S.R. Batliboi & Co. LLP
Chartered Accountants
12th Floor, The Ruby,
29 Senapati Bapat Marg,
Dadar (West), Mumbai- 400 028
Telephone +91 22 6819 8000

Nangia & Co LLP
Chartered Accountants
A-109, Sector 136,
Noida - 201304
India
Telephone +91 120 2598000

Report on Review of Unaudited Interim Condensed Ind AS Financial Statements

Review Report to
The Board of Directors
Niva Bupa Health Insurance Company Limited

Introduction

1. We have reviewed the accompanying interim condensed balance sheet of Niva Bupa Health Insurance Company Limited (the "Company") as of June 30, 2026 and the related interim condensed statement of changes in equity, the interim condensed statement of profit and loss, the interim condensed receipts and payments accounts and the interim condensed revenue account for the quarter then ended along with summary of the selected explanatory notes (together hereinafter referred to as the "Unaudited Interim Condensed Ind AS Financial Statements").

2. Management is responsible for the preparation and presentation of this Unaudited Interim Condensed Ind AS Financial Statements in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, to the extend applicable and the accounting principles as prescribed in the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular No. IRDAI/ACTL/CIR/MISC/80/05/2024 dated May 17, 2024, the Insurance Regulatory and Development Authority (Actuarial, Finance and Investment Functions of Insurers), (Amendment) Regulations, 2026 and Circular No. IRDAI/IFRS/CIR/MISC/45/4/2026 dated April 1, 2026 (the "IRDAI Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") to the extent applicable in the manner so required. Our responsibility is to express a conclusion on this Unaudited Interim Condensed Ind AS Financial Statement based on our review.

Scope of Review

3. We conducted our review in accordance with Standard on Review Engagements ("SRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Emphasis of Matter – Expense of Management

4. As discussed in Note 17 to the Unaudited Interim Condensed Ind AS Financial Statements, the Company has filed an application for forbearance of the Expenses of Management ("EOM") exceeding the allowable limit as per IRDAI (Expenses of Management, including Commission, of insurers) Regulation, 2024 in respect of financial year 2024-25 with Insurance Regulatory and Development Authority of India (the "IRDAI"), approval for which is yet to be received. Pending grant of forbearance by IRDAI, the consequential impact, if any, of the above on the Unaudited Interim Condensed Ind AS Financial Statements cannot be presently determined. Our conclusion is not modified in respect of this matter.

S.R. BATLIBOI & CO. LLP

NANGIA & CO. LLP NOIDA CHARTERED ACCOUNTANTS

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Chartered Accountants
12th Floor, The Ruby,
29 Senapati Bapat Marg,
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Noida - 201304
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Conclusion

5. Based on our review, nothing has come to our attention that causes us to believe that the accompanying Unaudited Interim Condensed Ind AS Financial Statements is not prepared, in all material respects, in accordance with recognition and measurement principles laid down in Ind AS 34, specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, to the extent applicable and the accounting principles as prescribed in the Insurance Act, the IRDA Act, the IRDAI Regulations and order/directions/circulars issued by the IRDAI to the extent applicable in the manner so required.

Other Matters

6. The comparative Ind AS financial information appearing in the accompanying Unaudited Interim Condensed Ind AS Financial Statements for the corresponding quarter ended June 30, 2025 of the Company, is based on the previously issued financial information, prepared in accordance with the accounting standards specified under section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India and the relevant provisions of the Insurance Act, the IRDA Act and the IRDAI Regulations and orders/directions/circulars issued by the IRDAI to the extent applicable in the manner so required, as amended from time to time and reviewed by one of the joint auditors i.e. S.R. Batliboi & Co. LLP and one of the predecessor auditors i.e. T.R. Chadha & Co. LLP who expressed an unmodified conclusion dated July 31, 2025 as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been prepared and presented based on the information compiled by the management.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
FRN No. 301003E/E300005

S.R. BATLIBOI & CO. LLP ★

per Shrawan Jalan
Partner
Membership No.: 102102
UDIN: 26102102JRJQBA1609

Place: Mumbai
Date: July 30, 2026

For **Nangia & Co LLP**
Chartered Accountants
FRN No. 002391C/N500069

NANGIA & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NOIDA

Vikas Gupta
Partner
Membership No.: 076879
UDIN: 26076879PHJFMG9583

Place: Noida
Date: July 30, 2026

Form Ind AS - BS

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Registration No: 145, Date of Registration with IRDAI: FEBRUARY 15, 2010

Interim Condensed Balance Sheet as at June 30, 2026 *(Amounts in Rs. lakhs)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at April 01, 2025
Assets			
Cash and cash equivalents	7,840	15,866	22,035
Investments	10,28,325	9,87,590	8,50,281
Loans	-	-	-
Other Financial Assets	1,230	1,067	1,151
Investment property	-	-	-
Insurance contract assets	-	-	-
Reinsurance contract assets	1,08,184	1,03,416	39,645
Property, Plant and Equipment	12,387	12,925	12,947
Goodwill	-	-	-
Other Intangible Assets	5,056	5,158	3,985
Current tax assets	2,136	307	1,070
Deferred tax assets	-	-	-
Other assets	23,012	22,227	14,831
Assets classified as held for sale	-	-	-
Total Assets	**11,88,170**	**11,48,556**	**9,45,945**
Liabilities			
Insurance contract liabilities	6,70,395	6,56,262	4,85,193
Reinsurance contract liabilities	-	-	-
Investment contract liabilities	-	-	-
Borrowings	26,079	25,404	25,375
Other Financial liabilities	50,353	61,144	54,395
Current tax liabilities	87	937	-
Deferred tax liabilities	15,635	7,968	5,368
Other liabilities	38,841	35,306	43,813
Provisions	3,202	2,608	1,685
Total Liabilities (A)	**8,04,592**	**7,89,629**	**6,15,829**
Equity			
Equity			
Share Capital	1,84,923	1,84,746	1,82,703
Assigned Capital	-	-	-
Other Financial Instruments classified as Equity	-	-	-
Other Equity	1,98,655	1,74,181	1,47,413
Total Equity (B)	**3,83,578**	**3,58,927**	**3,30,116**
Total Liabilities & Equity (C) = (A) + (B)	**11,88,170**	**11,48,556**	**9,45,945**

The accompanying selected explanatory notes form an integral part of Unaudited Interim Condensed Ind AS Financial Statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP

Shrawan Jalan
Partner
Membership No: 102102
Place: Mumbai
Date: July 30, 2026

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N-500069

NANGIA & CO. LLP NOIDA CHARTERED ACCOUNTANTS

Vikas Gupta
Partner
Membership No: 076879
Place: Noida
Date: July 30, 2026

For and on behalf of the Board of Directors of
Niva Bupa Health Insurance Company Limited

Vivek Anant Karve
Director
DIN: 06840707
Place: Mumbai

Ashwani Bhatia
Chairman of Board & Independent Director
DIN: 07423221
Place: Gurugram

Manish Sen
Appointed Actuary
Membership No: 5509
Place: Gurugram

Krishnan Ramachandran
Managing Director & Chief Executive Officer
DIN: 08719264
Place: Gurugram

Aparna Sharma
Company Secretary
Membership No. A24399
Place: Gurugram

Vishwanath Mahendra
Executive Director & Chief Financial Officer
DIN: 11019011
Place: Gurugram

Date: July 30, 2026

CIN - L66000DL2008PLC182918

Niva Bupa Health Insurance Co. Ltd.

Form Ind AS - SOCE

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Registration No: 145, Date of Registration with IRDAI: FEBRUARY 15, 2010

Interim Condensed Statement of Changes in Equity for the three months ended June 30, 2026 *(Amounts in Rs. lakhs)*

A. Equity

Particulars	Balance at the beginning of the period	Changes during the period	Balance at the end of the period
Share Capital	1,84,746	177	1,84,923
Assigned Capital	-	-	-
Other Financial Instruments classified as Equity	-	-	-

