



PROSPECTUS

**For the Registration of 8,000,000 Shares
Currently Held by Shareholders. No new
equity shares are proposed to be sold or
offered pursuant to this Prospectus**

29 September 2026

ISSUER INFORMATION

Name of the Issuer: Awash Insurance Share Company

Commercial Registration No.: KK/AA/3/0006242/2006

Type of Offer: Registration of Shares Currently Held by Shareholders

Number of Shares: 8,000,000 Ordinary Shares with a par value of ETB 500 each

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

This Prospectus is issued by Awash Insurance Share Company ("the Insurer" or "the Issuer" or "the Company") under the provisions of the Capital Market Proclamation No. 1248/2021 and in compliance with the Public Offering and Trading of Securities Directive No. 1030/2024 (the "Public Offer Directive") of the Ethiopian Capital Markets Authority ("ECMA"). Its purpose is to provide comprehensive information to potential investors regarding the registration of existing ordinary shares of the Issuer as at the record date as defined in the Prospectus (the "Existing Ordinary Shares").

The Prospectus has been approved, and the securities that it offers have been registered by the ECMA.

The Company, Board of Directors, the Chief Executive Officer, and Chief Finance Officer (the "Executive Management"), whose names also appear in Section 11 of this Prospectus accept full responsibility for the information contained in the Prospectus. To the best of their knowledge and belief, all reasonable care has been taken to ensure the information in the Prospectus is in accordance with facts and does not omit anything likely to affect the importance of such information or make the expression of such information or opinion misleading or untrue.

Investing in this offer involves possible risks, and this Prospectus incorporates Section 9 (Risk Factors) for a discussion of certain risk factors that should be considered by both existing shareholders and prospective investors in connection with any investment in the Issuer. Please, read the Prospectus in full and, where in doubt as to the action you should consult ECMA-licensed securities investment advisor for guidance before investing in securities.

THE APPROVAL OF THE PROSPECTUS AND THE REGISTRATION OF THE SECURITIES SHOULD NOT BE CONSTRUED AS AN ENDORSEMENT BY THE ETHIOPIAN CAPITAL MARKET AUTHORITY OF THE ISSUER OR OF THE SECURITIES THAT ARE THE SUBJECT OF THIS PROSPECTUS. THE ETHIOPIAN CAPITAL MARKET AUTHORITY DOES NOT ASSUME RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS, OPINIONS, OR REPORTS INCLUDED HEREIN.

Transaction Advisor:

i-Capital Institute PLC

Legal Advisor:

MALO Law Firm LLP

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1. SECTION ONE – GENERAL INFORMATION

1.1. Definitions and Abbreviation

This prospectus of Awash Insurance S.C. contains certain technical terms, accounting references, and regulatory abbreviations that, unless otherwise indicated by the context, shall carry the meanings ascribed to them in this document. References made herein to any legislation, proclamation, regulation, directive, guideline, policy, circular, notification, or clarification shall be deemed to include any amendments, modifications, or reenactments thereof, as may be issued from time to time by the National Bank of Ethiopia (NBE), the Ethiopian Capital Market Authority (ECMA), or any other relevant regulatory authority. Accordingly, investors are advised to interpret such references in light of applicable Ethiopian insurance, financial reporting, and capital market laws, as well as their subsequent updates.

Table 1: Definition of Terms and Abbreviations

Terms or Abbreviations	Meaning
AABE	Accounting and Auditing Board of Ethiopia
AML	Anti-Money Laundering
Auditors	Auditors licensed by the AABE and indicated under Section 1.5
Board of Directors or BoD	Members of the Board of Directors of the Insurer as of the date of this document are those people whose names are set out in Section 4 of this Prospectus.
Capital Market Proclamation	Capital Market Proclamation No. 1248/2021 of the Federal Democratic Republic of Ethiopia
Capital Adequacy Ratio (CAR)	A measure of available regulatory capital relative to the applicable risk-based capital requirement.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Combined Ratio	The sum of the loss ratio and expense ratio, used to assess the underwriting performance of an insurer.
Contractual Service Margin (CSM)	The component of an insurance contract liability representing unearned profit that is recognized as insurance services are provided under IFRS 17.
CSD	Central Securities Depository
ECMA	Ethiopian Capital Market Authority
Equity Shares	Ordinary shares representing an ownership interest in the Company and carrying the rights attached to such shares under the Company's constitutional documents and applicable law.
ESS	Ethiopian Statistical Services
ESX	Ethiopian Securities Exchange
ETB	Ethiopian Birr
Ethiopia, or the Country, or FDRE	Federal Democratic Republic of Ethiopia
Fair Value through Other Comprehensive Income (FVOCI)	An IFRS 9 measurement category under which specified changes in the fair value of financial assets are recognized in Other Comprehensive Income.
FCY	Foreign Currency
FDI	Foreign Direct Investment

Terms or Abbreviations	Meaning
Financial Statements	Audited financial statements of the Insurer
FIS	Financial Intelligence Service
Fulfilment Cash Flows	The probability-weighted present value of expected future cash flows from insurance contracts, including the Risk Adjustment for non-financial risk.
FY	Financial Year/Fiscal Year
Awash Insurance, the Insurer, or the Company	Awash Insurance S.C.
GDP	Gross Domestic Product
Gross Written Premium (GWP)	Total premium written by the Company during a period before deduction of premiums ceded to reinsurers.
HFI	Historical Financial Information
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Independent Director	A non-executive director who has no family of first-degree consanguinity relationship or business or professional, or commercial relationship with the insurer, and is neither part of senior management nor involved in the day-to-day operations of the Insurer.
Insurance Business Proclamation	Insurance Business Proclamation No. 746/2012 of the Federal Democratic Republic of Ethiopia, as amended, including by Insurance Business (Amendment) Proclamation No. 1163/2019.
Insurance Service Result	The result from insurance operations comprising Insurance and Takaful Revenue less Insurance and Takaful Service Expenses and the net result from Reinsurance and Retakaful Contracts Held.
Investor	Any person who sells, buys, or holds Awash Insurance shares with the expectation of a financial return from such transactions
IT	Information Technology
Loss Ratio / Net Claims Ratio	Net claims incurred expressed as a percentage of Net Earned Premium.
Minimum Capital Requirement	The minimum level of regulatory capital contemplated under a risk-based capital framework.
MOA	Memorandum of Association
NBE	National Bank of Ethiopia
Ordinary Shares	Ordinary shares are equity securities representing ownership in the Company. They carry voting rights, entitlement to dividends when declared, and a residual claim on the Company's net assets upon liquidation after settlement of debts and other claims ranking ahead of ordinary shares, including any preferential claims. "Issued and fully paid-up" describes shares that the Company has issued and for which shareholders have paid the full amount payable.
Other Comprehensive Income (OCI)	Income and expenses recognized outside profit or loss and presented as part of comprehensive income in accordance with IFRS.
PLC	Private Limited Company
Prospectus	This document
Public Offer Directive	The Public Offering and Trading of Securities Directive No. 1030/2024 issued by the Ethiopian Capital Market Authority.
Retakaful	A Shariah-compliant form of reinsurance through which a Takaful operator transfers part of the risks of the participants' fund to a Retakaful operator.
Retention Ratio	The proportion of Gross Written Premium retained by the Company after premiums ceded to reinsurers.
Risk Adjustment	The compensation required by the Company for bearing uncertainty about the amount and timing of cash flows arising from non-financial risk under insurance contracts.
Shareholders	Holders of the ordinary shares in the capital of the Insurer
Solvency Capital Requirement (SCR)	The level of regulatory capital required to cover the prescribed risks under a risk-based capital framework.

Terms or Abbreviations	Meaning
Solvency Margin	The amount by which the Company's regulatory capital exceeds the minimum capital required under the applicable solvency framework.
Solvency Ratio	The ratio of the Company's available regulatory capital to the applicable required capital.
Takaful	A Shariah-compliant insurance arrangement under which participants contribute to a common fund to provide mutual financial protection against specified risks.
The Insurer's Management	Members of the senior management team of the Insurer, whose names are set out on section 4 of this prospectus
USD	United States Dollar

1.2. Corporate Directory

Awash Insurance is legally registered as a share company with a commercial registration number KK/AA/3/0006242/2006 (previously አአ/ገግ-3-1532/87) and is licensed by the National Bank of Ethiopia (NBE) to undertake insurance business under license number 003/94.

The registered office of the Insurer is given as:

Awash Towers

Ras Abebe Aregay Street

Kirkos Sub City, Woreda 07, Addis Ababa City

Telephone: +251-115-570001

Postal Address: P.O. Box 12637

Email: aic@awashinsurance.com

Website: www.awashinsurance.com

As of the date of this Prospectus, Awash Insurance maintains strategically located 71 branches and 3 underwriting contact offices across the country. Contact information for all the branches and district offices is provided in the Annex to this document.

Share Registrar

The Company has not appointed an external share registrar or transfer agent. The Company Secretary and Finance Division is responsible for maintaining the Company's register of shareholders and administering share transfer records.

The Company Secretary may be contacted at:

Awash Insurance S.C.

Awash Towers

Ras Abebe Aregay Street

Kirkos Sub-City, Woreda 07

Addis Ababa, Ethiopia

Telephone: +251-115-570001

P.O. Box 12637

Email: aic@awashinsurance.com

Website: www.awashinsurance.com

1.3. Persons Responsible for the Information Disclosed

The Insurer, the Insurer's Directors, the Chief Executive Officer, and the Chief Finance Officer (collectively, the "Responsible Parties," whose names appear below) accept full responsibility for the information contained in this Prospectus. To the best of their knowledge and belief, they collectively have taken all reasonable care to ensure that the information in the Prospectus is in accordance with facts and does not omit anything likely to affect the importance of such information or make the expression of such information or opinion misleading or untrue. The responsible parties can be reached at the Insurer's registered address, as indicated under Section 1.2 above.

1. Tadesse Gemedà Denta – Chairman of the Board of Directors, Chairman, Investment and Projects Follow-up Committee
2. Daniel Tewodros Limeneh – Vice Chairman of the Board of Directors; Director; Chairman Audit Committee and Member Investment and Projects Follow-up Committee
3. Desalegn Tolera Jaleta – Director; Chairperson, HR Affairs Committee; Member, Investment and Projects Follow-up Committee
4. Gifty Yoseph Hailemariam – Director; Member, Risk Management and Compliance Committee: Member, HR Affairs Committee
5. Meti Wole Gurmu – Director; Member, Audit Committee; Member, Business Development and Strategy Committee
6. Tesfaye Gemechu Mideksa – Director; Chairman, Risk Management and Compliance Committee; Member, Investment and Projects Follow-up Committee; Member, Investment and Projects Follow-up Committee; Member, Business Development and Strategy Committee
7. Lencho German Amente – Director; Member, Risk Management and Compliance Committee; Member, Investment and Projects Follow-up Committee
8. Oda S.C. (represented by Gadisa Abera Bedada) – Director; Member, Audit Committee
9. Jibat Alemneh Faji – CEO
10. Adane Seyoum Haile – CFO

As at the date of this Prospectus, none of the members of the Board of Directors, the CEO or the CFO has any material direct or indirect interest in the Company other than interests arising from their respective positions and, where applicable, shareholdings disclosed elsewhere in this Prospectus.

Experts

1. i-Capital Institute PLC – Transaction Advisor
2. TAY Audit Service Limited Liability Partnership – External Auditor
3. MALO Law Firm LLP – Legal Advisor

1.3.1. Transaction Advisor Responsibility Statement

i-Capital Institute PLC (“i-Capital”), in its capacity as Transaction Advisor to Awash Insurance S.C., hereby accepts full responsibility for the information it has provided and consented to the inclusion of in this Prospectus.

i-Capital declares that, to the best of its knowledge and belief, and having taken all reasonable care to ensure that such is the case, the information provided by it and included in this Prospectus is in accordance with the facts and does not omit anything likely to affect the importance of such information or to make the expression of such information or opinion misleading or untrue.

i-Capital is licensed by the Ethiopian Capital Market Authority as a securities investment adviser under the Capital Market Service Providers Licensing and Supervision Directive No. 980/2024 and has been appointed by the Insurer as Transaction Advisor for the registration of its existing shares.

In this capacity, i-Capital has provided advisory services to the Insurer in relation to regulatory compliance, the preparation and submission of the registration statement and this Prospectus, responses to regulatory queries, advisory support to the Board and senior management on statutory obligations, preparation of a valuation report for the Board, coordination of the listing of the Company’s ordinary shares on the Ethiopian Securities Exchange, and such related activities as may be required under applicable laws, directives, and regulatory guidance.

The responsibilities of i-Capital are limited to the services expressly attributed to it in this Prospectus. Save for any responsibility and liability expressly arising under the Public Offer Directive, and only to the extent provided therein, i-Capital does not assume any additional duty, responsibility, or liability in respect of this Prospectus or its contents. To the fullest extent permitted by applicable law, i-Capital does not accept responsibility for any information in this Prospectus that is not expressly attributed to it.

In accordance with Article 81(3) of the Public Offer Directive, i-Capital confirms that it does not have any material interest in the Insurer, or the securities being registered, other than fees payable to it by the Insurer in the ordinary course of its engagement as transaction advisor.

i-Capital Institute PLC contact details:

Email: info@icapitalafrica.org

Phone Number: +251 911629011

Website: www.icapitalafrica.org

Address: 6th Floor, Elsi Building, Arada Sub-City Arat-Killo, Addis Ababa, Ethiopia

1.3.2. The External Auditor’s Responsibility Statement

TAY Audit Service Limited Liability Partnership (“TASLLP”), in its capacity as External Auditor of Awash Insurance S.C., hereby accepts full responsibility for the audit opinions it has issued and consented to the inclusion of in this Prospectus.

TASLLP declares that, to the best of its knowledge and belief, and having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus that relates to the audit opinions issued by the External Auditor is in accordance with the facts and does not omit anything likely to affect the importance of such information or to make the expression of such information or opinion misleading or untrue.

TASLLP has audited the historical financial statements of the Insurer included in this Prospectus in accordance with International Standards on Auditing and the applicable requirements of the Accounting and Auditing Board of Ethiopia. The audit opinions were prepared for purposes of inclusion in this Prospectus, and TASLLP has provided its written consent to such inclusion.

The responsibility of TASLLP is limited to the audit opinions and related statements expressly attributed to it in this Prospectus. Save for any responsibility expressly arising under the Public Offer Directive and only to the extent provided therein, TASLLP does not assume responsibility for any other information contained in this Prospectus.

TAY Audit Service Limited Liability Partnership appointment and reappointment as external auditor of Awash Insurance S.C. are carried out in accordance with the Commercial Code of Ethiopia Proclamation No. 1243/2021, relevant directives issued by the National Bank of Ethiopia, and resolutions of shareholders passed at the Annual General Meeting following a competitive selection process and regulatory approval. The External Auditor is licensed and registered by AABE.

In accordance with Article 81(3) of the Public Offer Directive, the External Auditor confirms that it does not have any material interest in the Insurer or the securities being registered, other than audit fees payable to it by the Insurer in the ordinary course of its engagement as external auditor.

TAY Audit Service Limited Liability Partnership contact details:

E-mail: info@tayauditing.com

Phone number: +251911244537

Website: www.tayauditing.com

Address: Kirkos Sub City, Woreda 03, Ethio-China Friendship Street, Wengelawit Tadesse Building 1st Floor, Addis Ababa, Ethiopia.

1.3.3. The Legal Advisor's Responsibility Statement

Malo Law Firm LLP, in its capacity as Legal Advisor to Awash Insurance S.C., hereby accepts full responsibility for the Legal Opinion it has issued and for the information it has provided and consented to include in this Prospectus.

Malo Law Firm LLP declares that, to the best of its knowledge and belief, and having taken all reasonable care to ensure that such is the case, the information provided by it and included in this Prospectus is in accordance with the facts and does not omit anything likely to affect the importance of such information or to make the expression of such information or opinion misleading or untrue. Malo Law Firm LLP has acted as independent legal counsel to the Insurer in connection with the registration and listing of its shares and has issued a legal opinion dated September 29, 2026 (the "Legal Opinion"). The Legal Advisor

has consented to the inclusion of the Legal Opinion as an accompanying document and to references to its name in this Prospectus.

The responsibility of the Legal Advisor is limited to the Legal Opinion and the statements expressly attributed to it or stated to be based upon the Legal Opinion. Save for any responsibility expressly arising under the Public Offer Directive and only to the extent provided therein, the Legal Advisor does not assume responsibility for any other information contained in this Prospectus.

In accordance with Article 81(3) of the Public Offer Directive, the Legal Advisor confirms that it does not have any material interest in the Insurer, or the securities being registered, other than fees payable to it by the Insurer in the ordinary course of its engagement as legal counsel.

Malo Law Firm LLP contact details:

Email - mekonnenlawoffice02@gmail.com

Tel: +251911201772

Address: Mexico Square, Awash Tower, 14th Floor P.O. Box – 15082, Addis Ababa, Ethiopia

1.4. Third-Party Information

The information presented in this Prospectus regarding macroeconomic conditions, the insurance industry, as well as relevant trends, challenges, and prospects, has been sourced or derived from publicly available data released by both government and private organizations. The Issuer has reproduced such third-party information accurately, and that as far as the Company is aware and is able to ascertain from information published by that third-party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Furthermore, certain market and industry data used in this Prospectus have been obtained from internal surveys, reports, and studies conducted by the Issuer, alongside publicly available information and industry publications, including those issued by the National Bank of Ethiopia (NBE), the Ethiopian Statistical Services (ESS), the International Monetary Fund (IMF), and the World Bank. While the Directors believe this third-party information to be reliable, the Issuer has not independently verified such data. Where third-party information is included herein, the specific source has been duly identified at the point of use.

Rounding

Certain numerical figures presented in this Prospectus may have undergone rounding adjustments. Consequently, the totals displayed in specific figures may not represent a precise arithmetic sum of the preceding figures

1.5. Auditors

In appointing external auditors, the Insurer complies with the Commercial Code of Ethiopia and the relevant directives issued by the NBE. The Insurer's external auditor is selected through a competitive bidding process, conducted in accordance with its internal procurement policies and procedures, and is subsequently appointed by resolution of the shareholders at an Ordinary General Meeting. Each year,

the NBE reviews and approves the appointment or reappointment of the external auditor. All external auditors are engaged by the Insurer are legally registered in Ethiopia and licensed by the Accounting and Auditing Board of Ethiopia (AABE), in line with the Council of Ministers Regulation No. 332/2014.

Changes in Accounting Reporting (IFRS 9 and 17)

Awash Insurance transitioned to IFRS 9 and 17 in FY2024/25. The company's fiscal year runs from July 1 and ends on June 30. All references to FY2024/25, FY2023/24, and FY2022/23 refer to these periods.

Accordingly, the external auditors responsible for auditing the historical financial information set out in Section 7 of this Prospectus and serving the Insurer during the referenced fiscal years are as follows:

Table 2: External Auditors

Financial Year	External Auditor
2024/2025	Independent Auditor Name: TAY Audit Service Limited Liability Partnership
2023/2024	Principal Registration Number: ADF00009
2022/2023	Licensing Authority: Accounting and Auditing Board of Ethiopia (AABE)
	TIN: 0059066331
	First Registration Date: 14/02/2011
	License No. KK/AA/14/706/782226/2011
	Valid upto: February 07,2027
	Telephone: +251911515038
	Location: Kirkos Sub City, Woreda 03, Addis Ababa, Ethiopia

1.6. Prospectus Summary

This section offers a concise introduction to the Prospectus. It must be read in conjunction with the other sections herein. Any decision by a prospective investor to purchase Ordinary Shares should be made only after carefully reviewing the Prospectus as a whole.

1.6.1. Key Information about the Issuer

Awash Insurance Share Company ("Awash Insurance" or the "Company") is a share company duly incorporated and registered in the Federal Democratic Republic of Ethiopia under Business Registration Number KK/AA/3/0006242/2006. The Company is licensed by the National Bank of Ethiopia (NBE) to undertake insurance business under License Number 003/94 in accordance with the applicable insurance regulatory framework.

The registered office of the Company is located at;

Awash Towers,
Kirkos Sub City, Woreda 07,
Addis Ababa, Ethiopia.

The Company may be contacted through;

Telephone: +251-115-570001,

Postal Address: P.O. Box 12637, Addis Ababa, Ethiopia,

Email: aic@awashinsurance.com, and

Website: www.awashinsurance.com.

