new standard, particularly in relation to its structure of statement of profit or loss, statement of cash flow and the additional disclosures required. The Company is also evaluating the impact on how the information are grouped in the financial statements.

(b) Other Accounting Standards

The following new and amended accounting standards are not expected to have a significant impact on the consolidated condensed financial statements of the Company.

- Lack of exchangeability (amendments to CPC 02/IAS 21);
- Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7).

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Section G – Other information that the Company considers relevant

29 Reconciliation with the standardized financial statements (DFP) made available in the CVM system model (Enet)

The Company shows below the reconciliation between the standardized financial statements provided according to the model of the CVM system (Enet) and the statements of financial position and of profit or loss disclosed by IRB Re.

Condensed statement of financial position - Assets

ENet	Assets	Note	Parent Company		Consolidated	
			2024	2023	2024	2023
	Current assets		5,035,132	3,317,870	5,003,598	3,300,842
1.01.01	Cash and cash equivalents	5	7,210	7,406	18,861	20,335
1.01.02	Financial assets	6.1	3,754,708	2,598,633	3,701,676	2,547,891
1.01.04.01	Trade and other receivables	7	26,207	3,257	35,595	8,707
1.01.04.02	Tax credits and deferred tax assets	8	1,941	36,518	2,395	36,841
1.01.07	Prepaid expenses		5,448	5,673	5,453	5,682
1.01.03.02	Retrocession contract assets	16.2	1,239,618	666,383	1,239,618	666,383
1.01.05	Other receivables and assets		-	-	-	15,003
	Non-current assets		11,400,221	12,159,170	11,443,268	12,185,590
1.02.01.01						
1.02.01.02	Financial assets	6.1	5,388,237	5,744,511	5,388,238	5,745,021
1.02.01.03						
1.02.01.04.04	Retrocession contract assets	16.2	2,230,751	2,317,811	2,230,751	2,317,811
1.02.01.04.01	Trade and other receivables	7	768,905	958,366	822,320	958,366
1.02.01.04.02	Tax credits and deferred tax assets	8	2,580,569	2,739,114	2,580,569	2,739,114
1.02.01.04.03	Court deposits	21	185,722	184,997	185,722	184,997
	Investments accounted for using the equity method	4.1	72,140	43,248	-	-
1.02.02.01	Investment property	9	-	-	61,771	69,158
1.02.02.02.02	Other investments		330	335	330	335
1.02.03	Property and equipment		42,968	51,823	42,968	51,823
1.02.04	Intangible assets		130,599	118,965	130,599	118,965
	Total assets		16,435,353	15,477,040	16,446,866	15,486,432

(A free translation of the original in Portuguese)

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Condensed statement of financial position – Liabilities

ENet	Liabilities	Note	Parent Company		Consolidated	
			2024	2023	2024	2023
	Current liabilities		4,767,467	4,418,306	4,778,980	4,427,698
2.01.01.01	Trade payables	12	73,104	73,053	82,116	80,270
2.01.01.02	Taxes and payroll charges payable		38,212	38,733	38,537	38,956
2.01.01.03	Labor provisions		12,839	12,833	13,132	13,033
2.01.01.04	Provisions for post-employment benefits	24.3	36,519	35,176	36,519	35,176
2.01.01.05	Income tax and social contribution	15	33,142	71,629	35,025	73,380
2.01.01.06	Borrowings and financing	14	246,111	3,738	246,111	3,739
2.01.02.02	Reinsurance contract liabilities	17.1	3,949,162	4,052,064	3,949,162	4,052,064
2.01.02.04	Retrocession contract liabilities	17.2	293,515	23,433	293,515	23,433
2.01.03	Third-party deposits	13	57,371	89,990	57,371	89,990
2.01.05	Other payables		27,492	17,657	27,492	17,657
	Non-current liabilities		6,741,827	6,801,339	6,741,827	6,801,339
2.02.01.01.01	Trade payables	12	20,994	23,049	20,994	23,049
2.02.01.01.02	Provisions for post-employment benefits	24.3	334,894	363,331	334,894	363,331
2.02.01.01.03	Borrowings and financing	14	242,866	542,466	242,866	542,466
2.02.01.01.04	Income tax and social contribution	15	17,054	37,518	17,054	37,518
2.02.01.02.02	Reinsurance contract liabilities	17.1	5,957,087	5,758,857	5,957,087	5,758,857
2.02.01.01.05	Provision for lawsuits	19	168,932	76,118	168,932	76,118
	Equity		4,926,059	4,257,395	4,926,059	4,257,395
2.03.01	Capital	22.1	5,379,189	5,379,189	5,379,189	5,379,189
2.03.02.05	Treasury shares	22.2	(283,760)	(283,760)	(283,760)	(283,760)
2.03.06	Equity valuation adjustment	22.3	(616,945)	(479,007)	(616,945)	(479,007)
2.03.04.05	Reserve for profit recovery	22.5	463,444	-	463,444	-
2.03.05	Retained losses		(15,869)	(359,027)	(15,869)	(359,027)
	Total liabilities and equity		16,435,353	15,477,040	16,446,866	15,486,432