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus: Capital Reserve	Reserves and Surplus: Securities Premium Account	Reserves and Surplus: Retained Earnings	Reserves and Surplus: Other Reserves	Debt Instruments through Other Comprehensive Income	Insurance Finance Reserve	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of foreign operation	Non-distributable Retained Earnings	Share based payment reserve	Total
Balance at the beginning of the period as at April 01, 2026	-	-	-	1,98,824	(23,758)	-	(4,468)	-	-	-	-	-	-	3,583	1,74,181
Changes in accounting policy or prior period errors/ Adoption of Ind AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	**1,98,824**	**(23,758)**	-	**(4,468)**	-	-	-	-	-	-	**3,583**	**1,74,181**
Profit for the period	-	-	-	-	13,780	-	-	-	-	-	-	-	-	-	13,780
Other Comprehensive Income for the period	-	-	-	-	(231)	-	9,370	-	-	-	-	-	-	-	9,139
Total Comprehensive Income for the period	-	-	-	-	**13,549**	-	**9,370**	-	-	-	-	-	-	-	**22,919**
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes: Movement in Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax on Revaluation Reserves movement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others changes:															
Changes in share application money (net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on issue of equity shares	-	-	-	817	-	-	-	-	-	-	-	-	-	-	817
Employee stock compensation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	738	738
Transfer of ESOP Reserve on account of excerised options	-	-	-	340	-	-	-	-	-	-	-	-	-	(340)	-
Transfer of ESOP Reserve on account of lapsed	-	-	-	-	12	-	-	-	-	-	-	-	-	(12)	-
Balance at the end of the period as at June 30, 2026	-	-	-	**1,99,981**	**(10,197)**	-	**4,902**	-	-	-	-	-	-	**3,969**	**1,98,655**

S.R. BATLIBOI & CO. LLP

NANGIA & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NOIDA

Niva Bupa Health Insurance Co. Ltd. ★

Interim Condensed Statement of Changes in Equity for three months ended June 30, 2025 *(Amounts in Rs. lakhs)*

A. Equity

Particulars	Balance at the beginning of the period	Changes during the period	Balance at the end of the period
Share Capital	1,82,703	1,803	1,84,506
Assigned Capital	-	-	-
Other Financial Instruments classified as Equity	-	-	-

B. Other Equity

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus: Capital Reserve	Reserves and Surplus: Securities Premium Account	Reserves and Surplus: Retained Earnings	Reserves and Surplus: Other Reserves	Debt instruments through Other Comprehensive Income	Insurance Finance Reserve	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of foreign operation	Non-distributable Retained Earnings	Share based payment reserve	Total
Balance at the beginning of the period as at April 01, 2025	252	-	-	1,97,242	(59,933)	-	7,287	-	-	-	-	-	-	2,565	1,47,413
Changes in accounting policy or prior period errors/ Adoption of Ind AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	252	-	-	1,97,242	(59,933)	-	7,287	-	-	-	-	-	-	2,565	1,47,413
Profit for the period	-	-	-	-	7,144	-	-	-	-	-	-	-	-	-	7,144
Other Comprehensive Income for the period	-	-	-	-	(185)	-	6,165	-	-	-	-	-	-	-	5,980
Total Comprehensive Income for the period	-	-	-	-	6,959	-	6,165	-	-	-	-	-	-	-	13,124
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes: Movement in Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax on Revaluation Reserves movement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others changes:															-
Changes in share application money (net)	(115)	-	-	-	-	-	-	-	-	-	-	-	-	-	(115)
Premium on issue of equity shares	-	-	-	192	-	-	-	-	-	-	-	-	-	-	192
Employee stock compensation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	433	433
Transfer of ESOP Reserve on account of excercised options	-	-	-	991	-	-	-	-	-	-	-	-	-	(991)	-
Transfer of ESOP Reserve on account of lapsed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period as at June 30, 2025	137	-	-	1,98,425	(52,974)	-	13,452	-	-	-	-	-	-	2,007	1,61,047

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Shrawan Jalan
Partner
Membership No: 102102
Place: Mumbai
Date: July 30, 2026

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N-500069

Vikas Gupta
Partner
Membership No: 076879
Place: Noida

For and on behalf of the Board of Directors of
Niva Bupa Health Insurance Company Limited

Ashwani Bhatia
Chairman of Board & Independent Director
DIN: 07423221
Place: Gurugram

Vivek Anant Karve
Director
DIN: 06840707
Place: Mumbai

Krishnan Ramachandran
Managing Director & Chief Executive Officer
DIN: 08719264
Place: Gurugram

Vishwanath Mahendra
Executive Director & Chief Financial Officer
DIN: 11019011
Place: Gurugram

Date: July 30, 2026

Manish Sen
Appointed Actuary
Membership No: 5509
Place: Gurugram

Aparna Sharma
Company Secretary
Membership No. A24399
Place: Gurugram

CIN - L66000DL2008PLC182918

S.R. BATLIBOI & CO. LLP

NANGIA & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NOIDA

Niva Bupa Health Insurance Co. Ltd. ★

Form Ind AS – P&L

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Registration No: 145, Date of Registration with IRDAI: FEBRUARY 15, 2010

Interim Condensed Statement of Profit and Loss Account for the three months ended June 30, 2026 *(Amount in Rs. Lakhs except otherwise stated)*

Particulars		For the three months ended June 30, 2026	For the three months ended June 30, 2025
Insurance Revenue		2,27,372	1,76,861
Insurance Service Expenses		(2,12,708)	(1,74,203)
Net expenses/income from reinsurance contracts		(4,575)	(1,899)
Insurance Service Result	(A)	10,089	759
Investment revenue on financial assets not measured at FVTPL		17,197	14,662
Other Investment revenue		2,558	1,655
Impairment loss on financial assets		(1)	(3)
Investment Income		19,754	16,314
Finance income/ expenses from insurance contracts (net)		-	-
Finance income/ expenses from reinsurance contracts (net)		-	-
Insurance Finance Income/Expenses		-	-
Movement in investment contract liabilities		-	-
Net Finance Result	(B)	19,754	16,314
Revenue from investment management services		-	-
Other income		49	15
Other expenses		(10,595)	(6,387)
Other finance costs		(923)	(909)
Other Revenue/expenses (net)	(C)	(11,469)	(7,281)
Profit /(Loss) before Exceptional Items	(D)=(A)+(B)+(C)	18,374	9,792
Exceptional Items		-	-
Profit / (Loss) before tax		18,374	9,792
Current tax		-	-
Deferred tax		(4,594)	(2,648)
Profit/ (Loss) from continuing operations		13,780	7,144
Profit/ (Loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit / (Loss) from discontinued operations (after tax)		-	-
Profit/(loss) for the period	(E)	13,780	7,144
Other Comprehensive Income			
1 (i) Items that will not be reclassified to profit or loss			
Remeasurements of the net defined benefit plans		(308)	(247)
Tax on above		77	62
Sub-total		(231)	(185)
2 (i) Items that will be reclassified to profit or loss			
Fair value of debt instruments through other comprehensive income		12,522	8,239
Tax on above		(3,152)	(2,074)
Sub-total		9,370	6,165
Total Other Comprehensive Income	(F)	9,139	5,980
Total Comprehensive Income	(G) = (E) + (F)	22,919	13,124
Tansfer of profit			
Transfer to Retained earning		13,780	7,144
Non-distributable Retained Earnings		-	-
Earnings per Equity Share (for continuing operations)			
(1) Basic		0.75	0.39
(2) Diluted		0.74	0.39
Earnings per Equity Share (for discontinued operations)			
(1) Basic		-	-
(2) Diluted		-	-
Earnings per Equity Share for profit/(loss) of the period (for discontinued and continuing operations)			
(1) Basic		0.75	0.39
(2) Diluted		0.74	0.39

The accompanying selected explanatory notes form an integral part of Unaudited Interim Condensed Ind AS Financial Statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

For and on behalf of the Board of Directors of
Niva Bupa Health Insurance Company Limited

S.R. BATLIBOI & CO. LLP

Shrawan Jalan
Partner
Membership No: 102102
Place: Mumbai
Date: July 30, 2026

Vivek Anant Karve
Director
DIN: 06840707
Place: Mumbai

Ashwani Bhatia
Chairman of Board & Independent Director
DIN: 07423221
Place: Gurugram

Manish Sen
Appointed Actuary
Membership No: 5509
Place: Gurugram

Krishnan Ramachandran
Managing Director & Chief Executive Officer
DIN: 08719264
Place: Gurugram

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N-500069

Aparna Sharma
Company Secretary
Membership No. A24399
Place: Gurugram

Vishwanath Mahendra
Executive Director & Chief Financial Officer
DIN: 11019011
Place: Gurugram

NANGIA & CO. LLP NOIDA CHARTERED ACCOUNTANTS

Vikas Gupta
Partner
Membership No: 076879
Place: Noida
Date: July 30, 2026

Date: July 30, 2026

CIN - L66000DL2008PLC182918

Niva Bupa Health Ltd.