Awash Insurance S.C. was established in the early phase of Ethiopia's transition to a market-oriented economy by a group of visionary founders comprising former public officials, corporate leaders, and prominent business people. The Company was licensed on October 1, 1994, by the National Bank of Ethiopia and commenced operations at its Bole Main Branch with an initial workforce of 12 employees. The name "Awash" was inspired by the Awash River one of Ethiopia's most significant natural resources symbolizing endurance, continuity, and service to the nation. Much like the river, which traverses diverse landscapes while sustaining livelihoods through power generation, irrigation, and water supply, the Company was founded with the aspiration to serve and nurture the diverse needs of the Ethiopian people with reliability and inclusiveness.

Over more than three decades of operation, Awash Insurance has evolved into a prominent player in Ethiopia's insurance industry, steadily expanding its market presence through product diversification, geographic outreach, and institutional strengthening. As one of the early private financial institutions in the country, the Company has maintained a strong growth trajectory supported by continuous capital enhancement, innovation in service delivery, and the implementation of long-term strategic initiatives, including its Vision 2030 transformation roadmap and the development of a new headquarters facility.

Awash Insurance operates as an independent share company duly incorporated and registered under Ethiopian law and is licensed to undertake both general and long-term insurance business. Its principal activities include underwriting a wide range of insurance products, providing related advisory and ancillary services, and investing in insurance and reinsurance ventures in accordance with regulatory requirements.

Guided by its vision to become the leading and most dependable insurer of choice in Ethiopia, Awash Insurance remains committed to delivering innovative, reliable, and customer-centric insurance solutions. Its mission centers on serving as a trusted partner to all stakeholders by creating value, ensuring financial security, and maintaining excellence in service delivery across an increasingly dynamic and competitive financial landscape.

1.6.2. Principal Activities of the Company

Awash Insurance Share Company is licensed by the National Bank of Ethiopia to undertake insurance business in Ethiopia. The Company's principal activities include underwriting general insurance and long-term (life) insurance products, takaful window operation, carrying out ancillary services related to insurance operations, investing in insurance and reinsurance institutions in accordance with applicable laws and regulations, and providing insurance services through digital channels approved by the relevant regulatory authorities.

The Company offers a diversified portfolio of insurance products designed to address the risk management needs of individual, corporate, and institutional clients across Ethiopia. Its offerings include motor insurance, fire and property insurance, marine insurance, engineering insurance, liability insurance, pecuniary insurance, political violence and terrorism insurance, workers' compensation insurance, travel insurance, horticulture insurance, Crop insurance, micro insurance and personal accident insurance.

In addition, the Company provides life and health insurance products including group medical insurance, term life insurance, and endowment policies. Awash Insurance also offers Shari'ah-compliant insurance through its Salaam Takaful operations and has expanded its service delivery through digital platforms and partnerships with mobile financial service providers to enhance accessibility and customer convenience.

Corporate Governance

Awash Insurance S.C. maintains a corporate governance framework designed to ensure transparency, accountability, and responsible management of the Company. The framework is guided by the Federal Democratic Republic of Ethiopia Commercial Code, the Insurance Business Proclamation, and the corporate governance directives issued by the National Bank of Ethiopia, as well as relevant disclosure requirements of the Ethiopian Capital Market Authority.

The governance structure defines the roles and responsibilities of the Board of Directors, executive management, and oversight committees, ensuring effective supervision, risk management, and compliance with regulatory requirements. Further details of the Company's governance structure are provided in the relevant sections of this Prospectus.

1.6.3. Summary of Historical Financial Information

The financial information presented below summarizes the Company's historical financial performance, financial position and cash flows. The Company adopted IFRS 17 in FY2024/25. Accordingly, the FY2023/24 comparative information presented in the FY2024/25 audited financial statements reflects the IFRS 17 presentation. FY2022/23 financial information referred to for three-year trend purposes was prepared under the accounting framework applicable before the adoption of IFRS 17 and has not been restated under IFRS 17. IFRS 17-specific measures are therefore presented for FY2024/25 and FY2023/24 only.

Summary of Profit or Loss and Other Comprehensive Income

Total Insurance and Takaful Revenue increased by 32.9% to ETB 3.78 billion in FY2024/25 from ETB 2.85 billion in FY2023/24. Insurance and Takaful Service Expenses increased at a lower rate, from ETB 2.39 billion to ETB 2.60 billion. The effect of the growth in revenue and service expenses was partly offset by the movement in reinsurance results, with Net Expenses from Reinsurance Contracts Held changing from income of ETB 51.1 million in FY2023/24 to an expense of ETB 446.6 million in FY2024/25. Despite this movement, the Insurance Service Result increased by 44.3% to ETB 711.3 million from ETB 492.8 million.

Investment income increased by 33.9% to ETB 812.6 million from ETB 606.9 million, while Wakala fee income and other operating income increased to ETB 17.8 million and ETB 118.2 million, respectively. Profit before income tax increased by 27.3% to ETB 1.11 billion from ETB 873.6 million, while profit after income tax increased by 24.9% to ETB 956.8 million from ETB 765.9 million. Other comprehensive income increased to ETB 311.3 million from ETB 74.0 million.

Table 3: Summary of Profit or Loss and Other Comprehensive Income (ETB '000)

Particulars	FY2024/25	FY2023/24
Insurance Revenue	3,681,516	2,789,709
Takaful Revenue	100,506	56,189
Total Insurance and Takaful Revenue	3,782,022	2,845,898
Insurance Service Expenses	(2,535,854)	(2,358,467)
Takaful Service Expenses	(64,963)	(35,858)
Net Expenses from Reinsurance Contracts Held	(446,614)	51,058
Net Expenses from Retakaful Contracts Held	(23,288)	(9,803)
Insurance Service Result	711,303	492,828
Insurance Finance Result	50,008	45,982
Investment Income	812,612	606,881
Wakala Fee Income	17,836	11,321
Other Operating Income	118,225	36,234
Investment, Wakala and Other Operating Income	948,673	654,436
Other Operating Expenses and Adjustments	(598,122)	(319,675)
Profit Before Tax	1,111,862	873,571
Income Tax Expense	(155,095)	(107,706)
Profit After Tax	956,767	765,865
Other Comprehensive Income	311,295	74,022

The table above includes the principal income and expense lines required to derive the Insurance Service Result and profit before income tax and is aligned with the audited statement of profit or loss and other comprehensive income.

The effective income tax rate was approximately 13.9% in FY2024/25 and 12.3% in FY2023/24. The difference between the effective tax rate and the statutory corporate income tax rate principally reflects interest and dividend income taxed at source and other reconciling items. The detailed tax reconciliation is provided in Note 12 of the audited financial statements.

For three-year trend purposes, profit before tax increased from ETB 549.98 million in FY2022/23 to ETB 873.57 million in FY2023/24 and ETB 1.11 billion in FY2024/25. Profit after tax increased from ETB

509.12 million in FY2022/23 to ETB 765.87 million in FY2023/24 and ETB 956.77 million in FY2024/25. The FY2022/23 amounts were prepared before the adoption of IFRS 17 and should therefore be read together with the basis-of-presentation statement above.

Summary of Financial Position

The Company's total assets increased by 38.0% to ETB 11.12 billion at June 30, 2025 from ETB 8.06 billion at June 30, 2024. The increase was principally reflected in cash and bank balances, financial assets measured through other comprehensive income, debt instruments at amortized cost and reinsurance assets.

Total liabilities increased to ETB 6.05 billion in FY2024/25 from ETB 4.33 billion in FY2023/24, mainly reflecting the increase in insurance contract liabilities to ETB 4.27 billion from ETB 3.25 billion, respectively, together with higher insurance payables and other liabilities. Total equity increased by 36.1% to ETB 5.07 billion in FY2024/25 from ETB 3.72 billion in FY2023/24. Share capital increased to ETB 2.65 billion in FY2024/25 from ETB 1.92 billion in FY2023/24, while retained earnings increased to ETB 1.96 billion from ETB 1.47 billion, respectively.

Table 4: Summary of Financial Position(ETB '000)

Particulars	FY2024/25	FY2023/24
Assets		
Cash and Bank Balances	3,932,603	2,883,300
Financial Assets at FVOCI	2,731,505	1,710,345
Debt Instruments at Amortized Cost	441,272	244,227
Insurance Receivables	20,830	2,951
Reinsurance Assets	1,397,838	1,063,137
Retakaful Assets	31,681	9,533
Other Assets	347,145	182,054
Salvage Property Held for Sale	67,835	49,970
Right-of-Use Asset	68,002	76,728
Property, Plant and Equipment	1,215,720	1,144,610
Investment Properties	452,678	397,301
Intangible Assets	18,217	8,474
Statutory Deposits	391,877	284,286
Total Assets	11,117,204	8,056,915
Liabilities		
Insurance Contract Liabilities	4,270,332	3,251,518
Provision for Claims under Litigation	1,509	13,829
Insurance Payables	570,608	354,943
Other Liabilities	394,498	169,661
Defined Benefit Obligations	23,304	23,109
Deferred Tax Liability	456,072	322,382
Current Income Tax Liabilities	159,209	110,673
Lease Liability	14,748	16,557
Takaful Liabilities	115,781	46,662
Retakaful Liabilities	20,948	12,968
Payable to Takaful Participants	3,970	29
Participants' Takaful Fund	11,258	2,619
Qard	9,000	9,000
Total Liabilities	6,051,237	4,333,949

Equity		
Share Capital	2,647,210	1,921,492
Share Premium	68,379	33,224
Retained Earnings	1,959,488	1,472,626
Legal Reserve	390,890	295,625
Total Equity	5,065,967	3,722,967
Total Equity and Liabilities	11,117,204	8,056,915

Summary of Cash Flows

The Company generated net cash inflows from operating activities of ETB 1.16 billion in FY2024/25, compared with ETB 692.8 million in FY2023/24, representing an increase of 67.3%. Net cash used in investing activities increased to ETB 655.5 million from ETB 496.7 million, reflecting continued investment in equity securities, debt instruments, fixed deposits, investment property, and property and equipment. Net cash inflows from financing activities amounted to ETB 52.2 million compared with ETB 68.4 million in FY2023/24.

As a result, cash and cash equivalents increased by ETB 556.0 million during FY2024/25 and closed at ETB 1.28 billion, compared with ETB 722.6 million at the end of FY2023/24.

Table 5: Summary of Cash Flows (ETB '000)

Particulars	FY2024/25	FY2023/24	FY2022/23
Net Cash Inflow from Operating Activities	1,159,311	692,820	598,398
Net Cash Outflow from Investing Activities	(655,539)	(496,653)	(483,403)
Net Cash Inflow from Financing Activities	52,190	68,400	121,378
Net Increase in Cash and Cash Equivalents	555,963	264,568	236,373
Cash and Cash Equivalents at the Beginning of the Year	722,615	458,047	221,674
Cash and Cash Equivalents at the End of the Year	1,278,578	722,615	458,047

The cash and bank balance presented in the statement of financial position is broader than the cash and cash equivalents used for purposes of the statement of cash flows. At June 30, 2025, cash and cash equivalents of ETB 1.28 billion comprised ETB 46.4 million of cash in hand, ETB 1.02 billion of cash at bank and ETB 213.7 million of short-term deposits. Cash and bank balances additionally included ETB 2.66 billion of fixed time deposits, subject to the applicable impairment allowance, resulting in the ETB 3.93 billion balance presented in the statement of financial position. The same classification applied in FY2023/24, when cash and cash equivalents were ETB 722.6 million and fixed time deposits amounted to ETB 2.16 billion.

Summary of Key Financial and Non-Financial Indicators

The Company's key financial and operating indicators reflect continued growth in premium production, capital, solvency and operating scale during the review period. Gross Written Premium growth accelerated to 45.4% in FY2024/25 from 28.0% in FY2023/24, while the Insurance Service Result Margin improved to 18.8% from 17.3%.

The Non-Life retention ratio declined from 69% in FY2023/24 to 64% in FY2024/25, reflecting an increase in the proportion of business ceded to reinsurers. The Non-Life net claims ratio increased from 47% to 56% over the same period.

The solvency ratio increased from 2.20 times at June 30, 2024 to 2.31 times at June 30, 2025. Paid-up capital also increased by 37.8% in FY2024/25.

Table 6: Summary of Key Financial and Non-Financial Indicators

Indicator	FY2024/25	FY2023/24
Financial and Insurance Indicators		
Gross Written Premium Growth	45.4%	28.0%
Insurance Service Result Margin ¹	18.8%	17.3%
Non-Life Retention Ratio	64%	69%
Non-Life Net Claims Ratio	56%	47%
Solvency Ratio	2.31x	2.20x
Net Operating Cash Flow Growth	67.3%	15.8%
Financial Asset Coverage Ratio ²	1.69x	n.a.
Market Position Indicators*		
Gross Written Premium Market Share	11.0%	10.9%
Total Asset Market Share	13.1%	12.3%
Total Equity Market Share	17.9%	17.1%
Paid-Up Capital Market Share	16.6%	16.4%
Non-Financial and Operating Indicators		
Physical Service Outlets ³	71	70
Growth in Physical Service Outlets	1.4%	6.1%
Employees	802	765
Employee Growth	4.8%	6.7%
Shareholders	2,175	2,035
Shareholder Growth	6.9%	5.9%

¹ Insurance Service Result Margin is calculated as Insurance Service Result divided by Total Insurance and Takaful Revenue.

*Based on the NBE Financial Stability Report (March 2026) and comparable figures from the Issuer's audited financial statements for the corresponding years.

² Financial Asset Coverage Ratio is calculated as total financial assets divided by financial liabilities included in the Company's financial-risk analysis.

³ Physical service outlets comprise branches and contact offices.

The Company maintained an approximately 12% share of industry Gross Written Premium during the period, while its share of industry assets increased from 12.3% in FY2023/24 to 13.1% in FY2024/25. Its relative capitalization remained higher than its premium market share, with the Company accounting for approximately 17.9% of industry equity and 16.6% of industry paid-up capital in FY2024/25.

The improvement in financial performance was accompanied by continued growth in operating capacity. Physical service outlets increased from 70 in FY2023/24 to 71 in FY2024/25, the workforce increased from 765 to 802 employees, and the shareholder base expanded from 2,035 to 2,175 shareholders over the same period.

1.6.4. Information about the Registration of Existing Shares

This Prospectus has been prepared in connection with the registration of 8,000,000 existing ordinary shares of the Company with the ECMA. No new securities are being issued or offered under this Prospectus, and the Issuer will not receive any proceeds from the registration. The existing ordinary shares will be registered upon approval of the registration statement by ECMA.

1.6.4.1. Key Characteristics of the Securities Being Registered

- **Type of Security:** Ordinary shares of Awash Insurance S.C.
- **Par Value:** ETB 500 per share
- **Total Subscribed Shares:** 8,000,000 ordinary shares
- **Transferability:** The shares are freely transferable

1.6.4.2. Intended Trading Arrangement

Following registration with ECMA, the Company intends to seek admission of its Ordinary Shares to the Main Board of the ESX, subject to ESX approval and satisfaction of the applicable listing and admission requirements.

1.6.4.3. Rights Attached to the Securities

Rights attaching to Awash Insurance's Ordinary Shares:

- **Dividend Rights:** entitlement to share in dividends declared out of distributable profits, in proportion to paid-up capital held.
- **Voting Rights:** the right to vote, exercisable in proportion to the shareholder's capital held.
- **Rights on Winding-Up:** entitlement to a share of the Company's net assets remaining after liabilities and priority claims are settled, in proportion to paid-up capital held.
- **Pre-emptive Rights:** the right to subscribe for new Ordinary Shares issued in a capital increase, in proportion to existing shareholding, protecting shareholders from dilution. Governed by Article 448 of the Commercial Code, the Public Offer Directive and the Company's Memorandum of Association.

All Ordinary Shares are of a single class and rank pari passu. No shareholder's shares carry different or preferential rights.

1.6.4.4. Dematerialization, Migration, and Holding of Securities

I. Mandatory Dematerialization Regime

Pursuant to applicable regulations, all securities are required to be held, transferred, and traded exclusively in dematerialized (electronic) form. This requirement applies to both the securities offered through the Primary Issue and any existing physical share certificates currently held by shareholders. Physical certificates cannot be transferred, sold, or otherwise dealt with unless they are dematerialized.

II. Issuer-Side Migration to the Central Securities Depository (CSD)

As part of the process to comply with electronic holding requirements, the Company will initiate the migration of eligible shareholdings to the Central Securities Depository. This migration involves the

electronic registration of shareholdings with the depository on the issuer side. Upon completion of this migration, shareholdings will be recorded in electronic form with the CSD.

In order to actively hold and transact in their securities, shareholders are required to open a securities trading account with a licensed broker/dealer and a corresponding CSD account. Shareholders who have not yet completed this process will have their securities reflected in a non-trading (inactive) suspense account maintained by the CSD. While such holdings are electronically recorded, shareholders will not be able to transfer, pledge, trade, or otherwise deal with these securities until the subsequent steps described below are completed.

III. Shareholder Obligation: Retention of a Licensed Broker, Dealer, or Investment Bank

To gain full functionality over their securities, each shareholder is required to retain the services of a licensed broker or dealer. Accordingly, every shareholder must open and maintain a brokerage account with a registered CSD Participant, such as a broker or dealer registered with the CSD. The broker, dealer, or investment bank acts as intermediary between the shareholder and the CSD for all transactions.

IV. Dematerialization via Deposit of Securities to a Brokerage Account

Following the opening of a brokerage account with a licensed broker or dealer, shareholders must initiate the process of dematerializing their securities in order to transfer them from the issuer-side CSD record, or inactive account, into their active, tradable brokerage account. The procedure is as follows:

- **Account Opening:** the shareholder opens a brokerage account with a registered CSD Participant.
- **Dematerialization Request:** the shareholder submits a Dematerialization Request Form or Securities Deposit Form to their broker, dealer, or investment bank, instructing the deposit of securities into their account.
- **Verification and Credit:** the broker or dealer forwards the request to the Company's Registrar. Upon verification, the electronic holdings are credited from the issuer-side CSD record to the shareholder's active brokerage account.
- **Activation for Trading:** once credited to the active brokerage account, the securities become fully functional, allowing the shareholder to hold, transfer, pledge, or trade them freely.

V. Consequences of Non-Compliance

Shareholders who fail to complete the steps described above, and in particular who do not open a brokerage account and dematerialize their holdings into that account, will be subject to the following restrictions:

- **Inability to Transfer:** securities remaining in the issuer-side inactive account cannot be sold, transferred, or pledged.
- **Risk of Dormancy:** holdings that remain unlinked to an active brokerage account for an extended period may become subject to further transfer restrictions.
- **Loss of Functionality:** shareholders will be unable to participate in certain corporate actions requiring active dematerialized holdings.

VI. Investor Responsibility

The Company and the CSD shall have no liability for delays, inability to transfer shares, or any other consequences arising from an investor's failure to: (i) open and maintain a brokerage account with a registered broker, dealer, or investment bank; (ii) initiate the dematerialization of securities from the

issuer-side CSD record into an active brokerage account; or (iii) respond to communications regarding the activation of their holdings.

1.6.4.5. Information on the Tax Treatment of the Securities

Pursuant to the Income Tax Proclamation No. 979/2016, as amended by Proclamation No. 1395/2025, the following taxes may apply to holders of the securities offered hereunder.

Dividend Income. Residents of Ethiopia who receive dividend income are subject to income tax at the rate of 15% on the gross amount of the dividend. Non-residents who earn Ethiopian-source dividend income attributable to a permanent establishment in Ethiopia are likewise taxed at the rate of 15%. Dividend tax does not apply where a dividend is distributed to a permanent establishment in Ethiopia or to a resident company forming part of a group of companies, being a structure in which a company directly or indirectly owns more than 50% of the shares of one or more other companies.

Capital Gains. Pursuant to Article 59 of the Income Tax Proclamation, as amended, individuals who realize a gain from the disposal of shares are required to pay income tax at the rate of 15% on such gain. The taxable gain is determined by deducting the adjusted cost of the asset, indexed upward by 30% for inflation, from the consideration received on disposal.

Undistributed Profits. Pursuant to Article 64 of the Federal Income Tax Proclamation No. 979/2016, as amended, the Company may be subject to a further income tax at the rate of 15% on net profits that remain undistributed and are not reinvested within twelve months following the end of the relevant fiscal year. Undistributed profits include amounts not distributed or reinvested within the prescribed period, as well as profits attributable to a permanent establishment in Ethiopia that are not remitted to a foreign head office. Pending the issuance of directives by the Ministry of Finance, profits applied toward an increase in the Company's capital or shareholders' equity are presumed to have been reinvested and are, accordingly, not treated as undistributed profits.