Condensed statements of profit or loss

ENet	Statement of profit or loss	Note	Controladora		Consolidado	
			2024	2023	2024	2023
3.01.02	Reinsurance revenue	23.1	6,057,974	5,794,710	6,057,974	5,794,710
3.02.02	Reinsurance service expenses	23.1	(4,090,696)	(4,371,421)	(4,090,696)	(4,371,421)
3.02.02	Net expenses from retrocession contracts	23.1	(1,190,547)	(1,748,977)	(1,190,547)	(1,748,977)
3.03	Reinsurance service result		776,731	(325,688)	776,731	(325,688)
	Net finance income or expense from reinsurance operations	23.3	(1,279,489)	(285,463)	(1,279,489)	(285,463)
	Net finance income or expense from retrocession operations	23.3	367,087	50,286	367,087	50,286
	Net financial result of operations		(912,402)	(235,177)	(912,402)	(235,177)
	Investment return	23.2	1,363,250	301,740	1,416,052	362,611
	Other finance income or expenses	23.2	(98,350)	(9,123)	(97,467)	(6,295)
3.08	Net financial result		352,498	57,440	406,183	121,139
3.04.08	Administrative expenses		(18,158)	(20,039)	(28,202)	(31,365)
3.04.05	Tax expenses		10,279	(18,268)	4,667	(22,378)
3.05	Share of profit of equity-accounted investees		66,837	41,826	37,167	614
3.09	Net income before taxes		1,188,187	(264,729)	1,196,546	(257,678)
3.10	Income tax (IRPJ) and social contribution (CSLL)	23.5	(382,447)	140,876	(390,806)	133,825
3.13	Net income (loss) for the year		805,740	(123,853)	805,740	(123,853)
3.99	Earnings (loss) per share - basic and diluted (in reais)	22.4	9.85	(1.51)	9.85	(1.51)

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30 Event after the reporting period

30.1 Cancellation of treasury shares

According to the notice to the market, on the meeting held on January 13, 2025, the Company's Board of Directors resolved to cancel the totality of 420,125 common shares held in treasury, without capital reduction, the shares having been mainly acquired in February 2020, in the scope of the last share repurchase program.

As a result of the cancellation of shares, the Company's capital is represented by 81,842,886 common shares and one special class preferred share held by the federal government (Golden Share). A proposal for amending the heading of the article 5 of the Company's by-laws will be timely submitted to the Shareholders' Meeting to reflect the new number of common shares comprising its capital.

30.2 Registry of Andrina SSPE

On January 20, 2025, we file with JUCESP the minutes of the second Extraordinary Shareholders' Meeting of Andrina that, among other resolutions, changed the company name to "Andrina Sociedade Seguradora de Propósito Específico S.A.", as well as amended its corporate purpose, which is the carry out of insurance, private pension, private insurance, reinsurance or retrocession risk transfer operations, with separate net assets, and the financing of such risks through Insurance Risk-linked Bills pursuant to the applicable legislation and regulation.

* * *

Marcos Pessôa de Queiroz Falcão
CEO, Investor Relations Officer and CFO

Hugo Daniel Castillo Irigoyen
Chief Reinsurance Officer

Bernardo Netto Arruda
Legal Director

Daniel Volpe
Underwriting Technical Director

Eduarda Cunha de La Roque
Director of Internal Controls, Risks and Compliance

Thays Vargas Ferreira
Director of Accounting, Tax and Treasury
Accountant
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