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Registration No: 145, Date of Registration with IRDAI: FEBRUARY 15, 2010

Interim Condensed Receipts and Payments Account (Cash Flow statement) for the three months ended June 30, 2026 *(Amounts in Rs. lakhs)*

Particulars	For the three months ended June 30, 2026	For the three months ended June 30, 2025
Cash Flows from the Operating Activities:	753	(27,221)
Cash Flows from Investing Activities:	(9,144)	22,576
Cash flows from financing activities:	365	1,339
Effect of foreign exchange rates on cash and cash equivalents, net	-	-
Net increase in cash and cash equivalents:	(8,026)	(3,306)
Cash and cash equivalents at the beginning of the period	15,866	22,035
Cash and cash equivalents at the end of the period	7,840	18,729

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Shrawan Jalan
Partner
Membership No: 102102
Place: Mumbai
Date: July 30, 2026

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N-500069

Vikas Gupta
Partner
Membership No: 076879
Place: Noida
Date: July 30, 2026

For and on behalf of the Board of Directors of
Niva Bupa Health Insurance Company Limited

Vivek Anant Karve
Director
DIN: 06840707
Place: Mumbai

Ashwani Bhatia
Chairman of Board & Independent Director
DIN: 07423221
Place: Gurugram

Manish Sen
Appointed Actuary
Membership No: 5509
Place: Gurugram

Krishnan Ramachandran
Managing Director & Chief Executive Officer
DIN: 08719264
Place: Gurugram

Aparna Sharma
Company Secretary
Membership No. A24399
Place: Gurugram

Vishwanath Mahendra
Executive Director & Chief Financial Officer
DIN: 11019011
Place: Gurugram

Date: July 30, 2026

CIN - L66000DL2008PLC182918

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Registration No: 145, Date of Registration with IRDAI: FEBRUARY 15, 2010

Interim Condensed Segmental Statement of Profit and Loss for the three months ended June 30, 2026

(Amounts in Rs. lakhs)

Particulars		For the three months ended June 30, 2026				For the three months ended June 30, 2025			
		Health	Personal Accident	Travel	Total	Health	Personal Accident	Travel	Total
Insurance Revenue		2,23,472	3,583	317	2,27,372	1,73,990	2,376	495	1,76,861
Insurance Service Expenses		(2,09,992)	(2,339)	(377)	(2,12,708)	(1,71,636)	(2,155)	(412)	(1,74,203)
Net expenses/income from reinsurance contracts		(4,458)	(121)	4	(4,575)	(2,021)	137	(15)	(1,899)
Insurance Service Result	(A)	**9,022**	**1,123**	**(56)**	**10,089**	**333**	**358**	**68**	**759**
Investment revenue on financial assets not measured at FVTPL		16,929	231	37	17,197	14,315	301	46	14,662
Other Investment revenue		2,519	34	5	2,558	1,617	34	4	1,655
Impairment loss on financial assets		(1)	-	-	(1)	(3)	-	-	(3)
Investment Income		**19,447**	**265**	**42**	**19,754**	**15,929**	**335**	**50**	**16,314**
Finance income/ expenses from insurance contracts (net)		-	-	-	-	-	-	-	-
Finance income/ expenses from reinsurance contracts (net)		-	-	-	-	-	-	-	-
Insurance Finance Income/Expenses									
Movement in investment contract liabilities		-	-	-	-	-	-	-	-
Net Finance Result	(B)	**19,447**	**265**	**42**	**19,754**	**15,929**	**335**	**50**	**16,314**
Revenue from investment management services		-	-	-	-	-	-	-	-
Other income		48	1	-	49	15	-	-	15
Other expenses		(10,430)	(142)	(23)	(10,595)	(6,239)	(130)	(18)	(6,387)
Other finance costs		(909)	(12)	(2)	(923)	(887)	(19)	(3)	(909)
Other Revenue/expenses (net)	(C)	**(11,291)**	**(153)**	**(25)**	**(11,469)**	**(7,111)**	**(149)**	**(21)**	**(7,281)**
Profit /(Loss) before Exceptional Items	(D)=(A) +(B)+(C)	**17,178**	**1,235**	**(39)**	**18,374**	**9,151**	**544**	**97**	**9,792**
Exceptional Items		-	-	-	-	-	-	-	-
Profit / (Loss) before tax		**17,178**	**1,235**	**(39)**	**18,374**	**9,151**	**544**	**97**	**9,792**
Current tax		-	-	-	-	-	-	-	-
Deferred tax		(4,295)	(309)	10	(4,594)	(2,475)	(147)	(26)	(2,648)
Profit/ (Loss) from continuing operations		**12,883**	**926**	**(29)**	**13,780**	**6,676**	**397**	**71**	**7,144**
Profit/ (Loss) from discontinued operations		-	-	-	-	-	-	-	-
Tax expense of discontinued operations		-	-	-	-	-	-	-	-
Profit / (Loss) from discontinued operations (after tax)		-	-	-	-	-	-	-	-
Profit/(loss) for the period	(E)	**12,883**	**926**	**(29)**	**13,780**	**6,676**	**397**	**71**	**7,144**
Other Comprehensive Income									
1 (i) Items that will not be reclassified to profit or loss									
Remeasurements of the net defined benefit plans		(303)	(4)	(1)	(308)	(241)	(5)	(1)	(247)
Tax on above		76	1	-	77	61	1	-	62
Sub-total		**(227)**	**(3)**	**(1)**	**(231)**	**(180)**	**(4)**	**(1)**	**(185)**
2 (i) Items that will be reclassified to profit or loss									
Fair value of debt instruments through other comprehensive income		12,327	169	26	12,522	8,044	169	26	8,239
Tax on above		(3,102)	(43)	(7)	(3,152)	(2,024)	(43)	(7)	(2,074)
Sub-total		**9,225**	**126**	**19**	**9,370**	**6,020**	**126**	**19**	**6,165**
Total Other Comprehensive Income	(F)	**8,998**	**123**	**18**	**9,139**	**5,840**	**122**	**18**	**5,980**
Total Comprehensive Income	(G) = (E) + (F)	**21,881**	**1,049**	**(11)**	**22,919**	**12,516**	**519**	**89**	**13,124**
Tansfer of profit									
Transfer to Retained earning		12,883	926	(29)	13,780	6,676	397	71	7,144
Non-distributable Retained Earnings		-	-	-	-	-	-	-	-

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Niva Bupa Health Insurance Co. Ltd.

Form Ind AS - RA

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Registration No: 145, Date of Registration with IRDAI: FEBRUARY 15, 2010

Interim Condensed Revenue Account for the three months ended June 30, 2026 *(Amounts in Rs. lakhs)*

Particulars		**For the three months ended June 30, 2026 Policyholders**	**For the three months ended June 30, 2025 Policyholders**
Insurance Revenue		2,27,372	1,76,861
Insurance Service Expenses		(2,12,708)	(1,74,203)
Net expenses/income from reinsurance contracts		(4,575)	(1,899)
Insurance Service Result	(A)	**10,089**	**759**
Investment revenue on financial assets not measured at FVTPL		9,646	7,981
Other Investment revenue		2,540	1,633
Impairment loss on financial assets		(39)	(1)
Investment Income		**12,147**	**9,613**
Finance income/ expenses from insurance contracts (net)		-	-
Finance income/ expenses from reinsurance contracts (net)		-	-
Insurance Finance Income/Expenses		-	-
Movement in investment contract liabilities		-	-
Net Finance Result	(B)	**12,147**	**9,613**
Revenue from investment management services		-	-
Other income		18	16
Other expenses		(10,251)	(6,167)
Other finance costs		(248)	(235)
Other Revenue/expenses (net)	(C)	**(10,481)**	**(6,386)**
Profit /(Loss) from Revenue A/c before tax	(D)=(A)+(B)+(C)	**11,755**	**3,986**
Current tax		-	-
Deferred tax		(2,939)	(1,078)
Profit /(Loss) from Revenue A/c after tax	(E)	**8,816**	**2,908**
Other Comprehensive Income			
1 (i) Items that will not be reclassified to profit or loss			
Remeasurements of the net defined benefit plans		(308)	(247)
Tax on above		77	62
Sub-total		**(231)**	**(185)**
2 (i) Items that will be reclassified to profit or loss			
Fair value of debt instruments through other comprehensive income		3,467	4,167
Tax on above		(873)	(1,049)
Sub-total		**2,594**	**3,118**
Total Other Comprehensive Income	(F)	**2,363**	**2,933**
Total Comprehensive Income	(G) = (E) + (F)	**11,179**	**5,841**
Tansfer of profit			
Transfer to Retained earning		8,816	2,908
Non-distributable Retained Earnings		-	-

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Shrawan Jalan
Partner
Membership No: 102102
Place: Mumbai
Date: July 30, 2026

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N-500069

Vikas Gupta
Partner
Membership No: 076879
Place: Noida
Date: July 30, 2026

For and on behalf of the Board of Directors of
Niva Bupa Health Insurance Company Limited

Vivek Anant Karve
Director
DIN: 06840707
Place: Mumbai

Ashwani Bhatia
Chairman of Board & Independent Director
DIN: 07423221
Place: Gurugram

Manish Sen
Appointed Actuary
Membership No: 5509
Place: Gurugram

Krishnan Ramachandran
Managing Director & Chief Executive Officer
DIN: 08719264
Place: Gurugram

Aparna Sharma
Company Secretary
Membership No. A24399
Place: Gurugram

Vishwanath Mahendra
Executive Director & Chief Financial Officer
DIN: 11019011
Place: Gurugram

Date: July 30, 2026

CIN - L66000DL2008PLC182918

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Niva Bupa Health Insurance Co. Ltd.