1.6.5. Summary of Risks

An investment in the Company's Ordinary Shares involves risks that may adversely affect the Company's business, financial condition, results of operations, capital position, prospects, and the value or liquidity of its Ordinary Shares. The following is a summary of the principal risks described in Section Nine of this Prospectus and should be read together with the full risk-factor disclosures.

1.6.5.1. Insurance Business and Underwriting Risks

Concentration in Motor Insurance Risk: Motor insurance represented approximately 51% of the Company's total premium portfolio in FY2024/25, compared with 56% in FY2023/24. This concentration may expose the Company disproportionately to increases in road traffic accidents, claim frequency and severity, vehicle repair costs, spare-parts prices and labor costs. Material adverse developments affecting the motor insurance portfolio may increase insurance service expenses and may adversely affect underwriting results and profitability.

Insurance Claims and Reserving Risk: The Company recognized approximately ETB 4.27 billion in insurance contract liabilities as at June 30, 2025. The measurement of these liabilities depends on actuarial estimates and assumptions relating to reported claims, claims incurred but not reported, future cash flows, discount rates and risk adjustments. Actual claims experience may differ from these assumptions and may result in higher insurance liabilities, insurance service expenses and adverse effects on profitability, shareholders' equity and capital.

Reinsurance Counterparty and Capacity Risk: Changes in the availability, pricing or terms of reinsurance capacity have already affected the Company's results: the Company's Non-Life retention ratio declined from approximately 69% in FY2023/24 to approximately 64% in FY2024/25, and net expenses from reinsurance contracts held amounted to ETB 446.6 million in FY2024/25, compared with net income of ETB 51.1 million in FY2023/24, an adverse movement of approximately ETB 497.7 million. Africa Re acts as lead reinsurer across nine of the Company's treaty arrangements. The Company remains responsible to policyholders notwithstanding the transfer of part of the underlying insurance risk, and failure or delay by a reinsurer to perform its obligations, or further adverse changes in reinsurance availability, pricing or terms, may require the Company to retain a greater proportion of risk and may adversely affect liquidity, profitability, capital and the volatility of underwriting results.

Competition and Pricing Risk: The Company operates in an increasingly competitive insurance market, including competition based on premium pricing. During FY2024/25, the Company's non-life written premiums increased by approximately 43%, compared with approximately 46% growth in the overall non-life insurance market, and the Company also experienced rate-based competition in its life insurance business. Price-based competition may reduce premium rates and underwriting margins, may result in loss of business or slower growth, and may adversely affect the Company's market share and profitability.

Takaful and Shariah Compliance Risk: The Company operates Salaam Takaful as a Takaful window, which generated approximately ETB 100.5 million in insurance revenue in FY2024/25. Changes in Shariah interpretations or transactions subsequently determined to be non-compliant may result in financial, regulatory or licensing consequences and may adversely affect participant confidence, business volumes and the financial performance and reputation of the Takaful operation.

1.6.5.2. Macroeconomic and Political Risks

Inflation Risk: Inflation may increase the cost of vehicle spare parts, labor, medical services, construction materials and other goods and services used in settling insurance claims. It may also increase the Company's operating costs and reduce customers' purchasing power. Persistent inflation may increase claim severity and insurance service expenses and may adversely affect underwriting margins and profitability.

Foreign Exchange and Currency Depreciation Risk: The Company's foreign exchange exposure arises principally, and indirectly, through claims involving imported goods, equipment, vehicle spare parts and replacement components; the Company does not have material direct exposure to foreign-currency-denominated monetary assets or liabilities. This exposure is particularly relevant to motor insurance, which represented approximately 51% of the FY2024/25 premium portfolio. Depreciation of the Ethiopian Birr may increase claim settlement costs and may adversely affect underwriting margins, profitability and financial condition.

Political and Security Risk: The Company operates through a branch and contact-office network across Addis Ababa and several regional markets and has exposure to Political Violence and Terrorism insurance, with its largest regional presence in Oromia (20 branches), followed by SNNP (four branches) and Amhara (three branches). The Company also has exposure to Political Violence and Terrorism insurance, which represented approximately 14% of its FY2024/25 premium portfolio. Political unrest,

armed conflict, civil disturbance, terrorism or restrictions on movement may disrupt operations, premium collection and claims settlement and may increase claims under affected insurance classes. These conditions may adversely affect underwriting results, liquidity and profitability.

1.6.5.3. Financial and Investment Risks

Reciprocal Shareholding and Related-Party Exposure Risk: As at June 30, 2025, the Company held approximately ETB 2.73 billion in equity investments, of which approximately ETB 2.46 billion, or approximately 90% of the equity portfolio and 22% of total assets, related to Awash Bank S.C. Awash Bank S.C. is also a major institutional shareholder of the Company, resulting in a reciprocal shareholding relationship between the two entities, which also share a common brand and historical origin. A deterioration in the financial condition, profitability, or dividend capacity of Awash Bank S.C., or an adverse change in the value of this investment, may therefore have a disproportionate adverse effect on the Company's investment income, shareholders' equity and overall financial position

Liquidity Risk: The Company may experience liquidity pressure where the timing or amount of cash inflows does not correspond with claims, insurance payables, operating expenses, capital expenditure and other obligations. Large or concentrated claim payments, delays in reinsurance recoveries, reduced premium collections, illiquid investments or significant capital expenditure may affect liquidity requirements. A material liquidity shortfall may delay settlement of obligations and may adversely affect profitability, financial condition and regulatory standing.

Capital Adequacy and Shareholder Dilution Risk: Although the Company's capital exceeds the current regulatory minimum, the Company is subject to minimum capital, solvency and other prudential requirements. The Company's paid-up capital increased from approximately ETB 2.65 billion as at June 30, 2025 to ETB 3.38 billion as of the date of this Prospectus. Future increases in regulatory capital requirements, growth in insurance exposures, underwriting losses, impairment of material investments, or other reductions in shareholders' equity may require additional capital. An issuance of additional shares may dilute existing shareholders who do not participate proportionately and may reduce earnings per share. An inability to obtain sufficient capital when required may restrict underwriting capacity, business growth or dividend distributions.

1.6.5.4. Operational and Strategic Risks

Information Technology and Cybersecurity Risk: The Company depends on information technology, data-management, banking, payment and communications systems for underwriting, policy administration, premium collection, claims processing, customer service and financial and regulatory reporting. System failures, cyberattacks, ransomware, data breaches, telecommunications failures or payment-infrastructure disruptions may interrupt operations and may result in financial loss, regulatory action, claims by affected parties and reputational damage.

Major Capital Project and Execution Risk: The Company is undertaking the construction of its new headquarters building under a principal construction contract of approximately ETB 3.64 billion. Contractor performance issues, construction delays, cost increases, design changes, regulatory requirements or supply-chain disruptions may increase capital expenditure, reduce available liquidity, delay completion of the project and adversely affect the Company's cash flows and financial position.

1.6.5.5. Regulatory, Legal and Financial Reporting Risks

Legal Proceedings Risk: The Company has five pending material legal, tax and arbitration proceedings involving aggregate claims and assessments of approximately ETB 3.48 billion. These comprise the Ansif and Heransif insurance arbitration, the ERA/Yencomad advance payment bond dispute, two dividend-tax appeals and a VAT appeal concerning ceding commission. The aggregate excludes decided, closed and settled matters and does not represent an estimate of the Company's ultimate liability. Adverse outcomes may result in payment obligations, interest, penalties and legal costs. Subsequent proceedings relating to the Gemshu Beyene Construction bond dispute, closed for lack of jurisdiction, may create additional exposure. Recovery of the expected ETB 55.00 million VAT refund may be delayed or incomplete. These matters may adversely affect the Company's liquidity, profitability, capital resources and reputation.

Regulatory and Governance Risk: The Company is subject to insurance, prudential, governance and capital-market requirements. Article 5.1.2.1 of NBE Directive No. SIB/63/2026 requires an insurance company to have three independent directors; the Directive became effective on March 26, 2026, after the Company's current Board was elected, and, as disclosed in Section Four, none of the current Board members currently qualifies as independent. The Company understands this requirement is to be addressed in connection with the election of its next Board, and there is no current indication of enforcement action by the NBE in this respect. Regulatory changes or failure to comply with applicable requirements may result in additional costs, changes to the Company's governance or operations, financial penalties, restrictions on business activities and reputational damage.

IFRS 17 Measurement and Financial Reporting Risk: Application of IFRS 17 requires significant actuarial and accounting judgments relating to future cash flows, claims incurred but not reported, discount rates, risk adjustments and insurance contract liabilities. Changes in assumptions, errors in underlying data or actuarial models, or incorrect accounting judgments may result in material changes or adjustments to insurance liabilities, reported profitability and shareholders' equity and may result in regulatory scrutiny or reduced investor confidence.

1.6.5.6. Risks Related to the Ordinary Shares

Future Share Price and Par Value Risk: The Ordinary Shares have a par value of ETB 500 per share. The future trading price may be higher or lower than the par value and may fluctuate based on the Company's financial performance, profitability, dividend expectations, claims experience, investment performance, macroeconomic conditions, liquidity and investor sentiment. Investors may therefore be unable to sell their Ordinary Shares at a price equal to or greater than their par value or acquisition price.

Liquidity Risk in the Ordinary Shares: The Ordinary Shares do not have an established history of public secondary-market trading. An active or liquid market may not develop or may not be sustained. Limited buyers and sellers, infrequent transactions or low trading volumes may make it difficult for shareholders to sell their Ordinary Shares at the desired time or price and may result in wider differences between buying and selling prices.

Main Market Trading and Market Infrastructure Risk: The Company intends to seek admission of the Ordinary Shares to the Main Market of the Ethiopian Securities Exchange. Trading may depend on the effective operation of trading systems, securities accounts, central securities depository arrangements, licensed intermediaries, clearing and settlement processes and other market infrastructure. Technical interruptions, settlement failures, delays in admission or operational difficulties may disrupt trading, reduce liquidity and price discovery and may adversely affect shareholders' ability to buy, sell or transfer their Ordinary Shares.

2. SECTION TWO – INFORMATION ON THE ISSUER AND THE BUSINESS

2.1. Information on the Issuer

Awash Insurance Share Company (“the Insurer”) is legally registered in Ethiopia as a share company under registration number KK/AA/3/0006242/2006 and is licensed by the National Bank of Ethiopia (NBE) to undertake insurance business under license number 003/94.

The registered address of the Issuer is as follows.

Awash Towers

Kirkos Sub City, Woreda 07, Addis Ababa City

Telephone: +251-115-570001

Postal Address: P.O.Box 12637

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2.1.1. Brief History of the Company

Awash Insurance S.C. (the 'Company' or the 'Insurer') is a share company duly incorporated and registered in Ethiopia under Business Registration Number KK/AA/3/0006242/2006. The Company is licensed by the National Bank of Ethiopia (NBE) to carry out insurance business under License Number 003/94, in accordance with the Insurance Business Proclamation.

Since its establishment three decades ago, the Company has expanded its market presence in Ethiopia. Its corporate vision is to be the leading and most dependable insurer of choice, while its mission is to exist as a trusted insurance partner for all stakeholders by delivering value and financial security through innovative insurance solutions and excellent customer service.

Table 7: Milestones

Year	Major Milestones & Events
1994	- Established by 456 shareholders and 4.8 Million paid-up capital as a private insurance company. - Licensed and introduced to market - Mr. Tsegaye Kemsu appointed (Founding CEO) and led the company for 25 years.
1995	- Operations begin on January 02, 1995 - Public launch of insurance services - Built operational foundation and early market trust - In its first year of operation average return on the paid-up capital turned out to be about 20%
1996	- Acquired land for the construction of its headquarters - Strengthened institutional capacity and reputation - Market awareness campaigns
1997	Raised capital from 4.8 million to 15 million.
1998	Captured about 8% of total Ethiopian insurance market share

1999	• Paid up Capital of the company reached 20 million.
2000	• Entry into Life Insurance business • Expansion of branches and customer base
2001	• Marked Awash Insurance's transition from being primarily a general insurer toward a composite insurer offering Life and Non-Life insurance. • Diversification into Life Insurance services as part of the company's expansion in the new millennium.
2002	• Demonstrated early business diversification and strengthening financial capacity. • Continued expansion of Life Insurance and investment portfolio, with profitability and investment growth during the period.
2003	• An important early profitability and network-expansion milestone. • Net profit before tax and portfolio investment exceeded Birr 10 million, accompanied by expansion of staff and branches.
2004	• Marked the transition from the company's formative stage toward more structured strategic management. • 10th Anniversary of Awash Insurance and commencement of preparation for the company's first formal strategic plan.
2005	• The period laid the foundation for more formalized corporate planning and growth management. • Post-10th-anniversary strategic development period, leading toward implementation of the first corporate strategic plan.
2006	• A 5 year strategic plan was developed. • Led expansion and market penetration strategy • Started a project to automate its operation.
2007	• A major institutional milestone: Awash moved into structured, multi-year strategic management. • First Strategic Plan (2007–2011) launched/prepared.
2008	• Paid up Capital of the company reached 35 million.
2009	• Demonstrated substantial growth in business scale and financial strength. • Major scale-up in assets and premiums: the company reached approximately Birr 125 million in total assets and Birr 140 million GWP during the period.
2010	• Inauguration of its first headquarter building. • Another 5 year strategic plan was developed.
2011	• Implemented General Insurance Information System.
2012	• One of the most important infrastructure and technology milestones in the company's history. • Awash Insurance Twin Towers commissioned/inaugurated as its state-of-the-art headquarters; GIS implementation was also undertaken alongside formulation of the second strategic plan.
2013	• Paid up Capital of the company reached 110 million.
2014	• A 3rd 5 year strategic plan was developed.
2015	• Demonstrated two decades of sustained growth, profitability and investment diversification. • 20th Anniversary milestone; Profit Before Tax surpassed Birr 50 million, with an additional Birr 10 million invested in various sectors.
2016	• Major financial reporting and corporate-governance milestone. • Transition to IFRS began, with 1 July 2016 established as Awash Insurance's IFRS transition date.
2017	• Significant strengthening of capitalization and national distribution capacity. • Capital increased to Birr 400 million, up 36.9% from Birr 292.3 million; branch network reached 41 branches as of June 2017.
2018	• Established Awash Insurance's IFRS reporting framework and continued network/capital expansion. • First IFRS financial statements prepared for the year ended June 30, 2018; branch network reached 44 branches and capital increased to Birr 439 million.
2019	• Paid up Capital of the company reached 425 million.
2020	• Paid up Capital of the company reached 529 million. • Silver Jubilee celebrations • Mr. Gudissa Legesse appointed as the 2nd CEO. • Awash insurance introduced global medical insurance cover for COVID-19 to Ethiopian Airlines Passengers

2021	- Developed 10 year strategic plan - Paid up Capital of the company reached 755 million. - Awash Insurance launched construction of new headquarters in a 3,870sqm land it has acquired at the heart of the Capital.
2022	- Launch of Takaful Window operation and expanded into new market segments. - Paid up Capital of the company reached 957million - Capital raised to 4 Billion. - Business diversification and expansion - Launch corporate rebranding
2023	- A landmark performance milestone and evidence of the effectiveness of the Vision 2030 strategic direction. - Record Non-Life growth: GWP increased 65.6% to Birr 2.072 billion, with Non-Life premiums doubling in less than two years. Combined PBT exceeded Birr 500 million for the first time.
2024	- Mr. Jibat Alemneh Faji appointed CEO - Paid up Capital of the company reached 1.92 billion - M-PESA partnership for digital payments
2025	- Record premium growth; strong profitability - Digital Travel insurance launched with Ethiopian Airlines Group; - Won best Takaful Service provider of the year at the First International Interest-Free Conference and Awards (IIFCA 2025)

2.1.2. Recent events materially relevant to the Company's solvency

The following recent events, particular to the Company and material to an evaluation of its solvency, have occurred and are disclosed below in accordance with Article 85(1)(c) of the Public Offer Directive.

Adoption of IFRS 17 and IFRS 9. The Company adopted IFRS 17 (Insurance Contracts) and IFRS 9 (Financial Instruments) for the first time in its financial statements for the year ended June 30, 2025. The transition to IFRS 17 resulted in the remeasurement of insurance contract liabilities, with a corresponding effect of approximately ETB 254.0 million recognized in opening equity as at July 1, 2023, as set out in Section 7.4.3 of this Prospectus. This transition changes the basis on which the Company's insurance contract liabilities, and consequently its solvency position, are measured and reported, relative to periods presented under the previous accounting framework.

Supervisory findings or directions of the National Bank of Ethiopia. The Company has not received any supervisory finding, direction, or corrective action from the National Bank of Ethiopia during the period under review or subsequently that is material to an evaluation of its solvency.

Additional dividend tax assessment. The Ethiopian Federal Revenue Authority, by letters issued on July 17, 2023 and July 4, 2024, notified the Company of an additional dividend tax assessment of ETB 74,858,925.51, before interest and penalty, in respect of dividends capitalized by shareholders for the years 2009 to 2015 E.C. This matter is further described in Section 7.11 of this Prospectus (Legal and Arbitration Proceedings) and, if determined against the Company, would represent an additional liability affecting the Company's capital and solvency position.

Post-balance-sheet capital increase. Since June 30, 2025, the Company's paid-up capital has increased from ETB 2,647,210,000 to ETB 3,375,302,000, an increase of ETB 728,092,000, or approximately 27.5%. This increase resulted principally from the collection of outstanding subscription amounts from existing shareholders. The Company accelerated the collection of these subscriptions in order to strengthen its capital and liquidity position and to support the continued financing of its new headquarters construction project, which has an estimated contract value of approximately ETB 3.6 billion, while

reducing the Company's reliance on external financing. This increase in paid-up capital is material to an evaluation of the Company's solvency and capacity to fund its capital commitments.

Each of these events should be read together with the quantified solvency position set out in Section 2.9 of this Prospectus.

2.1.3. Subsidiaries

Awash Insurance does not have any subsidiaries, nor is the Company part of a corporate group.

2.2. Business Overview

Awash Insurance Company was founded on October 1, 1994, and commenced operations on January 2, 1995. The Company provides General, Life, and Takaful insurance products in Ethiopia. As of the date of this prospectus, the Company has 71 branches and 3 contact offices in Ethiopia.

The Company distributes its products and services through a network of branches, contact offices and commissioned agents across the country. During FY2024/25, the physical distribution network expanded from 66 outlets to 70 outlets, representing a net addition of four outlets. The number of agents also increased from 255 to 303 over the same period.

The branch details and regional distribution are detailed below:

Table 8: Key Metrics by Region

District/Region	Outlets		Agents	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
Addis Ababa	37	34	283	245
Oromia	20	20	11	5
Amhara	3	3	0	1
Tigray	1	1	2	1
Dire Dawa	1	1	0	0
SNNP	4	4	3	1
SWER	1	1	0	0
Somali	1	1	1	0
Harari	1	0	1	0
Sidama	1	1	2	1
Total	70	66	303	254

The expansion in FY2024/25 was concentrated mainly in Addis Ababa, where the number of outlets increased from 34 to 37. The Company also established an outlet in Harari during the year. Outside Addis Ababa, the physical network remained largely unchanged, with Oromia continuing to account for the largest regional presence at 20 outlets.

The agency network expanded more rapidly than the physical network. Agents increased from 254 in FY2023/24 to 303 in FY2024/25, primarily reflecting growth in Addis Ababa and Oromia. Addis Ababa agents increased from 245 to 283, while agents in Oromia increased from 5 to 11. Additional agent presence was also recorded in Tigray, Harari, SNNP, Somali and Sidama.

Harari had one commissioned agent in FY2023/24 despite having no Company outlet in the region during that year. No regional premium or claims amount was recorded under Harari in the FY2023/24 regional underwriting information presented below. The Company subsequently established an outlet in Harari during FY2024/25.

Regional Underwriting Activity

The following table presents the geographical distribution of Net Earned Premiums and Claims based on the Company's regional underwriting information. These regional operating measures are presented to illustrate the geographical distribution of business and should not be interpreted as the Company's IFRS 17 Insurance Service Result, which is presented separately in the financial information and MD&A sections of this Prospectus.