1. CORPORATE INFORMATION

Niva Bupa Health Insurance Company Limited ("The Company") was incorporated in India on September 05, 2008 and received the Certificate of Commencement of Business on December 23, 2008.

As on balance sheet date, Bupa Singapore Holdings Pte Ltd is the holding Company with 55.30% shareholding.

The Company underwrites primarily Health Insurance business which includes Personal accident, Critical illness and Travel.

The Company obtained regulatory approval to undertake Health Insurance business on February 15, 2010 from Insurance Regulatory and Development Authority of India (IRDAI) under section 3(2A) of the Insurance Act, 1938. The Company had started selling policies in March 2010.

2. MATERIAL ACCOUNTING POLICIES

2.1 STATEMENT OF COMPLIANCE

In accordance with the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers), (Amendment) Regulations, 2026 and Circular No. IRDAI/IFRS/CIR/MISC/45/4/2026 dated April 1, 2026 issued by the Insurance Regulatory and Development Authority of India, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2026. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2026 and April 01, 2025 and of the comprehensive net income for the period ended June 30, 2025.

2.2 BASIS OF PREPARATION

The interim condensed financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period. The financial statements have been prepared on going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. In making this assessment, management has considered a wide range of factors relating to present and future conditions, including current profitability, expected future profitability, cash flows and access to financing.

The Company has prepared the Interim Condensed Financial Statements in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, to the extend applicable and the accounting principles as prescribed in the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with Master Circular No. IRDAI/ACTL/CIR/MISC/80/05/2024 dated May 17, 2024, read with Schedule II A to the the Insurance Regulatory and Development Authority (Actuarial, Finance and Investment Functions of Insurers), (Amendment) Regulations, 2026 and Circular No. IRDAI/IFRS/CIR/MISC/45/4/2026 dated April 1, 2026 (the "IRDAI Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") to the extent applicable in the manner so required.

These interim condensed financial statements are presented in Indian Rupees, which is the Company's functional currency all amounts are rounded to the nearest lakhs except when otherwise indicated.

Financial assets and financial liabilities are offset, and the net amount reported in the balance sheet only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expense are not offset in the statement of profit or loss unless required or permitted by any accounting standard or interpretation.

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Niva Bupa Health Insurance Co. Ltd.

2.3 INSURANCE CONTRACTS

2.3.1 Insurance and reinsurance contracts classification

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Company issues health insurance to individuals and businesses. The Company does not issue any contracts with direct participating features.

2.3.2 Insurance and reinsurance contracts accounting treatment

2.3.2.1 Separating components from insurance and reinsurance contracts

The Company assesses its health insurance and reinsurance held contracts to determine whether they contain distinct components which must be accounted for under another Ind AS instead of under Ind AS 117. After separating any distinct components, the Company applies Ind AS 117 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

2.3.2.2 Level of aggregation

Ind AS 117 requires a Company to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. Ind AS 117 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Company has identified Retail and Group as its portfolio and it is divided into the underwriting cohorts to ensure contracts within a cohort are not issued one year apart.

The Company writes health business, including personal accident and travel to both retail and group segment. Since these includes morbidity risk, the risks are of similar nature for each portfolio.

Retail business is typically underwritten upfront and offers guaranteed lifelong renewability. Risk in retail business is not priced individually. Whereas, group business is generally more open with almost no or less underwriting, with no guaranteed renewability. Risks in group business are always priced individually. The underwriting process of the group and retail policies are different. Thus, retail and group businesses are managed differently.

Therefore, retail and group are identified portfolios.

Ind AS 117 requires that no group of contracts contain contracts that are issued more than one year apart. Therefore, portfolio of contracts is divided into annual 'cohorts. Annual underwriting Cohorts refers to the financial year, i.e., contracts that are issued from April 01 to March 31 of each financial year will be grouped together in a single underwriting cohort.

Ind AS 117 requires contracts are required to be classified into groups according to the degree of profitability at initial recognition, which at a minimum include the following:

- A group of contracts that are onerous at initial recognition, if any;
- A group of contracts that at initial recognition have no significant possibility of becoming onerous, if any; and
- A group of remaining contracts in the portfolio, if any ('other').

The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information
- Results of similar contracts it has recognised
- Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. The Company has divided the reinsurance at the least granular level of aggregation for the reinsurance contracts held i.e. at the reinsurance treaty.

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Niva Bupa Health Insurance Co. Ltd.

2.3.2.3 Recognition

The Company recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous

The Company recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

And

- The date the Company recognises an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

2.3.2.4 Contract boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from 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 insurance contract services.

A substantive obligation to provide insurance contract 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

Or

- Both of the following criteria are satisfied:
    - The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
    - 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

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

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2.3.2.5 Measurement - Premium Allocation Approach

	Ind AS 117 Options	Adopted approach
Premium Allocation Approach (PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the Ind AS 117 general model	Contracts with coverage period one year or less automatically qualify for PAA. For contracts with coverage period greater than one-year PAA eligibility testing is done and there is no material difference in the measurement of the liability for remaining coverage between PAA and the General Measurement Model (GMM), therefore, these qualify for PAA.
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is no longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group.	Insurance acquisition cash flows are allocated to related groups of insurance contracts and amortised over the coverage period of the related group.
Liability for Remaining Coverage (LFRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LFRC, or where the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LFRC.	There is no allowance for accretion of interest on the LFRC as there is no significant financing component.
Liability for Incurred Claims, (LIC) adjusted for time value of money	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	As majority of the incurred claims are expected to be paid out in less than one year hence no adjustment is made for time value of money.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LIC resulting from changes in discount rates and present this in OCI.	Not applicable as there is no discounting.

2.3.2.6 Insurance contracts – initial measurement

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary (refer Note 2.3.2.4)

Or

- For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

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The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred.

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

- Unearned premium reserve for the unexpired policy basis 1/365th method
- Minus acquisition/pre-acquisition cost deferred for the unexpired term of the policies
- Plus, any Freelook cancellation reserve

There is no allowance for time value of money as majority of the premiums are received within one year of the coverage period.

The Company assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised. For additional disclosures on the loss component, please refer to Note 2.3.2.14.

2.3.2.7 Reinsurance contracts held – initial measurement

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

2.3.2.8 Insurance contracts – subsequent measurement

The Company measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period
- Minus insurance acquisition cash flows
- Plus any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group
- Minus the amount recognised as insurance revenue for the services provided in the period

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company, and include an explicit adjustment for non-financial risk (the risk adjustment). The Company does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims as majority are expected to be paid within one year of being incurred.

Insurance acquisition cash flows are allocated on a straight-line basis as a portion of premium to profit or loss (through insurance service expense).

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2.3.2.9 Reinsurance contracts held – subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance contracts held.

Where the Company has established a loss-recovery component, the Company subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

2.3.2.10 Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

The Company uses a systematic and rational method to allocate:

i. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts to that group
ii. Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the balance sheet, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the balance sheet when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Company revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Company applies:

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Company recognises in statement of profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

2.3.2.11 Insurance contracts – modification and derecognition

The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)
- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract

When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

2.3.2.12 Presentation

The Company has presented separately, in the balance sheet, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

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Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Company disaggregates the total amount recognised in the statement of profit or loss into an insurance service result, comprising insurance revenue and insurance service expense and net expense from reinsurance contracts.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Company presents on net basis income or expenses from reinsurance contracts held.

2.3.2.13 Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component if any) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

2.3.2.14 Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances mentioned in Note 2.3.2.2 indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

2.3.2.15 Loss-recovery components

As described in Note 2.3.2.7 above, where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

2.3.2.16 Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

There are no such contracts which are eligible for insurance finance income and expense.

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2.4 FINANCIAL INSTRUMENTS

2.4.1 Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

The investments funds are segregated into Policyholders' and Shareholders' fund on security level basis in compliance with circular no. IRDAI/ACTL/CIR/MISC/80/05/2024 dated May 17, 2024 to "bifurcate the Policyholders' and Shareholders' funds at the end of each quarter at the "fund level" on "notional basis". The Company continues to follow the practice of segregating investments into Policyholders' and Shareholders funds at the end of each quarter at the "fund level" on "notional basis". The policyholders' fund is derived on the basis of Insurance contract liabilities, Re-insurance Contract Assets, Premium Received in Advance and Unallocated Premium at the end of each quarter.

2.4.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments other than deposits with bank)
- Financial assets at fair value through profit or loss

2.4.2.1 Financial assets

2.4.2.1.1 Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets.' Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The losses arising from impairment are recognised in the profit or loss.