Table 9: Regional Underwriting Activity (ETB '000, except percentages)

District/Region	Net Earned Premiums FY2024/25	% Contribution	Net Earned Premiums FY2023/24	% Contribution	Claims FY2024/25	% Contribution	Claims FY2023/24	% Contribution
Addis Ababa	1,622,086	79.9%	1,269,503	80.6%	801,653	79.6%	671,841	80.1%
Oromia	286,100	14.1%	208,765	13.3%	169,824	16.9%	94,793	11.3%
Amhara	30,800	1.5%	23,296	1.5%	19,538	1.9%	29,719	3.5%
Tigray	15,835	0.8%	18,936	1.2%	(12,079)	(1.2%)	28,469	3.4%
Dire Dawa	22,418	1.1%	19,046	1.2%	17,018	1.7%	8,483	1.0%
SNNP	18,572	0.9%	11,264	0.7%	9,169	0.9%	2,437	0.3%
SWER	3,104	0.2%	367	0.0%	938	0.1%	1	0.0%
Somali	2,671	0.1%	1,887	0.1%	(957)	(0.1%)	398	0.0%
Harari	3,335	0.2%	–	–	713	0.1%	–	–
Sidama	25,187	1.2%	21,072	1.3%	1,718	0.2%	2,869	0.3%
Total	2,030,108	100.0%	1,574,136	100.0%	1,007,535	100.0%	839,010	100.0%

Net Earned Premiums increased from ETB 1.57 billion in FY2023/24 to ETB 2.03 billion in FY2024/25, with growth recorded across most regions. Addis Ababa remained the principal source of business, generating ETB 1.62 billion of Net Earned Premiums in FY2024/25 compared with ETB 1.27 billion in the previous year.

Oromia remained the second-largest regional market, with Net Earned Premiums increasing from ETB 208.77 million to ETB 286.10 million. Premium growth was also recorded in Amhara, Dire Dawa, SNNP, SWER, Somali and Sidama, while Tigray recorded a modest decline.

Claims increased from ETB 839.01 million to ETB 1.01 billion during the period. Addis Ababa continued to account for the largest claims volume, consistent with its larger premium base and concentration of business. Claims also increased materially in Oromia and Dire Dawa, while Amhara recorded a decline compared with the preceding year.

The regional profile continues to demonstrate a concentration of business in Addis Ababa and Oromia, while the expansion of the Company's physical and agency network is increasing its presence in other regions. The Company's consolidated underwriting performance, including insurance service expenses, reinsurance results and the Insurance Service Result, is discussed separately under the financial performance analysis in Section Seven of this Prospectus.

Business Segments

The business operates in three segments: General, Life, and Takaful. In FY2024/25, General business accounted for 80% of Insurance Revenue, Life for 17%, and Takaful for 3%.

1. **General Business**— Non-life (general) business—Includes general insurance transactions with individual and corporate customers. This segment covers the protection of customers' assets (particularly their property, both for personal and commercial use) and the indemnification of other parties that have suffered damage as a result of customers' accidents.
2. **Life Business** – Includes life insurance policies with individual and corporate customers. This segment covers the protection of the Company's customers against the risk of premature death, disability, critical illness, and other accidents.
3. **Takaful** – The company acts as trustee on behalf of the participants to manage the Takaful business. The company has an agreement with participants to charge a Wakalah fee of 35% of their contributions to cover its general takaful operations. The Company also manages the investment of the takaful fund in Shariah-compliant investment avenues and will share its returns with shareholders, based on the investment's contributions, at an agreed ratio similar to the profit-sharing structure under the Mudarabah contract. The Company is also eligible to receive an investment management service fee for managing the investment of the participant's fund.

Aggregate performance

Non-life business grew by 29% during the FY2024/25. While the premium reached ETB 3.0 billion, up by over 680 million from the previous year.

The Life business grew 49% during the FY2024/25.

The Shariah-compliant general Takaful line of business grew by 124% FY during the FY2024/25.

In aggregate, GWP including Takaful participants contribution increased to ETB 3.78 billion in FY2024/25 from ETB 2.85 billion in FY2023/24. General insurance remained the dominant contributor, generating insurance revenue of ETB 3.04 billion and ETB 2.35 billion, while Life assurance revenue rose to ETB 641.2 million from ETB 430.2 million and Takaful contributions also expanded to ETB 100.5 million from ETB 56.2 million during the FY2024/25 and FY 2023/24 respectively.

Table 10: Attribution of Revenues by Line of Business

	FY2024/25 (ETB '000s)	FY2023/24 (ETB '000s)	FY2024/25 %Share	FY2023/24 %Share
General	3,040,355	2,359,549	80%	83%
Life	641,162	430,160	17%	15%
Takaful	100,506	56,189	3%	2%
Total	3,782,023	2,845,898	100%	100%

Insurance service expenses increased to ETB 2.6 billion in FY2024/25 from ETB 2.38 billion in FY2023/24. General insurance continued to account for the largest portion of expenses at ETB 1.94 billion, representing 74% of total insurance service expenses, compared to 81% in the prior year. Life insurance service expenses rose to ETB 600.4 million from ETB 416.7 million, increasing its share to 23% from 17%. Takaful expenses increased to ETB 65 million from ETB 36 million, accounting for 3% of total insurance service expenses, broadly stable compared to 2% in FY2023/24.

Table 11: Insurance Service Expenses

	FY2024/25 (ETB '000s)	FY2023/24 (ETB '000s)	FY2024/25 % Share	FY2023/24 %Share
General	1,935,479	1,933,933	74%	81%
Life	600,375	416,682	23%	17%
Takaful	64,963	35,858	3%	2%
Total	2,600,817	2,386,473	100%	100%

The Insurance Service Result improved to ETB 711.3 million in FY2024/25 from ETB 500.7 million in FY2023/24. General insurance remained the primary contributor, generating ETB 656.3 million and accounting for 92% of the total insurance service result, compared to 98% in the prior year. Life insurance recorded a positive turnaround, delivering an insurance service result of ETB 42.8 million in FY2024/25 compared to a loss of ETB 2.9 million in FY2023/24. Takaful continued to contribute positively with ETB 12.3 million, representing 2% of the total result, broadly consistent with the prior year.

Table 12: Insurance Service Result

	FY2024/25 (ETB '000s)	FY2023/24 (ETB '000s)	FY2024/25 % Share	FY2023/24 %Share
General	656,250	493,060	92%	98%
Life	42,798	-2,908	6%	-1%
Takaful	12,255	10,528	2%	2%
Total	711,303	500,680	100%	100%

Investment income increased to ETB 812.6 million in FY2024/25 from ETB 606.9 million in FY2023/24. General insurance remained the dominant contributor, generating ETB 735.5 million and accounting for 91% of total investment income, up from 86% in the prior year. Life insurance contributed ETB 77.1 million, representing 9% of total investment income, compared with 14% in FY2023/24. The proportion of investment income is in line with premiums attributable to General Insurance's dominance of the revenue portfolio.

Table 13: Investment Income

	FY2024/25 (ETB '000s)	FY2023/24 (ETB '000s)	FY2024/25 % Share	FY2023/24 %Share
General	735,549	519,657	91%	86%
Life	77,063	87,224	9%	14%
Total	812,612	606,881	100%	100%

Profits before tax increased to ETB 1.12 Billion in FY2024/25 from ETB 894.3 million in FY2023/24 because of improved underwriting performance and higher investment income across the business. The General insurance segment remained the principal source of profitability, generating ETB 1.03 Billion and accounting for 92% of total profit before tax, compared with 89% in the prior year. The Life insurance segment recorded profit before tax of ETB 80.0 million, representing 7% of total profit, down from 10% in FY2023/24, indicating relatively slower earnings growth compared with the General segment. The Takaful segment contributed ETB 13.7 million, maintaining a stable 1% share of total profit before tax.

Table 14: Profit before Tax

	FY2024/25 (ETB '000s)	FY2023/24 (ETB '000s)	FY2024/25 % Share	FY2023/24 %Share
General	1,027,749	791,789	92%	89%
Life	80,000	90,000	7%	10%
Takaful	13,713	12,501	1%	1%
Total	1,121,462	894,290	100%	100%

2.3. Strategy and Strategic Objectives

2.3.1. Strategy

Awash Insurance's transformation agenda under Vision 2030 is anchored on four strategic pillars designed to strengthen competitiveness, improve operational efficiency, enhance customer value, and ensure long-term organizational sustainability. These pillars collectively guide the Company's efforts toward sustained market leadership, improved profitability, and customer-centric service delivery. Together, they form an integrated framework that aligns innovation, workforce capability, operational excellence, and digital transformation to support sustainable growth and resilience in a dynamic insurance environment.

The Issuer's strategy is based on four pillars:

Pillar 1: Win Through Relevant Products for Customers

Key strategic objectives under this theme are:

- To sustain market leadership and enhance profitability through the delivery of innovative, customer-centric insurance solutions aligned with evolving customer needs and emerging market risks.
- Provide relevant products and services to customers to improve customer loyalty and retention and reduce churn.
- Diversify the portfolio toward faster-growing, higher-margin non-motor products to reduce motor concentration and improve underwriting profitability.

Pillar 2: Win Through Efficient Sales and Easy Customer Access

Key strategic objectives under this theme are:

- To enhance market penetration and improve customer convenience through efficient sales operations and diversified distribution channels

- Optimize branch productivity and expand regional coverage to increase market reach and improve distribution efficiency.
- To strengthen broker and agent performance and loyalty through compelling incentives, training, broader binder arrangements, and an improved intermediary experience.

Pillar 3: Build an Engaged and Productive Workforce

Key strategic objectives under this theme are:

- To strengthen organizational capability through workforce engagement, talent development, and performance excellence.
- Improve customer experience by proactively measuring, monitoring, and improving employee experience across key employee journeys.
- Attract and retain younger-generation talent by strengthening the Employee Value Proposition (EVP) and creating purpose and growth-oriented employee experience.

Pillar 4: Simplify Structures and Digitize Operations

Key strategic objectives under this theme are:

- To enhance operational efficiency and service quality through process simplification and technology-driven transformation
- Improve internal service efficiency and customer service quality through clear, measurable, and continuously improved service standards and SLAs.
- Optimize operating expenses and enhance investment returns through greater asset diversification and disciplined yield improvement.

Table 15: Strategy–Performance–Risk–Capital Alignment Framework

Strategic Pillar	Key Strategic Objective	Performance Indicators / KPIs and FY 2029/30 Targets	Key Execution Considerations	Capital Planning and Financial Implications
Win Through Relevant Products for Customers	Strengthen market leadership and profitability by developing products responsive to customer needs, improving customer loyalty and retention, diversifying the product portfolio and reducing concentration in motor insurance.	- Increased in market share of (%); - Increase in profit (%) - Increased customer retention rate(%); - Introduction of new and niche insurance products; - Improved contribution from non-motor business lines.	Execution requires clear customer segmentation and value propositions, development of new and adjacent insurance products, expansion into niche markets and improved customer financial literacy. Certain products, including pay-as-you-go insurance, may require enhancements to technology platforms, telematics, GPS functionality and pricing or calculation capabilities. Product development may also require regulatory, legal and reinsurance engagement, as well as training of front-office staff to support accurate customer data collection and segmentation.	The strategic initiatives are expected to require approximately ETB 26.45 million. Capital and expenditure planning should provide for product development, required system enhancements, staff capability development and other implementation requirements. The timing and level of technology investment may depend on the nature and complexity of products introduced.
Win Through Efficient Sales and Easy Customer Access	Enhance market penetration and customer accessibility through more effective sales operations, improved branch productivity, broader regional coverage and stronger broker, agent and institutional distribution channels.	- Target market share of 18%; - target gross written premium of approximately ETB 16.59 billion by FY 2029/30; - improved branch productivity; - increased contribution from alternative and partnership distribution channels.	Execution involves strengthening the Company's sales culture and capabilities, developing digital distribution channels, using customer data to tailor offerings, improving broker and agent performance and establishing distribution partnerships. The Company also intends to strengthen cross-selling with Awash Bank and explore bundled offerings with banks, microfinance institutions and cooperatives. Implementation may require technology integration, sales training and enhanced strategic partnership capabilities. Material customization of products or distribution arrangements may also require regulatory engagement or approval, as applicable.	The strategic initiatives are expected to require approximately ETB 49.20 million. Financial planning should accommodate investment in digital distribution infrastructure, technology integration, sales-force development, channel expansion and partnership implementation. The level of expenditure may depend on the scope of technology and distribution-channel integration undertaken.
Build an Engaged and Productive Workforce	Strengthen organizational capability through employee engagement, talent development, effective performance management and an enhanced employee value proposition, while improving workforce productivity and	- Staff productivity; - employee engagement and retention; - effectiveness of performance management;	Execution requires implementation of an effective performance management framework, including appropriate KPIs and performance measures, improvements in recruitment and learning and development, and optimization of organizational mandates and structure. Successful implementation will require employee and management buy-in,	The strategic initiatives are expected to require approximately ETB 11.40 million. Financial planning should provide for recruitment, training and development, performance management systems, organizational restructuring and change-management activities required to

	supporting delivery of the Company's strategic objectives.	- recruitment efficiency; - learning and development outcomes; - organizational productivity measures.	effective change management and clear communication of organizational changes. Productivity improvements may also require changes to processes, organizational structures and supporting technology.	strengthen workforce capability and productivity.
Simplify Structures and Digitize Operations	Improve operational efficiency and service quality through process simplification, digitization and improved use of technology, while strengthening internal service delivery, controlling operating expenses and enhancing investment returns through improved asset management and diversification.	- Target expense ratio of 34%; - target investment income of approximately ETB 2.20 billion by FY 2029/30; - process automation; - improved service-level performance; - improved data quality and reliability; - operational efficiency measures.	Execution requires development and enforcement of internal service-level agreements, strengthened strategy ownership and execution, improved data governance and digitization of processes and records. The Company also intends to improve investment portfolio management, optimize operating expenses and explore technologies including automation and artificial intelligence. Implementation may require specialized external expertise, stronger investment-management capabilities, effective change management and development of an appropriate risk-management framework.	The strategic initiatives are expected to require approximately ETB 15.52 million. Financial planning should accommodate investment in technology, digitization, data management, process improvement, specialist advisory support and capability development. Successful implementation may support operating-cost efficiency and improved investment and operational performance over the strategic-plan period.

2.3.2. Major Considerations and Priority Areas of Business Plan

The Company will reinforce its previous efforts and commitment to attain its overall business objectives through prioritizing customer acquisition and retention, market expansion, product innovation and development, investing in technology and digital transformation, talent development and retention and operational efficiency and process improvement. To realize these objectives, the company will implement key strategies and focus areas during the 2025/26 fiscal year:

1. **Ensure Customer-Centric Approach:** Elevating customer satisfaction through personalized services, proactive complaint resolution, effective engagement strategies, and robust customer relationship management practices.
2. **Enhanced Business Mobilization:** Strengthen business development team performance by applying insights and proven practices from past initiatives.
3. **Operational Excellence:** Facilitate a seamless transition to Business-As-Usual (BAU) by effectively embedding completed initiatives and sustaining continuous process enhancements.
4. **Expansion and Accessibility:** Increasing market reach by expanding the branch network and integrating additional sales channels to enhance customer access.
5. **Service Efficiency:** Improving service delivery and turnaround time by adhering to established service standards.
6. **Risk Management Enhancements:** Strengthening the enterprise risk management framework to better anticipate, assess, and mitigate potential risks.
7. **Cost Optimization:** Properly implementing the outcome of the cost optimization initiative and embedding industry best practices to improve cost efficiency across all operations.
8. **Timely Execution of Strategic Initiatives:** Fast-tracking the completion of pending strategic initiatives to reinforce operational resilience and business agility.
9. **Product Innovation and Customization:** Developing and tailoring new insurance products to meet evolving customer needs and support revenue growth objectives.
10. **Technology and Differentiation:** Investing in innovative technologies and product differentiation strategies to build competitive advantage and market distinction.

2.3.3. Future Prospects and Challenges

Awash Insurance's future prospects are influenced by the continued development of the Ethiopian insurance market, the Company's existing operating and distribution platform, and its ability to expand into new products and distribution channels. At the same time, the Company operates in an increasingly competitive and evolving regulatory environment, and its ability to achieve its strategic objectives will depend on effective execution, continued capital strength, appropriate pricing and underwriting discipline, and timely adaptation to regulatory and market developments.

The Ethiopian insurance market continues to provide opportunities for growth. Industry gross written premium reached approximately ETB 41.1 billion in FY2024/25, representing year-on-year growth of 43.1%, while insurance penetration remained low at approximately 0.3%. The combination of strong recent premium growth and low overall penetration provides scope for insurers to expand customer

coverage, introduce new products and reach segments that remain underserved by formal insurance services.

2.3.3.1. Future Prospects

Growth in the Insurance Market

The continued expansion of the Ethiopian insurance market provides an opportunity for Awash Insurance to grow its insurance business. The Company intends to pursue this opportunity by increasing customer reach, broadening its product offering and strengthening its distribution channels.

Low insurance penetration also provides scope for growth beyond the traditional customer base. As insurance awareness, formal financial participation and demand for risk protection develop, the Company expects opportunities to emerge across both existing and less-developed classes of insurance. The extent to which Awash benefits from this growth will depend on its ability to compete effectively for new business while maintaining appropriate underwriting standards and pricing discipline.

Established Operating Platform and Distribution Reach

Awash Insurance has operated in the Ethiopian insurance market for more than three decades and has developed an established distribution platform comprising 71 Branches, 3 contact offices, and more than 303 commissioned agents across the country. This network provides an existing platform through which the Company can expand customer reach and introduce additional insurance products without relying solely on new physical outlets.

The Company has also remained profitable during the audited periods presented in this Prospectus. Profit before tax increased from ETB 873.6 million in FY2023/24 to ETB 1.11 billion in FY2024/25, representing year-on-year growth of approximately 27.3%. Profit after tax increased from ETB 765.9 million to ETB 956.8 million over the same period, representing growth of approximately 24.9%. This operating history and financial performance provide an established base from which the Company intends to pursue its future growth initiatives.

Product and Distribution Channel Expansion

The Company intends to broaden its product offering beyond its established insurance lines, including through further development of microinsurance, agricultural insurance, health insurance, cyber insurance and usage-based insurance products. These initiatives are intended to address customer segments and risk categories that remain relatively underdeveloped in the Ethiopian insurance market.

Awash Insurance also intends to expand the use of digital and alternative distribution channels, including mobile and e-commerce channels and, where permitted under the applicable regulatory framework, bancassurance arrangements. The objective is to improve accessibility, increase customer reach and reduce dependence on traditional branch-based distribution.

The successful introduction of these products and channels could provide additional sources of premium growth and support greater diversification of the Company's insurance portfolio. Their contribution will, however, depend on customer adoption, pricing, operational readiness, regulatory approvals where required, and effective implementation.

Regulatory and Capital Positioning

The regulatory framework for Ethiopian insurers is becoming more demanding in areas such as governance, fitness and propriety, risk management and capital. NBE Directive No. SIB/63/2026 is now part of the applicable insurance regulatory framework, while the NBE has separately published draft insurance risk-based capital and corporate governance frameworks.

Awash Insurance intends to continue strengthening its capital position, governance arrangements, risk management, compliance and actuarial capabilities as these requirements develop. Effective implementation of these measures is expected to support the Company's ability to manage growth prudently and respond to a more risk-sensitive regulatory environment.

2.3.3.2. Challenges

Execution and Integration of Strategic Initiatives

The Company is implementing a number of initiatives involving products, distribution, technology and internal processes. These initiatives require effective transition from development and implementation into the Company's day-to-day operations.

Delays in implementation, insufficient integration with existing systems and processes, or inadequate employee adoption could reduce the expected benefits of these initiatives. Such shortcomings could also result in operational inefficiencies, underutilization of investments and delays in achieving the Company's planned growth and efficiency objectives.

Competitive Intensity and Market Share

The Ethiopian insurance market is expanding rapidly, which creates opportunities but also increases the level of competition among insurers. Industry gross written premium grew by 43.1% in FY2024/25, meaning that growth in a Company's absolute premium volume does not necessarily result in an increase in market share.

Awash Insurance must therefore maintain growth broadly in line with, or above, the market if it is to preserve or increase its relative position. If competitors grow more rapidly, the Company's market share may decline even where its own premium income continues to increase.

Competition may also place pressure on premium rates and underwriting margins, particularly in established general insurance classes. The Company's ability to maintain its competitive position will depend on disciplined underwriting, appropriate pricing, product development, customer retention, claims service and continued improvement of its distribution capabilities.

Regulatory Capital and Governance Requirements

Changes in insurance regulation may require the Company to commit additional capital and resources to governance, risk management, actuarial functions, compliance and regulatory reporting. The NBE has already introduced new requirements for persons with significant influence through Directive No. SIB/63/2026 and has published draft frameworks addressing risk-based capital and insurance corporate governance.

As these reforms develop, Awash Insurance may be required to make further changes to its capital structure, governance arrangements, internal systems and control functions. This may increase compliance and operating costs. Delays in adapting to binding regulatory requirements could also affect the Company's ability to expand its business or undertake certain corporate actions.

Market Liberalization and New Competition

The regulatory structure of the Ethiopian insurance market is also evolving. The draft new Insurance Proclamation published in 2026 contemplates participation by foreign insurers, including through subsidiaries and investments in Ethiopian insurers, subject to the conditions and ownership limits set out in the draft framework. Because the legislation remains in draft form, the timing and final form of these provisions remain uncertain.

If greater foreign participation is ultimately introduced, Awash Insurance may face increased competition from insurers with access to additional capital, international technical expertise, established specialized products and broader technology capabilities. Competition may be particularly significant in large corporate accounts, specialized insurance products and skilled insurance personnel.

The Company's ability to respond to such competition will depend on continued improvement in product design, underwriting capability, customer service, technology, distribution and operational efficiency. Failure to adapt sufficiently quickly could adversely affect premium growth, underwriting margins and market share.

2.3.3.3. Overall Outlook

Awash Insurance's future prospects reflect both the growth potential of an underpenetrated insurance market and the Company's existing operating platform. The Company intends to pursue growth through broader customer reach, product diversification and the development of additional distribution channels while continuing to strengthen its capital, governance and risk management framework.

These opportunities are subject to material execution, competitive and regulatory challenges. Future growth in the Ethiopian insurance market does not necessarily translate into corresponding growth in the Company's market share or profitability, and the Company's future performance will depend on its ability to execute its strategic initiatives while maintaining underwriting discipline and adapting to changes in the market and regulatory environment.

2.3.4. Recent and Major Developments

The major developments considered here imply changes in the operating context, regulation, market structure, or company-level events that materially change the strategic choices available—not ordinary milestones. Specifically, these developments include the following:

2.3.4.1. Developments Specific to Awash Insurance

Financial Performance and Operational Momentum

For the fiscal year ended FY2024/25, Awash Insurance achieved record financial results, characterized by continuous growth in Gross Written Premium (GWP) that exceeded the Company's initial strategic projections. This revenue trajectory confirms the Company's significant operational momentum within the Ethiopian insurance sector. While this growth highlights the Company's capacity for revenue expansion, management remains focused on the strategic objective of converting increased top-line performance into enhanced market share and sustainable underwriting margins in an increasingly competitive environment.

Leadership and Corporate Governance Enhancements

Awash Insurance has intensified its focus on leadership and governance to ensure rigorous strategy execution and regulatory compliance. The Board and Senior Management have fostered a high-performance culture, providing granular oversight of digital transformation, Takaful expansion, and capital optimization. In alignment with the National Bank of Ethiopia (NBE) reforms, Awash Insurance has strengthened internal controls, enhanced the independence of its risk management, and refined its committee structures to reflect international best practices for transparency. These proactive enhancements provide a stable foundation for growth, aligning leadership incentives with strategic milestones to ensure sustained shareholder value while navigating Ethiopia's liberalizing financial market. These leadership moves typically accompany the push to execute the revised plan and respond to regulatory governance reforms.

Commitments to Digital Transformation and Product Innovation

Awash is executing a comprehensive strategic roadmap designed to modernize its operational infrastructure and diversify its market presence. Central to this transformation is a commitment to "Digitization and Automation," specifically through the scheduled launch of a dedicated mobile application and the modernization of core IT systems to facilitate real-time, accessible insurance services.

The Company's revised strategic plan includes a phased rollout of innovative product lines, supported by a significant partnership with Telebirr and Safaricom M-PESA to revolutionize the insurance payment landscape.

While the Company's revenue growth provides the necessary capital to fund these high-impact initiatives, the complexity of transitioning to a digitally astute service model creates material execution pressure. Successful implementation is dependent on the timely transition of these projects into normal operations to achieve the intended efficiencies and customer-centric outcomes.

2.3.4.2. Systemic Industry Growth and Market Dynamics

Industry Premium Trajectory

The Ethiopian insurance sector has entered an accelerated structural expansion phase, with the 2024/25 fiscal year seeing industry Gross Written Premiums (GWP) surge by approximately 30% on average. This momentum is driven by systemic factors: inflationary asset revaluations in motor and property segments, stricter enforcement of compulsory third-party insurance, and National Bank of Ethiopia (NBE) reforms fostering market liberalization. Total general insurance premiums reached ETB 38.7 billion, while life premium rose to ETB 2.7 billion. These developments confirm the market is expanding faster than historical benchmarks. Awash Insurance is strategically positioned to leverage its established brand and distribution footprint to capture this "new-to-market" demand, converting systemic tailwinds into durable market share and long-term shareholder value.

Regulatory Framework and Transition to Risk-Based Supervision

The NBE has drafted a directive to implement Risk-Based Capital (RBC) and enhanced governance standards, requiring rigorous capital planning and solvency monitoring. This transition necessitates sophisticated actuarial modeling and strengthened board oversight. Proactive compliance is essential for strategic continuity, facilitating efficient capital allocation and favorable reinsurance terms. Conversely, delayed implementation may lead to supervisory interventions, constrained business expansion, or limitations on capital distribution. These reforms align the Company with international benchmarks for institutional transparency and financial resilience.

Macroeconomic Environment: Exchange Rate Liberalization and Inflation Dynamics

The transition toward a market-determined exchange rate and ongoing inflationary adjustments have led to depreciation of the Ethiopian Birr. For the insurance sector, this has led to increased claims costs, particularly for imported spare parts and medical services.

While these factors exert short-term pressure on underwriting margins and operational expenses, the medium-term outlook is characterized by rising nominal gross written premiums as asset values adjust. Furthermore, projections indicating a moderation in inflation rates for the 2025/26 period suggest a transition toward a more stabilized macroeconomic environment as per the National Bank of Ethiopia (NBE) Monetary Policy Committee Reports (2025) and IMF Ethiopia Country Report No. 26/001 January 2026. The Company continues to refine its pricing models and asset-liability management to mitigate currency-induced cost volatility while positioning for sustainable growth.

Strategic Evolution: Rise of Digital Distribution and Insurtech Integration

The Ethiopian insurance landscape is experiencing a structural shift toward digital integration, driven by increased mobile penetration and the expansion of the fintech ecosystem. This evolution is characterized by an emerging appetite for Insurtech pilots and technology-led distribution models.

Diversified Distribution Channels: The growth of digital platforms will facilitate the development of strategic partnerships, particularly within the bancassurance and telecommunications sectors. These

collaborations enable the Company to optimize its unit economics for customer acquisition and streamline premium collection processes.

Market Expansion and Inclusion: Digital distribution creates significant scope to reach previously underserved demographic segments. By leveraging mobile-based platforms, the Company is positioned to scale its offerings in microinsurance, rural coverage, and agricultural products, which were historically constrained by traditional physical distribution costs.

Operational Efficiency: The integration of Insurtech solutions is expected to enhance the Company's service delivery, from automated policy issuance to digital claims processing, thereby improving customer experience and operational scalability in an increasingly competitive market.

Strategic Partnership: Telebirr and Safaricom M-PESA Integration

A cornerstone of the Company's digital distribution strategy is the partnership with Telebirr and Safaricom Ethiopia M-PESA. This integration leverages extensive mobile money ecosystem to streamline premium collections and automate claims disbursements, addressing historical friction in the insurance value chain.

By utilizing Ethio Telecom and Safaricom Ethiopia's infrastructure, Awash Insurance has gained direct access to a rapidly expanding digital subscriber base, significantly reducing customer acquisition costs. This platform allows for the seamless deployment of micro-insurance and on-demand products tailored for the retail and agricultural sectors. Management views this collaboration as a critical competitive advantage, providing the technological scalability required to enhance market penetration and drive financial inclusion across both urban and underserved rural regions.

Reinsurance and capital market signals

Rising asset values and replacement costs have necessitated a strategic realignment of the Company's capital and reinsurance protocols. In response to global reinsurers adjusting terms for currency volatility, the Company has enhanced governance and data transparency to secure robust risk-transfer treaties. Finally, preparation for the Ethiopian Securities Exchange (ESX) involves adopting international reporting standards and diversifying investments to optimize market risk and liquidity.

2.4. Key Dependencies and Interruptions

The Company's operations depend on several key operational and institutional enablers. These include the effectiveness of its information technology and data management systems that support underwriting, claims processing, and customer service delivery, financial reporting, and regulatory compliance. The Company also relies on national banking and payment infrastructure to facilitate premium collections, claims settlements, and other financial transactions.

The Company maintains business relationships with reinsurers, insurance brokers, agents and other distribution channels to support risk transfer and market access. These relationships are important to the efficient conduct of the Company's business; however, the Company is not materially dependent on any single corporate client, broker, agent, reinsurer, or institutional customer for its revenue

generation, underwriting capacity, or continued operations. Its premium portfolio and distribution network are diversified across multiple customer segments, intermediaries, and business partners, thereby mitigating concentration risk.

Despite these operational and institutional dependencies, the Company experienced no significant interruption to its operations during the past 12 months.

2.5. Operation and Principal Activities

Awash Insurance is licensed by the National Bank of Ethiopia (NBE) to engage in insurance activities. The Insurer's core operations are structured around the following core business functions:

- Carrying out general insurance business and long-term insurance business in Ethiopia.
- Carrying out ancillary activities related to general insurance and long-term insurance,
- Investing in other insurance and reinsurance organizations in accordance with relevant laws and regulations,
- Providing services through digital means that are permitted by the regulatory government body responsible for insurance and other services,

2.5.1. Products and Services

Awash offers a range of insurance products and services designed to address the risk management needs of individual, corporate, and institutional customers operating across Ethiopia. The Company's service portfolio is bifurcated into General Insurance and Long-term (Life) Insurance, ensuring all-encompassing protection against a wide array of personal and commercial risks. The Company draws on its operating experience in the insurance sector to underwrite and administer these products in accordance with applicable regulatory and risk management frameworks.

Guided by a commitment to innovation and inclusivity, Awash Insurance has expanded its offerings to include specialized and Shari'ah-compliant products. This includes its product Salaam Takaful, which provides ethical, community-based insurance alternatives, and a micro-insurance division aimed at rural, urban and agricultural segments. By integrating modern digital payment platforms—such as its partnership with Telebirr and Safaricom M-PESA

2.5.2. Motor Own Damage Insurance

Motor own damage insurance is an auto insurance that provides protection to vehicles, against insured risks. This option covers a wide array of events that can cause loss or damage to insured vehicles because of accidental collision, overturning, theft, and fires.

Table 16: Motor Own Damage Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	1,357,388,364	1,307,693,174
Insurance Service Expenses	(1,136,675,529)	(667,148,302)
Net Expenses from Reinsurance Contracts Held	(71,923,017)	(29,363,492)

Insurance Service Result	148,789,817	611,181,379
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2.5.3. Motor Third-Party Liability

Motor Third Party Liability insurance is a compulsory liability insurance that provides protection to 3rd party property, life or bodily injury.

Table 17: Motor Third-Party Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	226,239,226.65	97,166,895.32
Insurance Contract Services Expenses	(144,608,081.89)	(171,352,227.03)
Insurance Service Result	81,631,144.76	(74,185,331.71)

2.5.4. Inland Carrier's Liability Insurance

The Inland Carriers Liability policy indemnifies the Insured against legal liabilities as a carrier for actual physical loss of or damage to goods whilst carried on and in the course of transit by the vehicle(s) specified in the schedule caused directly by or resulting from overturning, collision or derailment of the carrying conveyance or collapse of bridges and/or embankments.

Table 18: Inland Carrier's Liability Financial Performance (ETB)

Financial Item	FY2024/25	FY2023/24
Insurance Revenue	137,617,174	84,017,932.8
Insurance Service Expenses	(100,392,652)	(12,044,061)
Net Expenses from Reinsurance Contracts Held	(71,866,086)	(37,263,398)
Insurance Service Result	(34,641,564)	34,710,472

2.5.5. Fire and Lightning Insurance

Fire and Lightning Insurance covers your insured property against loss or damage in the event of a fire or lightning-related perils. Often, perils may occur that aren't directly caused by fire or lightning. With the application of proximate cause, the Company covers:

- Damage caused by water or other extinguishing agents used when an accident has occurred
- Damage caused by the fire brigade in the execution of their duties
- Property was blown up to prevent the spread of the fire
- Loss of or damage to property removed from the burning building that may have been as a result of the removal process or rain, provided the insured takes the necessary steps to immediately protect the removed property

Table 19: Fire and Lightning Financial Performance (ETB)

Financial Item	FY2024/25	FY2023/24
Insurance Revenue	304,786,217	224,830,794

Insurance Service Expenses	134,990,674	(289,208,139)
Net Expenses from Reinsurance Contracts Held	(126,993,692)	(42,331,449)
Insurance Service Result	312,783,200	(106,708,795)

2.5.6. Burglary and Housebreaking Insurance

The Burglary and House breaking policy ensures the insured party is compensated for loss arising from property theft or malicious damage within the premises. There must be forcible entry into or exit from the premises, or a violent break-in for this policy to offer compensation. The policy will also cover the costs of repairing damages to the premises arising as a result of theft.

Table 20: Burglary and Housebreaking Financial Performance (ETB)

Financial Item	FY2024/25	FY2023/24
Insurance Revenue	12,993,956	16,838,773
Insurance Service Expenses	11,994,143	(21,753,839)
Net Expenses from Reinsurance Contracts Held	(4,666,962)	(3,341,859)
Insurance Service Result	20,321,136	(8,256,925)

2.5.7. Marine Insurance

Marine Insurance policy indemnify the insured in respect of loss of or damage to the subject matter insured mainly resulting from storm, shipwreck, stranding, collision, jettison, fire, explosion and in general arising out of all perils of the sea and force majeure; and also for the contribution of the things insured in general average arising out of perils insured against only, subject to the standard insurance policy of the Company together with any clauses, endorsements, warranties, etc. attached thereto. The various sub-classes of business that can be written under this heading are: Hull; Cargo; and Pleasure Crafts.

Table 21: Marine Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	93,953,723	49,558,608
Insurance Contract Services Expenses	(25,694,789)	(38,088,184)
Insurance Service Result	68,258,934	11,470,424

2.5.8. Marine Inland Transit Insurance

The marine inland transit policy indemnifies the insured for losses sustained to Goods on inland transit due to the risks of “theft and/or fire and/or damage directly caused by overturning or collision or derailment of the carrying conveyance or collapse of bridges and embankments.

Table 22: Marine Inland Transit Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	59,283,872	35,353,909
Insurance Services Expenses	(27,041,004)	(1,829,783)

Net Expenses from Reinsurance Contracts Held	(4,807,162)	(2,461,160)
Insurance Service Result	27,435,706	31,062,966

2.5.9. Engineering Insurance

Contractors All Risk (CAR)

CAR provides an 'all-risks' cover – every hazard is covered which is not specifically excluded. This means that almost any sudden and unforeseen loss or damage occurring during the period of insurance to the property insured on the building site will be indemnified.

Engineering Machinery Breakdown Insurance

Machinery breakdown insurance policy covers any loss or damage to various types of machinery, plant and equipment due to unforeseen and sudden physical loss of or damage necessitating their repair or replacement.

The cover affords protection to the machinery which are at work or at rest and also when they are being dismantled for the purpose of cleaning, inspection and overhauling or removal to another position or in the course of their operations or subsequent re-erection, provided these are performed in the same premises. All types of machinery, plant, mechanical equipment and apparatus can be covered under machinery insurance policy.

Engineering: Erection All Risk

This policy provides for all risks (subject to specified exclusion) coverage from the time any of the machinery, plant equipment or material intended for the project leaves the manufacturers/suppliers warehouse for transit and continues during the transit until arrivals at erection site and during storage and erections operations and till the erected plant is tested and commissioned for operations. It also provides for maintenance period, which cover may be extended against limited contingencies during this period up to a maximum of 12 months. Legal liabilities to third parties for death, bodily injuries or property damages, up to the stipulated limits of indemnity in respect of accidents occurring in or about the works site arising out of their operations. The policy can also be extended to cover civil engineering works at the site, other surrounding properties of the project authorities, construction, plant and equipment and debris removal expenses.

Engineering: Contractors Plant and Machinery Insurance (CPMI)

This insurance policy covers any loss or damage to various types of machinery, plant and equipment which suffer any unforeseen and sudden physical loss or damage from any cause not specifically excluded in a manner necessitating repair or replacement. The cover affords protection to the machinery which are at work or at rest and also when they are being dismantled for the purpose of cleaning, inspection and overhauling or removal to another position or in the course of their operations or subsequent re-erection, provided these are performed in the same premises. **Engineering: Boiler and Pressure Vessels Insurance**

The subject policy covers pressure vessels both fired and unfired against the risks of “Explosion” or “Collapse” and indemnifies the Insured against:

- Damage (other than fire) to the boiler/s and/or other pressure plant/s described in the schedule and Damage (other than fire) to surrounding property of the Insured described in the schedule or to property in trust or on commission for which he/she is responsible.

Liability of the Insured at law on account of:

- Death or bodily injury to any person other than a person under a contract of service or apprenticeship with the Insured.

Damages to any property not belonging to the Insured nor held in trust or on commission, for which he/she is responsible.

Engineering: Electronic Equipment Insurance

This Electronic Equipment Insurance policy provides cover against any physical loss or damage to properties stated in the schedule of the policy. The policy is issued on All Risk cover basis. The common insurable items under this policy are:

- Computers, micro-processors, word-processors,
- Telecommunication equipment, medical equipment,
- Film /TV studio equipment, electronic score boards etc.

Table 23: Engineering Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	131,976,465.74	109,168,385.24
Insurance Contract Services Expenses	(119,353,979.69)	(108,440,671.52)
Insurance Service Result	12,622,486.05	727,713.72

2.5.10. Liability Insurance

Public Liability Insurance:

Public Liability Insurance covers legal liability of the insured against bodily injury or illness of any person or loss of or damage to property occurring within the territorial limits stated in the policy as a result of an accident and happening or caused as described in the policy as description of risk.

Product Liability Insurance

Product Liability Insurance covers the insured against legal liability to pay damages in respect of accidental;

- Death of or bodily injury, disease or illness to any person
- Loss of or damage to material property caused by or arising from any goods or other property sold, supplied, installed, delivered, repaired, erected, altered, treated or tested by the Insured in connection with the business, after the products have ceased to be in the custody or control of the insured.

Table 24: Liability Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	137,617,174.16	84,017,932.84
Insurance Contract Services Expenses	(172,258,738.43)	(49,307,460.47)
Insurance Service Result	(34,641,564.27)	34,710,472.37

2.5.11. Pecuniary Insurance

Bonds

Bond Insurance policies provide guarantees to the employer on behalf of the principal that any loss or damage occurring due to unfulfilled promise or contract entered into between the employer shall be made good by the surety (on behalf of the insured) subject to the terms and conditions of the policy where and when the principal fails to fulfil its contractual obligations.

Money Insurance

Money Insurance covers loss of money sustained because of fortuitous circumstances including through unlawful acts of other persons such as burglars or thieves. In addition it gives cover to loss of or damage to any safe or strong room belonging to the insured caused by burglars or thieves.

Fidelity Guarantee Insurance

Fidelity Guarantee Insurance covers loss sustained through any acts of fraud or dishonesty committed by an insured employee. The Company indemnifies the insured (employer) up to the amount guaranteed, subject to the policy terms and conditions.

Table 25: Pecuniary Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	158,542,252.47	89,385,478.03
Insurance Contract Services Expenses	(30,136,896.70)	(111,853,328.35)
Insurance Service Result	78,967,688.55	(22,467,850.32)

2.5.12. Political Violence and Terrorism (PVT) Insurance

This PVT insurance policy indemnifies the insured against Physical loss or physical damage to the Buildings, Contents, Vehicles and Machineries which belong to the Insured or for which the Insured is legally responsible, directly caused by one of the perils such as: Act of Terrorism; Sabotage; Riots, Strikes

and/or Civil Commotion; Malicious Damage; Insurrection, Revolution or Rebellion or Mutiny and/or Coup d'Etat. The policy can be granted to cover Fixed Assets (Buildings, Contents and Machineries) Vehicles, Machineries and Transit Risks.

Table 26: PVT Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	454,141,558.83	252,807,939.14
Insurance Contract Services Expenses	(526,559,704.36)	(195,851,032.03)
Insurance Service Result	(72,418,145.52)	56,956,907.11

2.5.13. Workers' Compensation Insurance

Provide covers to the insured employees against death or bodily injury by accident or occupational diseases occurring at the place assigned to them for work or arising from their work and during the time of their work. Cover can be arranged in any one of the following three options;

1. Standard workmen's compensation (8 hours)
2. Workmen's compensation to and from work and residence.
3. 24 hours cover.