2.4.2.1.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an election for its investments which are classified as debt instruments and bonds to present the subsequent changes in fair value in other comprehensive income based on its business model.

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Debt instruments other than deposits with bank included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss. The Company's debt instruments at fair value through OCI includes investments in quoted bonds.

2.4.2.1.3 Financial assets at fair value through profit or loss (FVTPL)

Financial assets in this category are those that are held for trading and have been mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. For the Company, this category includes equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the P&L.

Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate. Dividend income on equity investments are recognised in the P&L as investment income when the right of payment has been established.

2.4.2.2 Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

2.4.3 Derecognition of financial instruments

2.4.3.1 Derecognition of financial assets

A financial asset is primarily derecognised when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.

2.4.3.2 Derecognition of financial liabilities

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

2.4.4 Fair value of financial instruments

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4.5 Recognition of interest income

2.4.5.1 The effective interest rate method

Under Ind AS 109, interest income is recorded using the effective interest rate (EIR) method for all financial assets measured at amortised cost and fair value through other comprehensive income. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on acquisition of the financial asset as well as fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the debt instrument.

If expectations of a fixed rate financial asset's cash flows are revised for reasons other than credit risk, and the changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount, the difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the balance sheet with a corresponding increase or decrease in interest income.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

Investment revenue on financial assets not measured at FVTPL and Other investment income earned on policyholders' investments funds at Balance Sheet date have been credited to Revenue Account. Investment revenue on financial assets not measured at FVTPL and Other investment income which is not directly identifiable has been allocated on the basis of the ratio of directly attributable investment income earned on shareholders' investments funds and policyholders' investments funds on the basis of actual investment holdings bifurcated in accordance with the IRDAI vide circular No. IRDAI/ACTL/CIR/MISC/80/05/2024 dated May 17, 2024.

Investment revenue on financial assets not measured at FVTPL and Other investment income across segments within the Segmental Statement of Profit and Loss account has been allocated in Health, Personal Accident and Travel on the basis of segment-wise premium received.

2.5 INSURANCE RISK

2.5.1 Insurance contracts issued and reinsurance contracts held

The Company principally issues health insurance contract which include personal accident, critical illness and travel.

The objective of the Company is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance contracts issued and reinsurance contracts held. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately.

The Company purchases reinsurance as part of its risk mitigation programme. Reinsurance held is placed on a proportional as well non-proportional basis. Proportional reinsurance is quota–share reinsurance and surplus reinsurance. Non-proportional reinsurance is CAT-XOL for personal accident business.

Amounts recoverable from reinsurers are estimated in a manner consistent with underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations. The Company's placement of reinsurance is diversified such that it is neither

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dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract.

2.5.2 Sensitivities

The liability for incurred claims is sensitive to the insurance risk and inflation. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The sensitivity analysis shows the impact on gross and net liabilities, profit before tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant using stress testing methodology. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis. It should be noted that movements in these assumptions are non-linear. The method used for deriving sensitivity information and significant assumptions did not change from the previous period.

2.5.3 Claims development table

As required by Ind AS 117, in setting claims provisions, the Company gives consideration to the probability and magnitude of future experience being more adverse than assumed which is reflected in the risk adjustment. In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain.

2.6 SIGNIFICANT JUDGEMENTS AND ESTIMATES

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company disaggregates information over health, personal accident and travel business segments.

2.6.1 Insurance contracts issued and reinsurance contracts held

The Company applies the PAA to simplify the measurement of insurance contracts.

2.6.1.1 Liability for remaining coverage

Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to related groups of insurance contracts recognised in the balance sheet, below are the key judgements used:

a) **Identifying Direct Costs**: Distinguishing acquisition costs directly tied to new contracts from general administrative expenses.

b) **Grouping Contracts**: Deciding how to group contracts based on risk and profitability, which affects cost allocation and amortization.

c) **Estimating Fulfilment Cash Flows**: Setting assumptions for future premiums, claims, and other cash flows that impact acquisition costs.

d) **Allocating Costs Across Products**: Allocating acquisition costs when they relate to multiple products or lines of business.

To distinguish between directly attributable acquisition costs and other expenses, the Company applies significant judgment. These costs encompass more than just the immediate cash flows from selling, underwriting, and initiating insurance contract groups; they also include any costs the Company deems incidental to the acquisition process.

Additionally, management exercises judgment when grouping insurance contracts, a process that directly impacts how acquisition cash flows are allocated and amortized. Collectively, these judgments play a critical role in the recognition, measurement, and reporting of acquisition costs.

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2.6.1.2 Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Time value of money

There is no adjustment for the time value of money because majority of the claims are settled within 12 months. Claims settled beyond 12 months are not expected to be material.

2.6.1.3 Discount rates

Ind AS 117 requires that the discount rate with respect to contractual cash flows that do not vary based on the returns on underlying items, either a Bottom-up and Top-down approach can be used. Under a bottom-up approach, the discount rate is based on a liquid risk-free yield curve then an addition is made to reflect the relative illiquidity of the insurance contracts. However, the top-down approach is based on yield-curve that reflects the current market rate of returns of a reference portfolio of assets adjusted to eliminate any factors that are not relevant to the insurance contracts (e.g., credit risk)

PAA eligibility testing was performed at the beginning of the year. The discount rates used for the PAA eligibility assessment were based on the latest available FIMMDA zero-coupon yield rates as on date of testing, with no adjustments made for illiquidity premiums.

The risk-free rate takes into account the time value of money and does not consider non-insurance risks. In India, Risk free rates are based on the Zero-Coupon Sovereign Rupee Yield Curve (ZCYC) curve supplied by the Fixed Income Money Market and Derivatives Association of India (FIMMDA) website.

The Company's underlying insurance contract does have cancellation feature and hence the policyholder can exit the policy via expiry of term or cancellation. Further, owing to the short-term nature of the contract where majority of the business is two years or less, the contract is identified to be liquid from a policyholder's standpoint as they are free to switch insurers once the policy term ends. Hence, the illiquidity premium is not applied while computing discount rates for the underlying groups.

For the ceded reinsurance groups, the Company can exit the treaties except Obligatory reinsurance treaty; giving a notice of three months subject to term and conditions mentioned in the treaties. The policies reinsured before cancellation will continue to be reinsured by the prevailing reinsurer unless a recapture clause is applied. Owing to the ease of exit, the Reinsurance treaties are also identified as liquid and hence illiquidity premium is not added to discount rates for ceded groups as well.

2.6.1.4 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The company estimated the risk adjustment using a confidence level approach at the 85th percentile (2025 – 85th percentile) which is in line with the company's risk appetite for the uncertainty in the claims and related expenses, and any movements in the risk adjustment are recognised in full within the insurance service result.

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2.6.1.5 Assets for insurance acquisition cash flows

The Company applies judgement in determining the inputs used in the methodology to systematically and rationally allocate insurance acquisition cash flows to groups of insurance contracts.

At the end of each reporting period, the Company revisits the assumptions made to allocate insurance acquisition cash flows to groups and where necessary revises the amounts of assets for insurance acquisition cash flows accordingly.

The Company did not identify any facts and circumstances indicating that the assets may be impaired.

2.6.2 Impairment on financial assets

The key parameters for calculating Expected Credit Losses (ECL) are the probability of default, the loss given default and the exposure at default.

The probability of default is the basis for specifying a stage of the impairment model. In addition, the probability of default is considered whenever ECL are calculated. During our internal rating process, the probability of default is calculated on the basis of historical data, current market conditions, and assumptions about the future as derived by rating agencies.

The loss given default and the exposure at default are likewise factored into calculations of ECL. In this context, the loss given default is derived from the recovery and default studies published by the Reserve Bank of India. The exposure at default corresponds to the gross carrying amount as at the reporting date.

2.6.3 Provision and contingent liability

On an ongoing basis, the Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

2.6.4 Share based payment

Estimating fair value for share based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

2.6.5 Defined Benefit Plan

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

2.6.6 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of these assets are compensated.

Monitoring is part of the Company's continuous assessment of whether the business model for which the financial assets are held continues to be appropriate and if it is not appropriate, whether there has been a change in business model and so a prospective change to the classification of those assets.

2.7 INCOME TAXES

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

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Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted and substantively at the end of the reporting period.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are recognised for unused tax losses, unabsorbed depreciation and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. The Company offsets tax assets and tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.8 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation on property, plant and equipment is provided based on straight line method using the rates basis the economic useful life of assets as estimated by the management which reflects the useful life specified in Schedule II of the Companies Act, 2013, as follows:

Useful lives estimated by the management in years:

Leasehold improvements	Lease period
Furniture and fixtures	5 years
Office equipments	5 years
Information Technology equipment - End User Devices	3 years
Information Technology equipment - Servers and Networks	4 years
Intangibles (including Software)	4 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.9 CAPITAL WORK-IN PROGRESS

Capital work-in progress (CWIP) comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period. CWIP is measured at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

The cost of CWIP shall be recognised as an asset only if the recognition criteria are met. CWIP is derecognised when the construction and installation are complete and the asset is ready for its intended use. CWIP is not depreciated until it is available for intended use.