Table 27: Workers' Compensation Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	23,188,744.43	20,920,921.84
Insurance Contract Services Expenses	36,706,538.18	(65,284,631.30)
Insurance Service Result	59,895,282.61	(44,363,709.46)

2.5.14. Travel Insurance

It provides protection to individuals travelling abroad against unexpected medical, travel-related, and personal risks incurred during the trip. The cover typically includes emergency medical expenses, hospitalization, and medical evacuation or repatriation resulting from sudden illness or accidental injury while outside Ethiopia.

Table 28: Travel Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	5,804,440.77	8,862,306.11
Insurance Contract Services Expenses	(3,815,992.15)	(4,664,827.70)
Insurance Service Result	1,988,448.62	4,197,478.41

2.5.15. Horticulture Insurance

Horticulture Insurance provides cover against physical loss or damage to properties arising from insured perils such as hail, frost, windstorm, excessive rainfall, drought, fire, pest infestation, and plant disease as per the terms and conditions specified in the policy. The common insurable items under this policy

include: Green House Structure; Plastic Cladding; Crops in the Green House; Machinery and Equipment and Deterioration of Horticultural Produce in cold storage.

Table 29: Horticulture Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	702,275.66	477,321.17
Insurance Contract Services Expenses	11,550,563.07	(11,641,545.88)
Insurance Service Result	12,252,838.73	(11,164,224.71)

2.5.16. Personal Accident Insurance

Provide covers to the insured against any bodily injury caused by violent, accidental, external and visible means which injury shall independently of any other cause be the direct and immediate cause of death or disablement of the insured.

Table 30: Personal Accident Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	73,736,374.19	62,466,322.59
Insurance Contract Services Expenses	(10,242,747.03)	(52,830,519.62)
Insurance Service Result	63,493,627.16	9,635,802.97

2.5.17. Group Medical, Term Life and Endowment Insurance

These provide both short-term protection and long-term financial security to individuals, families, and corporate clients. These products are structured to support employers in offering employee-benefit programs to safeguard households against unforeseen health or life-related risks, and to facilitate disciplined long-term savings.

Table 31: Life and Health Insurance Financial Performance (ETB)

	FY2024/25	FY2023/24
Insurance Revenue	641,162	430,160
Insurance Contract Services Expenses	(513,552)	(341,712)
Net Insurance Result	127,610	88,448

2.5.18. Takaful

The Takaful insurance concept is based on mutual co-operation and solidarity between the policy holders in order to protect each other against any unexpected risk or misfortune in the future. This concept is considered an extremely good example of co-operation for the right reasons which Allah has encouraged the Muslims to practice. Awash Insurance operates Salaam Takaful, a Sharia-compliant insurance. Unlike conventional insurance models, where the company assumes risk in exchange for a premium, the Takaful model is structured as a mutual protection scheme among participants.

The Takaful operations are overseen by an independent Sharia'h Advisory Council, consisting of three members.

Table 32: Takaful Financial Performance (ETB)

	FY2024/25	FY2023/24
Takaful Revenue	100,506	56,189
Insurance Contract Services Expenses	(64,963)	(35,858)
Net Insurance Result	35,543	20,331

2.6. Principal Markets and Competition

2.6.1. Industry Overview

The Ethiopian insurance market remains relatively underpenetrated, with insurance penetration at approximately 0.3% in 2025, compared with approximately 3.6% for Africa and 6.5% globally. This low level of penetration indicates that insurance remains a relatively small part of the Ethiopian economy and suggests considerable room for further development as awareness, distribution, product availability and the formal financial system expand.

The market comprised 19 insurance companies as at June 2025, including composite insurers providing both general and long-term insurance and insurers operating solely in the general insurance segment. The sector also included one locally incorporated reinsurer, together with a network of more than 3,000 agents, 54 brokers, 80 loss assessors and two surveyors (Source: NBE Financial Stability Report, March 2026).

The industry has grown significantly over the last three years. Gross written premium increased from approximately ETB 23.0 billion in FY2022/23 to ETB 28.7 billion in FY2023/24 and ETB 41.1 billion in FY2024/25. The increase in FY2024/25 represented growth of approximately 43.1% over the preceding year surveyors (Source: NBE Financial Stability Report, March 2026). The surveyors NBE Financial Stability Report (March 2026) also shows that general insurance continues to account for the overwhelming majority of the market, representing approximately 92.5% of gross written premium in FY2024/25, while long-term and Takaful insurance accounted for the remaining 7.5%.

Motor insurance remains particularly important within the general insurance segment, accounting for approximately 49.6% of general insurance business in FY2024/25 surveyors (Source: NBE Financial Stability Report, March 2026). This concentration means that competition in the sector continues to be influenced heavily by motor insurance pricing, underwriting and claims management, although insurers are increasingly competing across other lines such as property, engineering, marine, liability, life and Takaful.

According to the NBE Financial Stability Report (March 2026), growth in insurance business has also been reflected in the industry's balance sheet. Total assets increased from ETB 49.7 billion in June 2023 to ETB 65.6 billion in June 2024 and ETB 84.9 billion in June 2025. Over the same period, total equity

increased from ETB 14.7 billion to ETB 21.7 billion and ETB 28.3 billion, while paid-up capital increased from ETB 9.0 billion to ETB 11.7 billion and ETB 15.9 billion, respectively (Source: NBE Financial Stability Report, March 2026).

The sector has remained profitable during this expansion. Profit before tax increased from ETB 4.1 billion in FY2022/23 to ETB 6.9 billion in FY2023/24 and ETB 8.3 billion in FY2024/25. In the most recent year, industry assets increased by 29.3%, total equity by 30.5%, paid-up capital by 35.3% and profit before tax by 20.6% (Source: NBE Financial Stability Report, March 2026).

The underwriting environment also remained profitable at an industry level. For general insurance, the claims ratio stood at 51.0% and the expense ratio at 35.4% in FY2024/25, resulting in a combined ratio of 86.4%. At the same time, the market continues to face challenges associated with intense price competition, concentration in motor insurance, shortages of specialized insurance professionals, limited automation and technology infrastructure, and the ongoing implementation of IFRS 17.

Against this market background, Awash Insurance's competitive position is assessed using several measures over the three financial years ended June 2025. Gross written premium is used to assess the Company's share of insurance business generated in the market, total assets to assess relative balance-sheet scale, equity and paid-up capital to assess relative capitalization, and profit before tax to assess the Company's contribution to industry earnings.

2.6.2. Competitive Landscape and Market Position

Table 33: Three-Year Comparison of Awash Insurance and the Ethiopian Insurance Industry (ETB billion, except percentages)

Metric	Financial Year	Industry	Awash Insurance	Awash Share of Industry
Gross Written Premium	FY2022/23	23.0	2.44	10.6%
	FY2023/24	28.7	3.12	10.9%
	FY2024/25	41.1	4.53	11.0%
Total Assets	FY2022/23	49.7	5.93	11.9%
	FY2023/24	65.6	8.06	12.3%
	FY2024/25	84.9	11.12	13.1%
Total Equity	FY2022/23	14.7	2.55	19.1%
	FY2023/24	21.7	3.72	17.1%
	FY2024/25	28.3	5.07	17.9%
Paid-up Capital	FY2022/23	9.0	1.41	15.7%
	FY2023/24	11.7	1.92	16.4%
	FY2024/25	15.9	2.65	16.6%
Profit Before Tax	FY2022/23	4.1	0.55	13.4%
	FY2023/24	6.9	0.87	12.7%
	FY2024/25	8.3	1.11	13.4%

Source: National Bank of Ethiopia, Financial Stability Report, March 2026; Awash Insurance S.C. Annual Reports for FY2022/23, FY2023/24 and FY2024/25; and Company information. Industry balance-sheet and earnings figures are drawn from the NBE insurance-sector data for the corresponding periods.

2.6.2.1. Premium Market Share

Awash Insurance has maintained a relatively consistent share of the industry's premium business over the three-year period. Its share of gross written premium increased from approximately 10.6% in FY2022/23 to 10.9% in FY2023/24 and 11.0% in FY2024/25.

The gradual movement in market share should be viewed in the context of strong industry growth. Between FY2022/23 and FY2024/25, industry gross written premium increased from approximately ETB 23.0 billion to ETB 41.1 billion, an increase of approximately 79% over the period. Awash Insurance's gross written premium increased from ETB 2.44 billion to ETB 4.53 billion over the same period, broadly keeping pace with the expansion of the overall market.

In FY2024/25, Awash Insurance's gross written premium increased by approximately 45%, compared with industry growth of approximately 43.1%. The relatively small difference between the two growth rates explains the modest increase in market share from 10.9% to 11.0%.

The three-year trend therefore shows that Awash Insurance has maintained and marginally increased an approximately 11% share of industry premium volume, rather than experiencing a significant shift in its premium-based competitive position.

2.6.2.2. Asset Scale

A clearer increase in Awash Insurance's relative market position can be seen in its share of industry assets. The Company's asset-based market share increased from approximately 11.5% in FY2022/23 to 12.3% in FY2023/24 and 13.1% in FY2024/25.

During the three-year period, Awash Insurance's total assets increased from approximately ETB 5.93 billion to ETB 11.12 billion, while industry assets increased from ETB 49.7 billion to ETB 84.9 billion. As a result, the Company's share of industry assets increased by approximately 1.6 percentage points.

The increase was particularly pronounced in FY2024/25, when Awash Insurance's assets grew by approximately 38%, compared with industry asset growth of 29.3%. The Company's asset base therefore expanded approximately 8.7 percentage points faster than the industry during the year.

By FY2024/25, Awash Insurance accounted for approximately 13.1% of industry assets compared with 11.0% of industry gross written premium. This shows that its relative balance-sheet presence is somewhat larger than its share of annual premium generation.

2.6.2.3. Equity and Paid-up Capital

Awash Insurance has a comparatively larger position when the market is assessed by capitalization.

Its share of industry equity was approximately 17.3% in FY2022/23, 17.1% in FY2023/24 and 17.9% in FY2024/25. Over the same period, the Company's share of industry paid-up capital increased from approximately 15.7% to 16.4% and 16.6%, respectively.

The relative size of Awash Insurance's capital base is more apparent when these measures are compared with its other market shares. In FY2024/25, the Company accounted for approximately 11.0% of industry gross written premium and 13.1% of industry assets, compared with 16.6% of industry paid-up capital and 17.9% of total industry equity.

The comparison therefore indicates that Awash Insurance's position within the industry is strongest from a capitalization perspective. Its share of the sector's equity and paid-up capital has consistently exceeded its share of both premium volume and total assets.

2.6.2.4. Profitability and Earnings Position

Awash Insurance's share of industry pre-tax earnings has remained relatively stable over the three years. The Company accounted for approximately 13.4% of industry profit before tax in FY2022/23, 12.7% in FY2023/24 and 13.4% in FY2024/25.

Industry profit before tax increased from ETB 4.1 billion in FY2022/23 to ETB 8.3 billion in FY2024/25, while Awash Insurance's profit before tax increased from approximately ETB 0.55 billion to ETB 1.11 billion over the same period.

The Company's share of industry earnings declined modestly in FY2023/24 before recovering in FY2024/25. In the most recent year, Awash Insurance's profit before tax increased by approximately 27%, compared with industry growth of 20.6%, allowing its share of industry earnings to return to approximately 13.4%.

The FY2024/25 earnings share of 13.4% is broadly consistent with Awash Insurance's 13.1% share of total assets, but remains below its higher shares of industry equity and paid-up capital. This indicates that the Company's comparatively large capital base has not translated into an equivalent share of industry earnings.

2.6.2.5. Relative Market Position

The three-year comparison presents a more balanced view of Awash Insurance's position within the Ethiopian insurance market.

Awash has maintained an approximately 11% share of gross written premium, indicating a relatively stable position in terms of insurance business generated. Its share of industry assets has increased more visibly, from 11.5% in FY2022/23 to 13.1% in FY2024/25, demonstrating an increasing balance-sheet presence.

The Company's strongest relative position is in capitalization. By FY2024/25, Awash Insurance accounted for approximately 17.9% of industry equity and 16.6% of industry paid-up capital. Its share of industry pre-tax earnings, meanwhile, has remained broadly around 13% over the three-year period.

Accordingly, Awash Insurance's competitive position varies depending on the measure used. The Company has maintained its share of premium business, increased its share of the industry's asset base, and retained a comparatively larger share of industry equity and paid-up capital.

The competitive environment remains influenced by market concentration. The state-owned insurance corporation accounts for approximately 33.9% of the general insurance market, while motor insurance represents approximately 49.6% of general insurance business. Against this backdrop, Awash Insurance operates as a material private-sector participant in a market where competition remains concentrated in the principal general insurance classes, while low overall insurance penetration provides scope for expansion into less-developed products and customer segments.

2.7. Regulatory Environment of the Sector

2.7.1. Principal Regulatory and Supervisory Framework

The Company operates within the regulatory and supervisory framework established under the Insurance Business Proclamation No. 746/2012, as amended by the Insurance Business (Amendment) Proclamation No. 1163/2019, together with directives issued by the National Bank of Ethiopia.

The National Bank of Ethiopia is the principal regulator and supervisor of insurance business in Ethiopia. The regulatory framework covers licensing, capital and solvency, investment of insurance funds, reinsurance, corporate governance, Takaful operations, financial reporting, risk management and other prudential and operational requirements applicable to the Company.

The Company is licensed to conduct both general and long-term insurance business and is required to maintain its license and comply with the prudential and operational requirements prescribed by the NBE.

2.7.2. Minimum Capital and Solvency Requirements

The Minimum Paid-Up Capital for an Insurance Company Directive No. SIB/57/2022 requires an insurance company undertaking both general and long-term insurance business to maintain minimum paid-up capital of ETB 500 million.

The Company's audited paid-up capital amounted to ETB 2.647 billion as at June 30, 2025, compared with ETB 1.921 billion as at June 30, 2024. The paid-up capital subsequently increased to ETB 3.375 billion as at December 31, 2025, based on the Company's unaudited interim financial information. Accordingly, the subsequent capital increase is presented separately from the audited FY2024/25 capital position.

In addition to the minimum paid-up capital requirement, the Company is subject to the Margin of Solvency Directive No. SIB/45/2016. Under this framework, an insurer carrying on general insurance business is required to maintain admitted capital based on the highest of the prescribed measures relating to technical provisions, net written premiums and minimum paid-up capital. Long-term insurance business is subject to the applicable technical-provision and minimum-capital requirements.

The Company's regulatory solvency position for the two reporting periods is summarized below.

Table 34: Regulatory Solvency Position (ETB '000, except ratio)

Particulars	FY2024/25	FY2023/24
Admissible Assets	9,383,185	6,807,450
Admissible Liabilities	5,850,716	4,209,177
Excess of Admissible Assets over Admissible Liabilities	3,532,469	2,598,273
Required Capital	1,067,583	812,880
Positive Solvency Margin	2,464,886	1,785,393
Solvency Ratio	2.31x	2.20x

The solvency ratio increased from 2.20 times in FY2023/24 to 2.31 times in FY2024/25, while the positive solvency margin increased from approximately ETB 1.79 billion to ETB 2.46 billion. The increase was supported by the expansion of the Company's capital and admissible asset base during the year.

2.7.3. Investment and Asset Admissibility Requirements

The investment of insurance funds is governed principally by the Amendment to Investment of Insurance Funds Directive No. SIB/52/2020. The Directive establishes requirements and limits for the investment of general and long-term insurance funds, including investments in bank deposits, company shares, property and other permitted asset classes. The limits are intended to maintain diversification, liquidity and financial soundness and to restrict excessive concentration in individual asset classes and counterparties.

These requirements are directly relevant to the Company's investment portfolio. As at June 30, 2025, financial assets measured at fair value through other comprehensive income amounted to approximately ETB 2.73 billion, compared with ETB 1.71 billion at June 30, 2024. The Company manages the allocation of its investment portfolio by reference to the applicable NBE limits for the respective insurance funds.

Asset admissibility also forms part of the solvency framework under Directive No. SIB/45/2016. For solvency purposes, certain assets are excluded from admitted assets, including specified prepayments and intangible or inadequately secured assets, assets whose recoverability is impaired and assets held in excess of applicable regulatory limits. Accordingly, the composition and regulatory admissibility of investments affect both the Company's investment strategy and its solvency position.

The statutory deposit requirement also restricts a portion of the Company's capital for regulatory purposes. As at June 30, 2025, statutory deposits amounted to approximately ETB 391.88 million, compared with ETB 284.29 million at June 30, 2024.

2.7.4. Reinsurance Regulatory Framework

The Company's reinsurance arrangements are governed by the Insurance Business Proclamation and the Amendment to Manner and Criteria of Transacting Reinsurance Directive No. SIB/53/2020.

The Directive governs matters including reinsurance programmes, retention limits, selection and credit quality of reinsurers, documentation of reinsurance arrangements and regulatory reporting to the NBE. These requirements affect the amount of insurance risk retained by the Company, the placement of risks with reinsurers and the management of counterparty exposure arising from reinsurance arrangements.

The Company uses reinsurance as part of its underwriting and capital management framework, particularly for exposures that exceed internal retention levels or require additional risk-sharing capacity.

2.7.5. Corporate Governance and Fit-and-Proper Requirements

The Company's governance framework is subject to the Insurance Corporate Governance Directive No. SIB/48/2019, which establishes requirements relating to the composition and responsibilities of the Board of Directors, Board committees, management oversight, internal control, risk management, related-party transactions and regulatory reporting.

The Requirements for Persons with Significant Influence in an Insurance Company Directive No. SIB/63/2026, effective from March 26, 2026, further regulates influential shareholders, directors, the Chief Executive Officer and Senior Executive Officers. It requires NBE approval for relevant appointments and influential shareholdings and establishes continuing fit-and-proper requirements

relating to competence, integrity and financial soundness. Directive No. SIB/63/2026 repealed and replaced the earlier Directive No. SIB/32/2012.

These requirements affect the Company's Board composition, appointment of senior management, ownership changes, governance processes and continuing regulatory reporting.

2.7.6. Takaful Regulatory Framework

The Company operates Salaam Takaful through an authorized Takaful window. Takaful operations are governed by the Directive to License a Takaful Operator or Authorize a Takaful Window Operator No. STB/1/2020.

The Directive establishes requirements relating to authorization, Shariah governance, the Shariah Advisory Council, segregation and administration of participant funds, accounting and reporting, and the treatment of deficits in the participants' risk fund.

The Company therefore maintains separate governance, operational and financial arrangements for its Takaful activities in accordance with the applicable regulatory framework.

2.7.7. Anti-Money Laundering and Counter-Terrorist Financing Framework

The Company is also subject to Ethiopia's anti-money laundering and counter-terrorist financing framework under the Prevention and Suppression of Money Laundering and Financing of Terrorism Proclamation No. 780/2013, as amended by Proclamation No. 1387/2025, together with applicable regulatory requirements and guidance.

The framework requires the Company to maintain appropriate arrangements for customer identification and due diligence, record keeping, transaction monitoring, reporting and internal compliance controls. These requirements form part of the Company's customer onboarding, premium collection, claims payment and other financial transaction processes.

2.7.8. Capital Market Regulatory Framework

Following registration of its Ordinary Shares, the Company is also subject to the regulatory framework established under the Capital Market Proclamation No. 1248/2021 and directives issued by the Ethiopian Capital Market Authority.

The Capital Market Proclamation and the Public Offer Directive No. 1030/2024 require public issuers to register securities with ECMA and impose continuing disclosure and reporting obligations following registration. These requirements are intended to provide investors with timely and adequate information concerning the issuer, its financial position, business and material developments.

The Directive on Dematerialization of Publicly Offered Securities No. 1047/2025 further establishes requirements for converting publicly offered securities into electronic book-entry form. The Company is therefore required to undertake the necessary securities administration, shareholder-record reconciliation and dematerialization processes in accordance with the applicable capital market framework.

Registration of the Company's shares consequently introduces continuing requirements relating to financial reporting, material information disclosure, corporate governance, shareholder communication and securities administration in addition to the prudential supervision applicable to the Company as an insurer.

2.7.9. Prospective Insurance Regulatory Reforms

The National Bank of Ethiopia has published a Draft Insurance Risk-Based Capital Directive as part of its proposed reform of the insurance solvency framework. The draft framework proposes a more risk-sensitive approach to capital requirements by taking into account insurance, market, credit and operational risks.

The Draft Insurance Risk-Based Capital Directive is not currently in force and does not constitute the basis for the Company's current regulatory solvency position. Until a final directive becomes effective, the Company's regulatory solvency position continues to be determined under the existing Margin of Solvency Directive No. SIB/45/2016. Any final risk-based capital framework may alter the amount, composition and management of regulatory capital required to support the Company's business.

The NBE has also published a Draft Insurance Proclamation proposing broader reforms to the insurance sector, including the establishment of an independent insurance regulatory authority, enhanced policyholder protection and a gradual opening of the insurance sector to foreign participation. The draft remains a prospective reform and has not replaced the existing Insurance Business Proclamation and NBE supervisory framework.

The timing, final form and specific impact of these proposed reforms will depend on their formal enactment and implementation.

2.7.10. Capital Market Laws

The Company is subject to the capital market regulatory framework established under the Capital Market Proclamation No. 1248/2021 and the directives issued by the Ethiopian Capital Market Authority.

The Capital Market Proclamation establishes the Ethiopian Capital Market Authority as the principal regulatory authority responsible for regulating securities markets, licensing market participants, supervising market conduct, approving public offering documents, and promoting investor protection. The Proclamation provides the legal basis for securities issuance, disclosure, trading, market supervision and enforcement.

The Public Offer Directive No. 1030/2024 sets out detailed requirements applicable to public offerings of securities, including prospectus preparation, disclosure of material information, offer procedures, investor communication, risk factor presentation, pricing disclosure, use of proceeds disclosure, financial information and continuing obligations. Accordingly, the Company is required to provide accurate, complete, balanced and timely information to enable investors to make informed investment decisions.

The Directive on Dematerialization of Publicly Offered Securities, Directive No. 1047/2025, establishes the framework for converting securities offered to the public from physical certificate form into electronic book-entry form. The dematerialization process is relevant to the Company because the Ordinary Shares offered under this Prospectus, and shares currently held by existing shareholders where applicable, may need to be converted into electronic records to facilitate securities registration, transfer, settlement and future trading through the applicable market infrastructure. The Company will therefore be required to coordinate shareholder communication, account-opening procedures, share

register reconciliation, dematerialization and related operational steps in accordance with applicable ECMA, ESX and securities depository requirements.

The capital market framework also includes the Ethiopian Securities Exchange and its applicable rules. The ESX provides an organized platform for the admission, listing and trading of securities. The Company is not currently listed on the ESX. However, as indicated under section 10.1 of this Prospectus, it will be listed on the main board of the ESX upon approval of the Registration Statement by the ECMA and fulfillment of the ESX requirements. Once listed, the Company will become subject to ESX eligibility requirements, corporate governance standards, market disclosure obligations, trading procedures and continuing listing obligations.

Compliance with capital market laws requires the Company to maintain appropriate governance, disclosure, financial reporting, shareholder communication and securities administration arrangements. The framework may improve access to capital and broaden the Company's investor base, but it also increases regulatory oversight, documentation requirements, disclosure obligations, operational coordination requirements and potential enforcement exposure in connection with the Offer and any future trading or listing of the Company's securities.

The development of the capital market and the ESX may also broaden the range of investment instruments available to institutional investors, including insurance companies. Over time, this may provide insurers with additional opportunities to invest in listed equities, debt securities, collective investment products and other capital market instruments, subject to applicable NBE investment rules, internal investment policies, liquidity requirements and risk management considerations. For Awash Insurance, a deeper capital market may support portfolio diversification beyond traditional bank deposits, statutory deposits and government or development bonds. However, any such investment activity would remain subject to market depth, liquidity, credit quality, price volatility, regulatory eligibility and the Company's own investment governance framework.

2.7.11. Other Applicable Laws

2.7.11.1. Taxation Laws

The taxation of the Company and its shareholders is governed by a comprehensive framework of Ethiopian tax legislation, primarily including the Income Tax Proclamation No. 979/2016 (as amended) and amendment proclamation no. 1395/2025, the Value Added Tax (VAT) Proclamation No.1341/2024, and subsequent amendments and regulations.

The Income Tax Proclamation governs the taxation of corporate profits, dividend distributions, and capital gains. Under this framework, the Company is subject to corporate income tax on its taxable profits, calculated after allowable deductions and adjustments in accordance with tax rules. Dividends distributed to shareholders are subject to withholding tax at the applicable statutory rate, which directly affects investor returns. In addition, gains arising from the disposal of shares may be subject to capital gains tax, depending on the nature of the transaction and applicable provisions of law.

The VAT Proclamation regulates indirect taxation on the supply of goods and services. While few financial and insurance services may be exempt from VAT under certain provisions, the scope and

interpretation of these exemptions may evolve through regulatory guidance and administrative practice. To the extent that certain services or inputs fall outside exemption categories, VAT may apply, thereby affecting cost structures and pricing.

Further tax regulations and amendments, including more recent proclamations such as Proclamation No. 1395/2025, provide additional clarity on withholding obligations, capital gains taxation, and transaction-based taxes. These regulations also define compliance requirements relating to tax filings, documentation, and reporting.

The Company is required to comply with ongoing tax obligations, including periodic filings, withholding and remittance of taxes, and cooperation with tax audits and assessments. Changes in tax legislation, enforcement practices, or administrative interpretations may impact the Company's effective tax rate, cash flows, and profitability.

The tax framework directly influences the Company's earnings, dividend distribution capacity, and overall investor returns. At the same time, it imposes ongoing compliance and administrative obligations, and any changes in tax policy or enforcement may have a material impact on financial performance.

2.7.11.2. Labor and Employment Laws

Employment relationships and workforce obligations of the Company are governed primarily by the Labor Proclamation No. 1156/2019 and the Private Organizations Employees' Pension Proclamation No. 1268/2021, together with related regulations and directives.

The Labor Proclamation establishes a comprehensive legal framework governing employment contracts, working conditions, employee rights, occupational health and safety, termination procedures, and dispute resolution mechanisms. It defines the rights and obligations of both employers and employees, including provisions relating to wages, working hours, leave entitlements, and severance payments. The proclamation also provides for the resolution of employment disputes through labor courts and administrative processes.

The Private Organizations Employees' Pension Proclamation introduces a mandatory pension scheme requiring contributions from both employers and employees. These contributions create ongoing financial obligations for the Company and form part of the overall employee compensation structure. The pension framework is intended to provide long-term social security benefits to employees while ensuring compliance with national social protection policies.

These laws collectively shape the Company's human resource management practices, including recruitment, retention, compensation, and termination. They also impose compliance obligations related to record-keeping, reporting, and adherence to statutory employment standards.

Labour and employment laws directly affect the Company's operating cost structure, particularly through wages, benefits, and pension contributions. They also influence workforce flexibility and may increase costs associated with termination or restructuring. Non-compliance may result in legal disputes, financial penalties, or reputational impact.

2.7.11.3. Corporate and Commercial Laws

The Company operates within Ethiopia's general corporate legal framework, primarily governed by the Commercial Code of Ethiopia Proclamation No. 1243/2021, together with related laws on business registration and licensing.

The Commercial Code provides the foundational legal structure for companies, including provisions relating to incorporation, capital structure, shareholder rights, governance arrangements, and fiduciary duties of directors and management. It defines the roles and responsibilities of corporate organs, including the general assembly and the board of directors, and establishes rules for dividend distribution, capital increases, mergers, and other corporate actions.

The Commercial Registration and Business Licensing Proclamation No. 980/2016 (as amended by Proclamation No. 1150/2019) requires all businesses to maintain valid registration and licensing as a condition for lawful operation. This includes periodic renewal of licenses and compliance with sector-specific requirements.

The Commercial Registration, Licensing and Post-Licensing Inspection Directive No. 935/2022 further operationalizes this framework by setting out procedures for registration, licensing, and compliance monitoring, including post-licensing inspections and enforcement measures.

These laws collectively ensure that the Company operates within a legally recognized and regulated corporate framework, while imposing ongoing obligations related to governance, reporting, and compliance.

Corporate and commercial laws establish the legal basis for the Company's existence and governance, ensuring clarity in shareholder rights and management responsibilities. At the same time, they impose ongoing compliance obligations, and failure to adhere to these requirements may result in penalties, operational restrictions, or reputational consequences.

2.8. Employees

2.8.1. Information on Employees

Awash Insurance had 837 employees in FY2025/26, compared with 802 employees in FY2024/25 and 765 employees in FY2023/24. All employees of the Company are employed on a full-time basis, and the Company has no part-time employees.

The number of employees increased by 37, or approximately 4.8%, in FY2024/25 and by a further 35, or approximately 4.4%, in FY2025/26.

The composition of the Company's employees by employment category and gender is presented below.

Table 35: FY2024/25 Employee Summary

Category	FY2025/26 Total	Male	Female	FY2024/25 Total	Male	Female	FY2023/24 Total	Male	Female
Executive Management	5	5	–	5	4	1	5	4	1

Senior Management	17	14	3	13	11	2	12	11	1
Professional	475	297	178	447	292	155	428	284	144
Clerical	135	9	126	133	10	123	124	5	119
Other	205	94	111	204	89	115	196	93	103
Total	837	419	418	802	406	396	765	397	368

The increase in the workforce over the three-year period was mainly driven by growth in professional employees, which increased from 428 in FY2023/24 to 447 in FY2024/25 and 475 in FY2025/26. Senior Management also increased from 12 employees in FY2023/24 to 17 employees in FY2025/26.

2.8.2. Description of Employee Benefit Plans

The Company provides compensation and employee benefits in accordance with its approved human resource policies and applicable laws and regulations. The compensation and benefits framework includes cash allowances, medical and other in-kind benefits, statutory and leave entitlements, insurance coverage and employee loan arrangements.

To attract, motivate, and retain qualified employees, the Company provides various compensation, benefits, and incentive programs. The compensation structure consists of direct monetary payments, reimbursements, in-kind benefits, and statutory entitlements, all administered in accordance with the Company's internal policies and applicable laws and regulations. The key components include:

Cash Allowances

The Company provides various cash allowances to eligible employees in accordance with its approved compensation and benefits framework. These include- Representation Allowance provided to employees in managerial positions, ranging from Birr 3,000.00 to Birr 20,000.00 per month, Housing Allowance (ranging from Birr 1,000.00-30,000.00), Fuel Allowance (paid in liter equivalent to 30-400 liters), Hardship allowance of 25% (twenty-five percent) of gross monthly salary shall be paid to the employees that are assigned in a location designated as hardship area by the Federal Government to compensate for the adverse climatic factors. Telephone Allowance duty-related frequent outdoor calls made on job imperatives(from 100 to unlimited package).

Reimbursements and in-kind benefits

The Company provides local medical insurance coverage of up to Birr 50,000.00 for employees. Medical expenses exceeding this amount, up to Birr 300,000.00, are covered on a 90:10 contributory basis, with 90% paid by the Company and 10% contributed by the employee. The Company also provides medical coverage of up to Birr 10,000.00 per year for the spouses and children of employees, children above 18 years of age are not eligible for this benefit. Eligible management members are provided with foreign medical insurance coverage of up to USD 20,000.00 per year, together with a round-trip economy-class air ticket subject to the CEO's approval. In addition, the Company provides an eyeglass benefit of up to Birr 5,000.00 every two years based on a prescription from a certified medical professional. Follow-up and normal delivery expenses for female employees are covered up to Birr 7,500.00. The Company also

provides wellness benefits ranging from Birr 30,000.00 to Birr 80,000.00, based on a 90:10 contribution arrangement, with 10% contributed by the employee, to promote employee health and well-being.

The Company Provides Local Medical Insurance coverage up to Birr 50,000.00 (fifty thousand) local medical expenses is covered by the Company and medical expenses that exceed the medical insurance coverage up to Birr 300,000.00 (three hundred thousand) on contributory basis of 90:10, the employee's share being 10% for all employees. The Company covers local medical expenses insurance up to Birr 10,000.00 (ten thousand) for spouses and children of employees per year. Employees' children whose ages are above 18 years are not entitled to this benefit.

Statutory and Leave Entitlements

Employees are entitled to statutory benefits and paid leave in accordance with Labour Proclamation No. 1156/2019 and the Company's applicable policies. These include annual leave, maternity leave, sick leave, paternity leave, mourning leave, and severance benefits where applicable. The Company also ensures the mandatory enrollment of eligible employees in the Private Organization Employees' Social Security Agency pension scheme, with the Company contributing 11% of the employees' gross salary in accordance with the applicable pension legislation.

Other Financial Benefits

The Company provides additional financial protection and welfare benefits to eligible permanent employees. These include life insurance coverage, with compensation of up to five years the employee's current salary payable in the event of natural death, and 24-hour accident insurance coverage subject to the applicable terms and conditions. Employees and their spouses are also entitled to a 50% discount on applicable insurance premiums when purchasing insurance products from the Company for personal insurance needs, provided that the insured subject matter is not used for business purposes.

Long term and short loan

The Company provides staff loans as part of its employee retention and well-being strategy. It provides long-term loans to employees based on their job position, length of service, and applicable eligibility criteria. Eligible employees may receive a short-term loan of up to three months' gross salary interest-free, plus an additional three months' gross salary at 5% interest, repayable in 48 equal monthly installments, subject to a personal guarantee or guarantor. Monthly deductions should generally not exceed one-third of gross salary unless voluntarily increased by the employee.

One Time Share Benefit Plan

At the Extraordinary General Meeting held on October 29, 2025, the shareholders approved a one-time employee share benefit plan involving Ordinary Shares with an aggregate par value of ETB 20 million, to be offered to eligible employees at par value. The arrangement was approved as a one-time employee benefit and does not constitute a recurring employee share-based compensation plan.

2.9. Issuer's Debt Position

The Company finances its operations principally through shareholders' equity, retained earnings, operating cash flows and income generated from its insurance and investment activities. As at June 30, 2025, the Company had no outstanding bank loan or bank overdraft balance. Its financing indebtedness consisted principally of lease liabilities recognized in accordance with IFRS 16.

Insurance contract liabilities, insurance payables, deferred tax liabilities and other liabilities arising from the Company's insurance and operating activities are not borrowings and are therefore presented separately from financing indebtedness below.

2.9.1. Financing Indebtedness

The Company's financing indebtedness as at June 30, 2025 and June 30, 2024 was as follows:

Table 36: Financing Indebtedness of the Company (ETB '000)

Nature of Financing Indebtedness	FY2024/25	FY2023/24
Bank Overdrafts – Outstanding Balance	–	–
Short-Term Bank Loans	–	–
Long-Term Bank Loans	–	–
Lease Liabilities	14,748	16,557
Total Financing Indebtedness	14,748	16,557

Lease liabilities decreased from ETB 16.56 million at June 30, 2024 to ETB 14.75 million at June 30, 2025, reflecting lease payments made during the year.

The Company had no outstanding short-term or long-term bank loans at June 30, 2025. Although no overdraft balance was outstanding at year end, bank overdraft interest of approximately ETB 0.37 million was incurred during FY2024/25. The relevant banking facility is described under Section 2.11.3 below.

Deferred tax liabilities are not included in financing indebtedness. The deferred tax liability amounted to ETB 456.07 million at June 30, 2025, compared with ETB 322.38 million at June 30, 2024, and forms part of the Company's tax liabilities rather than its financing structure.

2.9.2. Insurance and Other Operating Liabilities

The Company's principal liabilities arise from its insurance operations. These liabilities represent obligations under insurance and Takaful contracts and amounts payable in the ordinary course of business and do not constitute external borrowing.

Table 37: Insurance and Related Operating Liabilities (ETB '000)

Particulars	FY2024/25	FY2023/24
Non-Life Insurance Contract Liabilities	3,901,362	2,878,374
Life Insurance Contract Liabilities	368,970	373,144
Total Insurance Contract Liabilities	4,270,332	3,251,518
Takaful Liabilities	115,781	46,662
Retakaful Liabilities	20,948	12,968
Insurance Payables	570,608	354,943
Provision for Claims under Litigation	1,509	13,829

Insurance contract liabilities increased by approximately 31.3%, from ETB 3.25 billion at June 30, 2024 to ETB 4.27 billion at June 30, 2025. Non-Life Insurance Contract Liabilities accounted for approximately ETB 3.90 billion of the balance, while Life Insurance Contract Liabilities amounted to approximately ETB 368.97 million.

These balances are measured in accordance with IFRS 17 and reflect the Company's obligations in respect of remaining insurance coverage and incurred claims, including estimates of future cash flows, applicable risk adjustments and discounting.

During the same period, Gross Written Premium increased from approximately ETB 3.12 billion in FY2023/24 to ETB 4.53 billion in FY2024/25, representing growth of approximately 45.3%. Gross Written Premium is an operating measure of business written and is not the basis on which insurance contract liabilities are measured under IFRS 17.

Insurance payables increased from ETB 354.94 million to ETB 570.61 million, reflecting the increase in obligations arising from the expanded scale of the Company's insurance operations.

2.9.3. Banking Relationships

The Company maintains banking relationships for premium collections, payments, cash management, investment activities and other banking services.

The principal banking relationships relevant to the Company's financing and banking activities are set out below.

Table 38: Principal Banking Relationships

Bank	Address	Nature of Relationship	Facility / Outstanding Balance as at June 30
Awash Bank S.C.	Addis Ababa, Ethiopia	Overdraft / Banking Services	Nill
Bank of Abyssinia S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Berhan Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Dashen Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Enat Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Commercial Bank of Ethiopia	Addis Ababa, Ethiopia	Banking Services	Nill
Hibret Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Oromia Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Wegagan Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Nib International Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Cooperative Bank of Oromia S.C.	Addis Ababa, Ethiopia	Banking Services	Nill

Abay Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Global Bank Ethiopia S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Geda Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill
Siinqee Bank S.C.	Addis Ababa, Ethiopia	Banking Services	Nill

As at June 30, 2025, the Company had no outstanding balance under any bank loan or overdraft facility.

2.9.4. Guarantees and Contingent Obligations

The Company has not provided any material guarantee securing the indebtedness or financial obligations of a third party.

The Company is also subject to an additional dividend tax assessment of approximately ETB 74.86 million as at June 30, 2024/25, before interest and penalties, relating to the capitalization of dividends by shareholders. This assessment is a contingent tax matter and is not included in the Company's financing indebtedness.

Table 39: Contingent Tax Matter (ETB '000)

Particulars	FY2024/25	FY2023/24
Additional Dividend Tax Assessment	74,859	74,859
Total	74,859	74,859

Further information on material tax and legal proceedings is provided under the Legal and Arbitration Proceedings section of this Prospectus.

2.9.5. Financing of Business Plans and Capital Expenditure

The Company finances its ordinary insurance operations through its existing capital base, premium collections, investment income and internally generated cash flows.

The Company's principal capital expenditure commitment is the construction of its new Corporate Headquarters. The construction contract with China Railway Seventh Group Co. Ltd. has a total contract value of approximately ETB 3.65 billion and a contractual duration of 912 calendar days.

As of the date of the Prospectus, approximately ETB 1.56billion had been paid under the construction contract, leaving approximately ETB 2.09billion payable in accordance with the progress and completion of the works.

The remaining expenditure under the headquarters construction project is expected to be financed from the Company's own funds. The Company may seek additional external financing if required as the project progresses; however, no external financing source has been confirmed as of the date of this Prospectus.

The funding requirements of the headquarters project form part of the Company's capital and liquidity planning and are considered together with expected operating cash flows, investment maturities, claims obligations and other planned expenditures.

2.9.6. Changes in the Funding Structure

The Company's principal funding structure remains equity-based, with no material bank borrowing outstanding at June 30, 2025.

Following the end of FY2024/25, the Company increased its paid-up share capital from ETB 2.65 billion to ETB 3.38 billion, further increasing the equity resources available to support its insurance operations and planned activities.

The paid-up capital subsequently increased to ETB 3.375 billion as at December 31, 2025, based on the Company's unaudited interim financial information.

2.10. Issuer's Investment Activity

The Company maintains equity investments in financial institutions, reinsurance, capital-market institutions and selected real-sector companies. The carrying value of these investments increased from ETB 1.71 billion as at June 30, 2024 to ETB 2.73 billion as at June 30, 2025, representing an increase of approximately 59.7%.

The portfolio is materially concentrated in Awash Bank S.C., which accounted for approximately 90% of the total equity investment portfolio as at June 30, 2025. The remaining investments are spread across reinsurance, capital-market and other businesses.

Table 40: Key Investments Summary (ETB '000)

Investment	FY2024/25		FY2023/24	
	Value	% Holding	Value	% Holding
Awash Bank S.C.	2,459,939	5.67%	1,479,715	6%
Ethiopian Reinsurance Company	140,750	4.54%	116,522	4%
BIS Vegetables and Agro Industry	800	1%	800	1%
Sheger Investment Hotel and Tourism S.C.	400	9.50%	400	9.5%
Addis-Africa International CEC	38,461	0.38%*	39,753	0.93%
Oda S.C.	78,380	15.91%	67,089	15.9%
Capital Financial Excellence Centre S.C.	981	2.02%	767	2.0%
Ethiopian Securities Exchange	6,494	0.63%	5,000	0.53%
Awash Capital Share Company	5,000	5.00%	-	-
Sheger Smart City Real Estate	300	9.5%	300	9.5%
Total	2,731,505		1,710,345	

* The Audited Financial Statements show different percentage ownership from those disclosed here. The External Auditor confirmed that these were arithmetic errors. The External Auditor's clarification is included in the accompanying documents of the registration statement..