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2.10 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred. The estimated useful life of assets are as follows:

Useful lives estimated by the management in years:

Intangibles (including Software)	4 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.11 IMPAIRMENT

2.11.1 Financial assets

Financial assets (other than at fair value)

The Company assesses at each reporting date whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires ECL to be measured through a loss allowance as mentioned in note 2.5.2.7.2.

2.11.2 Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit or loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit or loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.12 PROVISIONS & CONTINGENT LIABILITY

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet reporting date.

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If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.13 EARNINGS PER SHARE (EPS)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.14 EMPLOYEE BENEFITS

2.14.1 Gratuity - Defined benefit plans

The present value of the obligation under defined benefit plans are determined based on actuarial valuation using the Projected Unit Credit Method. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

In case of defined benefit plans, remeasurement comprising of actuarial gains and losses is recognized in other comprehensive income (OCI) and is reflected in retained earnings and is not eligible to be reclassified to profit or loss.

The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

• Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and

• Net interest expense or income.

2.14.2 Defined contribution plans

The Company contributes to a recognised Provident Fund and State Insurance which is a defined contribution plan. The contributions are accounted for on an accrual basis and recognised in the statement of profit or loss.

2.14.3 Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurement gains/losses are immediately taken to the P&L and are not deferred.

2.14.4 Share based payment

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share based payment. The estimated fair value of awards is charged to statement of profit or loss on a straight-line basis over the requisite vesting period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

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Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

2.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

2.16 LEASES

The Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

2.16.1 Right-of-use assets (ROU)

The Company recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated under the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has included the right-of-use assets arising from the lease contracts within property, plant and equipment in the balance sheet.

2.16.2 Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The Company has included the lease obligations arising from the lease contracts within the other liabilities in the balance sheet.

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2.17 SEGMENT INFORMATION

2.17.1 Reportable Segment

The Company operates in only one business segment which is health insurance including personal accident and travel.

2.17.2 Geographical Segment

There are no reportable geographical segments since the Company provides services only to the customers in the Indian market and does not distinguish any reportable regions within India.

2.18 Allocation of Other income, other expenses, other finance cost, Other comprehensive income, current tax and deferred tax in the Segmental statement of profit and loss account

Other income, other expenses, other finance cost and Other comprehensive income in the Segmental statement of profit and loss account are allocated in Health, Personal Accident and Travel on the basis of premium received. Current tax and deferred tax is allocated to the segment on the basis of total effective tax rate charged in the statement of profit and loss.

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3 FIRST TIME ADOPTION OF IND AS

The Company has implemented Ind AS with effect from April 1, 2026 without availing the one-year forbearance permitted under Insurance Regulatory and Development Authority of India (the IRDAI) transition provisions. The unaudited interim condensed Ind AS financial statements for the quarter ended June 30, 2026 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Schedule II A to the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations as amended in 2026. Such transition has been carried out from the erstwhile Accounting Standards under the Companies Act 2013 read with relevant rules issued thereunder and guidelines issued by the IRDAI (collectively referred as the previous GAAP). Accordingly, the impact of transition has been recorded in the opening reserves as at April 1, 2025. There is a possibility that these financial results for the current and previous period may require adjustments due to change in the financial reporting requirements arising from the new standards, modification to the existing standards, guidelines issued by the IRDAI or Central Board of Direct Taxes or changes in one or more optional exemptions permitted under Ind AS 101.

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial periods presented. Accordingly, the Company has prepared interim condensed financial statements which comply with Ind AS for period ended June 30, 2026, together with the comparative information and the opening Ind AS Balance Sheet as at April 01, 2025, the date of transition to Ind AS.

In preparing these interim condensed financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

A. Exemptions from retrospective application:

The Company has elected to apply the following exemptions:

(a) Leases

The Company has elected to adopt modified retrospective appraoch under Ind AS 101, wherein the lease liability is measured at the present value of the remaining lease payments and Right of Use asset is measured equal to lease liability. As a practical expedient, the Company has excluded short term leases from the application Ind AS 116. The Company has elected not to apply the requirement of Ind AS 116 to leases for which lease term ends within 12 months from the date of transition. Instead the Company has treated such leases as short term leases as per the Ind AS 101.

(b) Property, Plant and Equipment and Other Intangible Assets

The Company has elected to measure all its Property, Plant and Equipment and Other Intangible Assets at the Previous GAAP carrying amount i.e 31st March 2025 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. 1st April 2025 as per Ind AS 101.

B. Reconciliations between Previous GAAP and Ind AS

The reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below:

(i) Equity reconciliation

(Amounts in Rs. lakhs)

Particulars	As at April 01, 2025	As at March 31, 2026
Equity as per Previous GAAP	**3,06,084**	**3,21,897**
Ind AS Adjustments:		
Insurance Contracts [Ind AS-117]	19,197	55,967
Leases [Ind AS-116]	793	259
Financial Instruments [Ind AS-109]	9,410	(7,786)
Income Taxes [Ind AS-12]	(5,368)	(11,410)
Equity under Ind AS	**3,30,116**	**3,58,927**

(ii) Total comprehensive income reconciliation

(Amounts in Rs. lakhs)

Particulars	For the three months ended June 30, 2025
Net income under Previous GAAP	**(9,144)**
Ind AS Adjustments:	
Insurance Contracts [Ind AS-117]	17,989
Leases [Ind AS-116]	(142)
Financial Instruments [Ind AS-109]	1,198
Share Based Payment [Ind AS-102]	(356)
Employee Benefits [Ind AS-19]	247
Income Taxes [Ind AS-12]	(2,648)
Net income under Ind AS	**7,144**
Other comprehensive income	5,980
Total comprehensive income under Ind AS	**13,124**

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4 EARNINGS PER SHARE (EPS)

Profit available to equity holders

		(Amounts in Rs. lakhs)
Particulars	**For the three months ended June 30, 2026**	**For the three months ended June 30, 2025**
Profit for the period	13,780	7,144
Profit available to equity holders of the Company (A)	**13,780**	**7,144**

Weighted average number of equity shares

		(Count in lakhs)
Particulars	**For the three months ended June 30, 2026**	**For the three months ended June 30, 2025**
Issued equity shares at the beginning of the period	18,475	18,270
Effect of issue of equity shares and exercise of share options	2	44
Weighted average number of equity shares at the end of the period for basic EPS (B)	**18,477**	**18,314**
Effect of dilution:		
Potential equity shares*	54	193
Weighted average number of equity shares at the end of the year for diluted EPS (C)	**18,531**	**18,507**

* Dilutive impact of Employee Stock Option.

Basic and Diluted earnings per share

		(in Rs.)
Particulars	**For the three months ended June 30, 2026**	**For the three months ended June 30, 2025**
Basic earnings per share (A/B)	0.75	0.39
Diluted earnings per share (A/C)	0.74	0.39

5 CONTINGENT LIABILITIES

		(Amounts in Rs. lakhs)
Particulars	**As at June 30, 2026**	**As at March 31, 2026**
Statutory Demands in Dispute, not provided for	12,719	14,931
Others- Claims, under policies, not acknowledged as debts*	10,517	9,496
Total	**23,236**	**24,427**

* Includes compensation raised by policyholders against rejected claims. It does not include interest on compensation to be awarded by the court if any.

The Company's pending litigations comprise of claims against the Company primarily by customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its interim condensed financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its interim condensed financial statements as at June 30, 2026.

Notes:

(i) During the quarter ended December 31, 2022, the Directorate General of GST Intelligence ("DGGI") Authorities had initiated inquiry against the Company relating to alleged ineligible input credit availed by the Company in respect of marketing and advertisement expenses. Subsequently, DGGI had passed an Show Cause cum demand notice dated August 18, 2023 and directed reversal of ineligible input tax credit of Rs. 2,928 lakhs. As directed by DGGI, the Company had deposited Rs. 2,500 lakhs under Section 74(5) of the CGST Act 2017.
During the quarter ended March 31, 2025, the Company had received an order from Adjudicating Authority- Meerut that reduced demand from Rs. 2,928 lakhs to Rs 287 lakhs and penalty amounting to Rs. 287 lakhs. The Company has decided not to appeal against the same and paid the penalty/interest amount of Rs. 237 lakhs. The Company has recorded Rs. 524 lakhs (demand including penalty/interest) to profit and loss account for the year to date ended March 31, 2025 and filed application for refund of Rs. 2,213 lakhs. Such refund has been rejected by the department considering it as time barred. The Company has filed Appeal with Joint Commissioner of State Tax, Mumbai, against rejection order. Subsequent to June 30, 2026 the Company received order for sanction of refund of Rs 2,213 lakhs on July 14, 2026 and received credit in bank account on July 21, 2026.

(ii) The Company has received assessment orders under Income Tax Act for assessment years AY2020-21, AY2021-22, AY2022-23 and AY2023-24 demanding Rs. 12,716 lakhs towards disallowance of certain expenses as inadmissible under Section 37(1) of Income Tax Act, 1961 made therein. The Company has filed appeals against the said orders and awaiting response from the department. The same has been shown as Contingent Liability.

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6 FINANCIAL RISK

6.1 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with insurance liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk:

The Company's Asset Management Liability policy sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

The Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow. The Company also has committed lines of credit that it can access to meet liquidity needs.

6.2 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument, insurance contract issued or reinsurance contract held will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk); market interest rates (interest rate risk); and market prices (price risk).

The Company's Asset Liability Management policy sets out the assessment and determination of what constitutes market risk for it. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains needed to meet the Company's contractual requirements.

The nature of the Company's exposure to market risks and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

6.2 Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument, insurance contract assets and/or liabilities will fluctuate because of changes in foreign exchange rates.

The Company's principal transactions are carried out in INR and its exposure to foreign exchange risk is minimal as it does not issue policies denominated in foreign currency nor its major expenses debt or investment assets are denominated in a foreign currency. The Company's financial assets are primarily denominated in the same currencies as its insurance contract liabilities.

6.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument or insurance contract or reinsurance contract will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest rate risk.

There is no direct contractual relationship between financial assets and insurance contracts.

6.4 Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments or insurance contract assets and/or liabilities will fluctuate because of changes in market prices (other than those arising from interest rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or contract, or by factors affecting all similar contracts or financial instruments traded in the market.

The Company's price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices. The Company does not issue any participating contracts. Therefore, there are no insurance or reinsurance contracts which are exposed to price risk.

The Company's price risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on individual and total equity instruments.

The Company has no significant concentration of price risk.

This analysis was performed for reasonably possible movements in the market index with all other variables held constant. The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non–linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

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6.5 Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

6.6 Credit risk

Credit risk is the risk that one party to a financial instrument, insurance contract issued in an asset position or reinsurance contract held will cause a financial loss for the other party by failing to discharge an obligation.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

The Company's Asset Liability Management policy sets out the assessment and determination of what constitutes credit risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

Credit risk relating to financial instruments is monitored by the Company's mid office investment team. They review and manage credit risk, including environmental risk for all counterparties. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. It is the Company's policy to invest in high quality financial instruments with a low risk of default. If there is a significant increase in credit risk, the policy dictates that the instrument should be sold and amounts recovered reinvested in high quality instruments.

There is no allowance for credit risk on the insurance premium receivable because the premium is paid in advance before the commencement of the risk. This is also mandated by the local regulations (i.e. the risk cannot commence unless premium is received).

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparty's limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy.

Receivables on account of accrued interest is on the investment held by the Company. The investments are held with a high credit rating and is monitored on the periodic basis to avoid the credit risk. At each reporting date, management performs an assessment of creditworthiness of investments and updates the investment policy accordingly. The assessment of the credit risk from other receivables is based on internal expert assessments. In addition to monitoring credit risk, the Company have implemented continuous monitoring of financial investments on the basis of internal and external credit ratings.

The nature of the Company's exposure to credit risk and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

6.6.1 The Company's internal rating process

The Company's investment team prepares a credit assessment note for each issuer wherein the funds are to be invested. The note incorporates both qualitative and quantitative information that builds on information from an external Credit rating agency, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour. All the issuers wherein Company seeks to invest are approved by the Investment Committee.

6.6.2 Impairment assessment - Significant increase in credit risk, default and cure

The Company's ECL assessment and measurement method is set out below.

The Company recognises loss allowances for ECLs on:
- financial assets measured at amortised cost and
- debt securities measured at FVOCI

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information. Refer Note 6.6 for further details.

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The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company considers this to be AAA as per [Rating Agency CRISIL, CARE and FITCH] or LAAA as per [Rating Agency ICRA].

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

7 CAPITAL

7.1 Capital management objectives, policies and approach

The Company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- To maintain the required level of stability of the Company thereby providing a degree of security to policyholders
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- To align the profile of assets and liabilities, taking account of risks inherent in the business
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders
- To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value

The Company is also subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseeable liabilities as they arise.

In reporting financial strength, capital and solvency are measured using the rules prescribed by the IRDAI.

The Company's capital management policy is to hold sufficient capital to cover the statutory requirements based on the Regulations.

Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics. An important aspect of the Company's overall capital management process is the setting of target risk adjusted rates of return, which are aligned to performance objectives and ensure that the Company is focused on the creation of value for shareholders.

The primary source of capital used by the Company is total equity. The Company also uses other forms of capital such as debt, in addition to more traditional sources of funding.

The capital requirements are routinely forecast on a periodic basis and assessed against both the forecast available capital and the expected internal rate of return, including risk and sensitivity analyses. The process is ultimately subject to approval by the Board.

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8 FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.4 to the interim condensed financial statements.

Fair Value Hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis.

(Amounts in Rs. lakhs)

As at June 30, 2026	Date of Valuation**	Level 1	Level 2	Level 3	Total
Financial Assets:					
Government securities	June 30, 2026	-	3,25,425	-	3,25,425
Debt securities	June 30, 2026	-	6,39,496	-	6,39,496
Equity instruments*	June 30, 2026	961	-	500	1,461
Mutual funds*	June 30, 2026	42,900	18,626	-	61,526
Total		**43,861**	**9,83,547**	**500**	**10,27,908**

(Amounts in Rs. lakhs)

As at March 31, 2026	Date of Valuation**	Level 1	Level 2	Level 3	Total
Financial Assets:					
Government securities	March 31, 2026	-	3,06,476	-	3,06,476
Debt securities	March 31, 2026	-	6,23,791	-	6,23,791
Equity instruments*	March 31, 2026	938	-	500	1,438
Mutual funds*	March 31, 2026	31,419	16,219	-	47,638
Total		**32,357**	**9,46,486**	**500**	**9,79,343**

(Amounts in Rs. lakhs)

As at April 01, 2025	Date of Valuation**	Level 1	Level 2	Level 3	Total
Financial Assets:					
Government securities	March 28, 2025	-	2,57,459	-	2,57,459
Debt securities	March 28, 2025	-	5,49,048	-	5,49,048
Equity instruments*	March 28, 2025	885	-	500	1,385
Mutual funds*	March 28, 2025	22,201	6,136	-	28,337
Total		**23,086**	**8,12,643**	**500**	**8,36,229**

* Equity Instruments includes InvIT and Mutual Funds includes AIF and ETF.

The above table does not include deposits with banks and investments backing unclaimed amounts.

**The last market active date before the end of the period is used in fair valuation.

The investments included in Level 2 of fair value hierarchy have been valued using fair value price provided by the independent agency at each reporting date, in absence of active market available for such investments and and in case of AIF the fair value price is considered on the basis of NAV provided by the respective funds. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

There are no other financials assets of the Company measured at fair value.

There are no financial liabilities of the Company measured at fair value.

There have been no transfer or movements in any levels during the period ended June 30, 2026 and March 31, 2026.

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9 TOTAL INVESTMENT INCOME

The table below presents an analysis of total investment income recognised in profit or loss and OCI during the period:

For the three months ended June 30, 2026 *(Amounts in Rs. lakhs)*

Investment Income	Investments at FVTPL		Investments at FVTOCI		Investments at Amortised Cost	Total
	Mutual funds*	Equity instruments**	Government securities	Debt securities	Deposits with Banks/Financial Institutions	
Amounts recognised in the profit or loss						
Interest Income on investments	313	-	5,562	11,600	23	**17,498**
Gains/(losses) arising from the derecognition of investments	149	-	-	12	-	**161**
Net Gain/(loss) on Fair Value changes of investments	2,035	23	-	-	-	**2,058**
Dividend Income on investments	-	38	-	-	-	**38**
Impairment of investments	-	-	2	(3)	-	**(1)**
Total amounts recognised in the profit or loss	**2,497**	**61**	**5,564**	**11,609**	**23**	**19,754**
Amounts recognised in OCI	-	-	6,159	6,363	-	**12,522**
Total Investment Income	**2,497**	**61**	**11,723**	**17,972**	**23**	**32,276**

* Mutual Funds include AIF and ETF
** Equity instruments include InvIT

Deposits with Banks/Financial Institutions are placed in the schedule commercial bank where the loss given default is considered negligible due to high regulatory framework and having A1+ rating from rating agencies reducing their probability of default. The company has not recognised excepted credit loss on the fixed deposits.

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For the three months ended June 30, 2025 *(Amounts in Rs. lakhs)*

Investment Income	Investments at FVTPL		Investments at FVTOCI		Investments at Amortised Cost	Total
	Mutual funds*	Equity instruments**	Government securities	Debt securities	Deposits with Banks/Financial Institutions	
Amounts recognised in the profit or loss						
Interest Income on investments	153	-	4,427	9,927	295	**14,802**
Gains/(losses) arising from the derecognition of investments	247	-	11	2	-	**260**
Net Gain/(loss) on Fair Value changes of investments	1,064	146	-	-	-	**1,210**
Dividend Income on investments	-	45	-	-	-	**45**
Impairment of investments	-	-	-	(3)	-	**(3)**
Total amounts recognised in the profit or loss	**1,464**	**191**	**4,438**	**9,926**	**295**	**16,314**
Amounts recognised in OCI	-	-	2,679	5,560	-	**8,239**
Total Investment Income	**1,464**	**191**	**7,117**	**15,486**	**295**	**24,553**

* Mutual Funds include AIF and ETF

** Equity instruments include InvIT

Deposits with Banks/Financial Institutions are placed in the schedule commercial bank where the loss given default is considered negligible due to high regulatory framework and having A1+ rating from rating agencies reducing their probability of default. The company has not recognised excepted credit loss on the fixed deposits.

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10 INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD

The following tables show the concentration of net insurance service revenue by segment:

(Amounts in Rs. lakhs)

Particulars	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
Group of Contracts	**Insurance Service Revenue**	**Reinsurance Cession**	**Net Retained**	**Insurance Service Revenue**	**Reinsurance Cession**	**Net Retained**
Health	2,23,472	47,896	1,75,576	1,73,990	36,188	1,37,802
Personal Accident	3,583	481	3,102	2,376	380	1,996
Travel	317	281	36	495	324	171
Total net insurance contracts	**2,27,372**	**48,658**	**1,78,714**	**1,76,861**	**36,892**	**1,39,969**

11 INSURANCE SERVICE EXPENSE

The breakdown of insurance service expenses by segment is presented below:

For the three months ended June 30, 2026 *(Amounts in Rs. lakhs)*

Particulars	Health	Personal Accident	Travel	Total
Incurred claims and other expenses	1,44,673	1,240	182	**1,46,095**
Amortisation of insurance acquisition cash flows	65,319	1,099	195	**66,613**
Total	**2,09,992**	**2,339**	**377**	**2,12,708**

For the three months ended June 30, 2025 *(Amounts in Rs. lakhs)*

Particulars	Health	Personal Accident	Travel	Total
Incurred claims and other expenses	1,18,925	1,305	219	**1,20,449**
Amortisation of insurance acquisition cash flows	52,711	850	193	**53,754**
Total	**1,71,636**	**2,155**	**412**	**1,74,203**

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12 TERMS OF BORROWINGS

A. Terms of Issue are as follows

ISIN	INE995S08010
Type , Nature and Security of the Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures
Face value per security	Rs.10,00,000
Issue size (Rs in Lakhs)	Rs.15,000
Issue date / Allotment date	November 15, 2021
Coupon rate	10.70%
Coupon payment frequency	Annual
Redemption date	November 15, 2031 (Call Option may be exercised by the issuer on November 15, 2026, November 15, 2027, November 15, 2028, November 15, 2029 & November 15, 2030)
Listing	Debt market segment on NSE
Credit Rating	"CARE AA / Stable" (As at March 31, 2026 "CARE AA / Stable")

ISIN	INE995S08028
Type , Nature and Security of the Instrument	Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures
Face value per security	Rs. 10,00,000
Issue size (Rs. in 'Lakhs.)	Rs. 10,000
Issue date / Allotment date	March 15, 2022
Coupon rate	10.70%
Coupon payment frequency	Annual
Redemption date	March 15, 2032 (Call Option may be exercised by the issuer on March 15, 2027, March 15, 2028, March 15, 2029, March 15, 2030 & March 15, 2031)
Listing	Debt market segment on NSE
Credit Rating	"CARE AA / Stable" (As at March 31, 2026 "CARE AA / Stable")

B. Maturity Pattern of Borrowings

(Amounts in Rs. lakhs)

Maturity Bucket	Amount
1-5 years	-
Above 5 years	25,000

S.R. BATLIBOI & CO. LLP

NANGIA & CO. LLP NOIDA CHARTERED ACCOUNTANTS

Niva Bupa Health Insurance Co. Ltd.

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED
Notes to the Interim Condensed Ind AS Financial Statements

13 During the period ended June 30, 2026, the Company has allotted 17,76,932 equity shares pursuant to exercise of employee stock options granted.

14 In view of the seasonality of Industry, the condensed financial statements for the period are not indicative of full year's expected performance.

15 The provisions of Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Amendment Rules, 2014 are applicable to the Company. However, as per Rule 18, Debenture Redemption Reserve shall be created out of profits of the Company available for payment of dividend, since the Company's equity shares are listed as at June 30, 2026, hence no Debenture Redemption Reserve is being created.

16 The corresponding period figures presented in these interim condensed financial statements have been prepared on the basis of financial information under the previous GAAP for the relevant periods duly restated to Ind AS. The comparative financial information of the Company for the quarter ended June 30, 2025 under the previous GAAP were reviewed by one of the joint statutory auditors i.e. S.R. Batliboi & Co. LLP and one of the predecessor auditors i.e. T.R. Chadha & Co. LLP who expressed unmodified conclusion on those financial information on July 31, 2025. The management has exercised necessary due diligence to ensure that the financial information provide true and fair view of the Company's affairs.

17 As per expenses of management ("EOM") forbearance letter dated December 27, 2024 received from Insurance Regulatory and Development Authority of India ("IRDAI"), the Company submitted the quarterly EOM plan to IRDAI on March 26, 2025 to bring the EOM within the prescribed limits by FY 2025-26 and also submitted EOM forbearance application to GI Council on April 25, 2025. The EOM ratio for the year to date ended March 31, 2025 was 39.22% on 1/n basis and 37.41% on without 1/n basis; as against maximum allowed EOM ratio of 35.55 % including additional allowances. The grant of such forbearance is at IRDAI's discretion and the impact of the same on the interim condensed financial statements will depend on the future developments.

Till September 30, 2025, on the basis of discussions with IRDAI and as advised in the forbearance letter dated December 27, 2024 to adhere with the EOM glide path on "Board approved" three year business plan which was on without 1/n basis, the Company had computed EOM in accordance with earlier accounting methodology applied before Master Circular on Actuarial, Finance and Investment Functions of Insurers dated May 17, 2024 read with clarification dated October 18, 2024 issued by IRDAI for multi-year policies and related commissions income and expenses was made applicable. During the quarter ended December 31, 2025, the Company had received advisory from IRDAI and the letter dated January 27, 2026, the Company was advised to compute the EOM as per 1/n methodology and file the revised return for the year to date ended March 31, 2025. During the quarter ended March 31, 2026, the Company revised and submitted the return in accordance with the advisory received from IRDAI and started computing the EOM based on 1/n methodology. In accordance with IRDAI (Expenses of Management, including Commission, of insurers) Regulation, 2024, the Company is not required to transfer any amount, which is in the excess of expenses of management over the allowable limit, from Revenue Account to Profit and Loss Account for the quarter ended June 30, 2026 and year ended March 31, 2026 in Company's financial information prepared in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013, read with the Companies (Accounting Standards) Rules, 2021. The Company's EOM ratio computed in accordance with above methodology stands at 35.15% (against maximum allowed EOM of 36.24% including additional allowances) for the quarter ended June 30, 2026.

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP

Shrawan Jalan
Partner
Membership No: 102102
Place: Mumbai
Date: July 30, 2026

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N-500069

NANGIA & CO. LLP NOIDA CHARTERED ACCOUNTANTS

Vikas Gupta
Partner
Membership No: 076879
Place: Noida
Date: July 30, 2026

For and on behalf of the Board of Directors of
Niva Bupa Health Insurance Company Limited

Vivek Anant Karve
Director
DIN: 06840707
Place: Mumbai

Ashwani Bhatia
Chairman of Board & Independent Director
DIN: 07423221
Place: Gurugram

Manish Sen
Appointed Actuary
Membership No: 5509
Place: Gurugram

Krishnan Ramachandran
Managing Director & Chief Executive Officer
DIN: 08719264
Place: Gurugram

Aparna Sharma
Company Secretary
Membership No. A24399
Place: Gurugram

Vishwanath Mahendra
Executive Director & Chief Financial Officer
DIN: 11019011
Place: Gurugram

Date: July 30, 2026

CIN - L66000DL2008PLC182918

Niva Bupa Health Insurance Co. Ltd.