The increase in the portfolio during FY2024/25 resulted from both additional investments and movements recognized through other comprehensive income.

Table 41: Change in Portfolio Value

Item	FY2024/25	FY2023/24
------	-----------	-----------

	Value ETB '000	Value ETB '000	% Change
As of 1 July 2024	1,710,344	1,206,407	41.8%
Additions during the year	560,321	387,929	44.4%
Re-measurement gain or loss through OCI	460,840	116,008	297.2%
As of 30 June 2025	2,731,505	1,710,344	59.7%

Additional investments in FY2024/25 accounted for 55% of the portfolio's gain in value. During FY2024/25, the carrying value of the portfolio increased by approximately ETB 1.02 billion. Additions during the year contributed approximately ETB 560.32 million, while the re-measurement gain recognized through other comprehensive income contributed approximately ETB 460.84 million

2.10.1. Principal Investments

Awash Bank S.C. represents the Company's largest equity investment. Its carrying value increased from ETB 1.48 billion at June 30, 2024 to ETB 2.46 billion at June 30, 2025. The Company's percentage holding increased from 5.25% to 5.67% over the same period.

Awash Bank and the Company have reciprocal shareholdings and share historical and business relationships, while remaining separate legal entities. In addition, two members of the Company's Board, Mr. Tadesse Gemedo Denta and Mr. Desalegn Tolera Jaleta, hold senior positions at Awash Bank S.C. Mr. Tadesse Gemedo Denta and Mr. Desalegn Tolera Jaleta hold 0.169% and 0.098% of the Company's subscribed shares, respectively. Accordingly, neither Director individually owns 2% or more of the Company's subscribed shares.

The relationship and the associated related-party and conflict-of-interest considerations are disclosed under Sections 2.2 and 6 of this Prospectus.

The carrying value of the Company's investment in Ethiopian Reinsurance Company increased from ETB 116.52 million to ETB 140.75 million. The percentage shareholding, however, decreased from 4.88% to 4.54%. The reduction in percentage ownership reflects the increase in the investee's issued capital during the period without a proportionate increase in the Company's participation.

The Company's investment in Oda S.C. increased from ETB 67.09 million to ETB 78.38 million during the year. Oda S.C. is represented on the Board of the Company and the investment is therefore separately disclosed under Section 6 of this Prospectus together with the applicable related-party and conflict-of-interest considerations.

The carrying value of the investment in Addis-Africa International CEC decreased from ETB 39.75 million in FY2023/24 to ETB 38.46 million in FY2024/25 due to revaluation of the investment. The ownership interest declined from 0.93% to 0.38% over the same period due to dilution.

2.10.2. Investments Giving Rise to Related-Party or Conflict-of-Interest Considerations

The Company separately considers investments that involve a related-party relationship or may give rise to an actual or potential conflict of interest.

The investment in Awash Bank S.C. involves a reciprocal ownership relationship and overlapping governance relationships. The Company, therefore, treats transactions and decisions involving Awash Bank in accordance with its related-party transaction and conflict-of-interest governance framework. Further information on the relationship is provided under Sections 2.2 and 6 of this Prospectus.

The Company also holds 5.00% of Awash Capital Share Company. Separately, the Company held more than 2% of Awash Bank S.C.'s shares since its establishment and before the issuance of Directive No. SBB/54/2012 concerning influential shareholders, subsequently amended by Directive No. SBB/89/2024. In 2013, the Company notified the National Bank of Ethiopia of its influential shareholding status in Awash Bank S.C.

The investment and the relevant relationship with Awash Capital are disclosed under Section 6 for purposes of transparency concerning related-party and potential conflict-of-interest matters.

The Company holds a 0.63% interest in the Ethiopian Securities Exchange. This investment is of particular relevance because the ESX is the securities exchange on which the Company's Ordinary Shares will be admitted to trading. The Company's position as a minority shareholder of the ESX is separate from its status as an issuer, and the registration, admission and trading of the Company's shares remain subject to the applicable ECMA and ESX requirements.

2.10.3. Geographical Distribution of Investments

The Company's equity investment portfolio is concentrated in Ethiopia. As at June 30, 2025, the equity investments presented above were investments in entities operating in Ethiopia and amounted to ETB 2.73 billion.

Geographical Area	Investment Value ETB '000	Percentage
Ethiopia	2,731,505	100%
Outside Ethiopia	–	–
Total	2,731,505	100%

The geographical concentration reflects the Company's investment focus on domestic financial institutions, reinsurance, capital-market infrastructure and selected real-sector businesses.

2.10.4. Material Investments since June 30, 2025 and Principal Future Investments

Following June 30, 2025, the Company's principal capital investment has been the development of its new Corporate Headquarters.

On July 23, 2025, the Company entered into a construction works agreement with China Railway Seventh Group Co. Ltd. for the construction of the new Corporate Headquarters at a total contract value of approximately ETB 3.646 billion. As of the date of the prospectus, approximately ETB 1.56 billion had been paid and approximately ETB 2.086 billion remained payable in accordance with the progress of the construction works.

The Company also entered into a headquarters renovation contract with Spazio Construction One Member PLC for ETB 85 million, exclusive of VAT. As of the date of the Prospectus, ETB 58.15 million had been paid and ETB 26.28 million remained outstanding.

The headquarters development and related capital expenditure are expected to be financed through the Company's internal cash resources, operating cash flows, retained earnings and shareholder capital contribution. The financing requirements are incorporated into the Company's capital, liquidity and cash-flow planning.

Other than the investments and contractual commitments disclosed above, the Company has no other principal future investment that has been formally approved or committed as at the date of this Prospectus.

Further information on the headquarters project and the related contractual commitments is provided under the Material Contracts Section.

2.11. Material Contracts

The material contracts entered into by Awash Insurance S.C. during the two years immediately preceding the date of this Prospectus are summarized below. The disclosure includes the principal terms of the relevant contracts, including their subject matter, duration and monetary value, where applicable.

The Issuer confirms that, except for the two contracts disclosed below, it did not enter into any contracts meeting the materiality threshold between August 2024 and July 2025.

China Railway Seventh Group Co. Ltd.

On July 23, 2025, the Company entered into a Construction Works Agreement with China Railway Seventh Group Co. Ltd. for the construction of the new Awash Insurance S.C. Corporate Headquarters.

The total contract value is ETB 3,645,958,078.17, and the contract has a duration of 912 calendar days, with completion expected around January 2028. As of the date of the Prospectus, including 30% of the Contract amount as Advance Payment, the Company had paid ETB 1,540,056,011.65 leaving an outstanding balance of ETB 2,105,902,066.52, payable in accordance with the progress and completion of the works and the terms of the agreement.

The Contract is an admeasurement contract (GCC 63.1) and due modification to any part of the works necessary (GCC 15.1) for the proper completion and /or functioning of the works may include additions, omissions, and substitutions, changes in quality, quantity, dimension, or design modifications resulting in variation of the contract amount (GCC 12.1). Furthermore, in reference to GCC 62, the Contract is subjected to price adjustment considering inflation and market price of materials which will also result in change in the contract amount.

Spazio Construction One Member PLC

On September 22, 2025, the Company entered into an agreement with Spazio Construction One Member PLC for the renovation of its headquarters office. The renovation is intended to improve the functionality of the premises, provide a conducive working environment for employees and enhance the customer-facing areas of the office.

The contract value is ETB 85,000,000, exclusive of 15% VAT, and the contract duration is 90 working days. As of the date of the Prospectus, the Company had paid ETB 58,147,430, while ETB 26,852,570 remained outstanding under the contract.

The final total project cost for the Spazio is subjected to variation orders clause as per article XI, sub-article (C) of the contract.

Reinsurance Arrangements

Reinsurance forms an integral part of the Company's risk management framework and is used to manage its exposure across the different classes of insurance business. The Company is not dependent on any single reinsurer and maintains a diversified panel of international and local reinsurers, with its reinsurance placements distributed among multiple counterparties in accordance with its reinsurance strategy, regulatory requirements and risk management framework.

The Company's reinsurance program comprises a number of treaty arrangements covering, among others, fire, marine cargo, engineering, bonds, professional indemnity, miscellaneous accident, horticulture, motor, terrorism and political violence risks.

Africa Re acts as lead reinsurer for the Fire Surplus, Marine Cargo Surplus, Engineering Surplus, Bonds Quota Share and Surplus, Professional Indemnity, Miscellaneous Accident Surplus, Horticulture Quota Share, Motor Own Damage and Third-Party Liabilities Excess of Loss, and Fire, Engineering and Marine Cargo Excess of Loss treaties.

PTA Re leads the Terrorism and Political Violence Quota Share treaty, while Continental Re leads the Terrorism and Political Violence Excess of Loss treaty.

Depending on the relevant treaty, participating reinsurers include Ethiopian Reinsurance Company, PTA Re, SCR Morocco, Saudi Re, Continental Re, GIC Re SA, Africa Re and Africa Specialty Risk. The use of multiple reinsurers is intended to diversify the Company's reinsurance counterparty exposure and reduce dependence on any single reinsurer.

Details of Reinsurance Arrangements are presented in the below table:

Table 42: Summary of Treaty Programs

Summary of Year 2026/27 Treaty Program			
Class of business	Retention (Birr) Sum Insured		Max. Limit Eth. Birr Sum Insured
1. Fire Surplus*	Per Location	300,000,000	6,300,000,000.00
2. Engineering Surplus*	All other classes	260,000,000	6,760,000,000.00
	Contractor plant & machinery (CPM) , comprehensive machinery (CMI) and Electronic Equipment (EEI)	20,000,000	500,000,000.00
3. Marine Cargo and Goods in Transit Surplus	Per Shipmet/Transit	100,000,000	800,000,000

4. Miscellaneous Accident Surplus			
4.1 All Risks	Per Insured	10,000,000	100,000,000.00
4.2 Fidelity Guarantee	Per Person	5,000,000	50,000,000.00
	Per Event	10,000,000	100,000,000.00
4.3 General Liabilities: General Third Party liability, Private Emp. Agency	per Insured	10,000,000	240,000,000.00
4.4 Public Liability		50,000,000	350,000,000.00
4.5 Product Liability		50,000,000	350,000,000.00
4.6 Carriers Liability	per Insured	1,000,000	50,000,000.00
4.7 Employers Liability	per Insured	1,000,000	30,000,000.00
4.8 Plate Glass	A.O Policy	10,000,000	40,000,000.00
4.11 Burglary	Per Risk	25,000,000	600,000,000.00
4.12 Cash/Money	Any one transit	2,000,000	100,000,000.00
	In safe	2,000,000	100,000,000.00
	Awash Bank	10,000,000	300,000,000.00
4.6 Personal Accident & Group Personal Accident	a) Per person	2,000,000	70,000,000.00
	b) Per known accumulation	4,000,000	140,000,000.00
5. Bond Quota Share & Surplus**	Per contractor	160,000,000	640,000,000.00
6. Horticulture Quota Share	Per Insured	4,000,000	36,000,000
7. Professional Indemnity	Per Insured	30,000,000	240,000,000.00
8. Project PI	Per Insured	30,000,000	150,000,000.00
9. Motor OD & T/P Liability XL.	Per Risk	3,000,000	50,000,000
10. Marine Cargo XOL	Per Shipment	30,000,000	370,000,000
11. Fire & Engineering Risk & CAT XOL	Excess of Loss	80,000,000	720,000,000
12. Terrorism and political Quota Share	Per Location/Risk	300,000,000	1,200,000,000
13. Political Violence and Terrorism Excess of Loss Treaty	Excess of Loss	100,000,000	500,000,000

Summary of Year 2026/27 Retakaful Treaty Program

Class of business	Retention (Birr)		Max. Limit Eth. Birr
1. Fire Surplus*	Anyone risk scale down as per table of retention	50,000,000	750,000,000
	All other classes	25,000,00	300,000,000.00

2. Engineering Surplus**	Power Generation/Power Plants & Power distribution systems, Chemical Industry, Drilling Industry, Pipeline Lying Project & Mining Industry.	12,500,000.00	150,000,000
3. Marine Cargo and Goods in Transit Surplus	Per Shipment/Transit	20,000,000	300,000,000
4. Miscellaneous Accident Surplus			
4.1 Fidelity Guarantee	Per Person	3,000,000	45,000,000
	Per Event	5,000,000	75,000,000
4.2 All Risks	Per Insured	4,000,000	60,000,000
4.3 Public Liab.	Per Insured	5,000,000	75,000,000
4.4 Product Liab.	Per Insured	5,000,000	75,000,000
4.5 Carriers Liab.	per Insured	1,000,000	15,000,000
4.6 Employers Liab	per Insured	2,000,000	30,000,000
4.7 Plate Glass	A.O Policy	4,000,000	40,000,000
4.8 Burglary	Per Risk	10,000,000	150,000,000
4.9 Cash/Money	Any one transit & In safe	5,000,000	50,000,000.00
4.10 Personal Accident & Group Personal Accident	a) Per person	2,000,000	30,000,000.00
	b) Per known accumulation	4,000,000	60,000,000.00
5. Bond Quota Share	Per Contractor	52,500,000.00	97,500,000
6. Professional Indemnity	Anyone claim & in the aggregate	5,000,000	50,000,000
7. PVT Quota Share	Per Location/Risk	40,000,000	160,000,000
8. Motor OD & T/P Liability XL.	Per Risk	2,000,000	38,000,000

Contractual Arrangements with Interested Persons

There are no contractual arrangements, distinct from the rights and obligations arising by operation of law or under the Company's constitutional documents, governing the relationship between any Interested Person and the Company, or between any Interested Person and other shareholders of the Company.

In particular:

Oda S.C. Oda S.C. is a Director of the Company by virtue of its shareholding and its appointment to the Board in accordance with the Company's Memorandum and Articles of Association, and the Company holds approximately 15.91% of the issued shares of Oda S.C. as an investment. These relationships arise from equity ownership and standard corporate governance arrangements applicable to all directors and shareholders alike, and are not the subject of any separate contractual arrangement, such as a shareholders' agreement, service agreement, financing arrangement, or any other agreement governing the conduct of the relationship between the Company and Oda S.C. beyond the rights and obligations that attach generally to shareholding and board membership under applicable law and the Company's constitutional documents.

Awash Bank S.C. The Company is an influential shareholder of Awash Bank S.C. by virtue of its equity holding in that institution. This relationship likewise arises from equity ownership and is not governed by any separate contractual arrangement between the Company and Awash Bank S.C., or between the Company and Awash Bank's other shareholders, beyond the rights and obligations that attach generally to shareholding under applicable law and Awash Bank's constitutional documents.

2.12. Property, Land, and Fixed Assets

Awash Insurance holds a portfolio of owned real estate, comprising both property, plant and equipment occupied for its own use and investment properties held for rental income or capital appreciation, measured separately under IAS 16 and IAS 40 respectively.

As at June 30, 2025, the net book value of property, plant and equipment was ETB 1,215.72 million and the net book value of investment properties was ETB 452.68 million, together totaling ETB 1,668.40 million.

The property values presented in Table 43 total ETB 3,286.60 million and represent estimated market or replacement values used for asset management purposes, rather than IFRS carrying amounts. The Company undertakes property valuations periodically. The difference of ETB 1,618.20 million reflects differences in valuation dates and measurement bases, together with properties and subsequent expenditure included in Table 43 after the earlier valuation. Accordingly, the table's total is not directly comparable with the June 30, 2025 audited carrying amounts. Notes 20 and 21 to the audited financial statements provide further information on the accounting and valuation of these assets.

The table below outlines the company's major properties and their respective locations.

Table 43: Property, Land, and Fixed Assets

S/N	Property Name	Area (sq.m)	Title Deed/Land holding Certificate No.	Lease Agreement/Reference No.	Lease Commencement Date	Original Lease Term	Lease Expiry Date	Remaining Lease Term	Property Valuation Amount (ETB)	Location (Sub City, Wereda)		Physical and Legal Status (Encumbrances / Claims)	Remark
1	Awash Future Headquarters Project Site	3,870.7	AA000030901187	100/12	21-05-2020	60 Years	20-05-2080	54 Years	895,960,327.04	Lideta	8	No restriction and no collateral	Under Construction
2	Awash Headquarters	987	AA000040700074		10-08-2004	60 Years	09-08-2064	38 Years	1,118,311,920.00	Kirkos	7	No restriction and no collateral	“
3	Kality Warehouse/ Garage	2,107	AA000070702283	000116/2007	30-09-2014	60 Years	11-09-2074	48 Years	28,168,200.00	Akaki Kality	7	No restriction and no collateral	“
4	Kality Recovery Site-1	3,868	AA000070702283/0764/1						54,698,350.00	Akaki Kality	5	No restriction and no collateral	“
5	Akaki Kality New Recovery Site	6,854	AA000070402686	00000060/2011	31-08-1995	60 Years	31-08-2055	29 Years	120,511,360.00	Akaki Kality	12	No restriction and no collateral	“
6	Urael Building and new expansion space	1,998.11	Cas19/67/10824/9397/02/1563 and AA000040101706 and LTP-k101024140-061695	174/2007 and 405/2018				60 Years	261,191,000.00	Kirkos	1 (New)	No restriction and no collateral	“

S/N	Property Name	Area (sq.m)	Title Deed/Land holding Certificate No.	Lease Agreement/Reference No.	Lease Commencement Date	Original Lease Term	Lease Expiry Date	Remaining Lease Term	Property Valuation Amount (ETB)	Location (Sub City, Wereda)	Physical and Legal Status (Encumbrances / Claims)	Remark
7	Burayu Warehouse/Store	4,320	BUR/715/91		23-01-2012	50 Years	22-01-2062	36 Years	153,092,450.00	Burayu Keta	No restriction and no collateral	"
8	AIC Summit Building	1,083	AA000060806866	5046/2012	18-10-2019	36 Years	28-09-2055	29 Years	408,768,000.00	Bole 8	No restriction and no collateral	"
9	Flintstone Building Shop/Lideta	45.35	AA000030900023010007	790/2018 እና ቅፃ/0000476/2B/2017	09-10-2025	35 Years	24-11-2060	34 Years	5,767,000.00	Lideta 8	No restriction and no collateral	"
10	Flintstone Building Shop-2/Megeagna	288	AA000050900170001000001	የከ09/10047/18	19-5-2026	56 Years	08-03-2082	56 Years	28,803,000.00	Yeka 16	No restriction and no collateral	"
11	Abyssinia Real Estate/AIC Bole Grand Main Branch	600	AA000060201643001000002			Not leased/old possession			108,314,000.00	Bole 2	No restriction and no collateral	"

S/N	Property Name	Area (sq.m)	Title Deed/Land holding Certificate No.	Lease Agreement/Reference No.	Lease Commencement Date	Original Lease Term	Lease Expiry Date	Remaining Lease Term	Property Valuation Amount (ETB)	Location (Sub City, Wereda)	Physical and Legal Status (Encumbrances / Claims)		Remark
12	Ayat Real Estate	394	Under process	Under process	Under process	Under process	Under process	Under process	23,009,928.33	Yeka	11	No restriction and no collateral	B12/Ground/MA12-GF-R258
13	Country Club Development/CCD	157.77	L/X/L/D/18 215/014	CCD/108 65	06-06-2023	99 Years	05-06-2122	96 Years	30,000,000.00	Laga Tafo	2	No restriction and no collateral	G+Mizanen
14	Kazanchis Office Plot	200	Under process	Under process	Under process	Under process	Under process	Under process	30,000,000.00	Kirkos	9	No restriction and no collateral	Elilly Real Estate
15	Yadot Engineering Office Plot	83.84	AA000060 502425001 01003	4537/17	19-08-2025	39 Years	10-08-2064	38 Years	20,000,400.00	Kirkos	7	No restriction and no collateral	Yadot Engineering

3. SECTION THREE – FINANCIAL STATEMENTS AND INFORMATION

3.1. Financial Information

The Company's annual financial statements, including the accompanying notes and the respective reports of the External Auditor, are outlined in the Accompanying Documents. The financial data presented in the body of the prospectus has been reproduced in its original form and without adjustment from the Company's audited annual reports for the financial years ended June 30 2023, 2024, and 2025. These statements represent a fair view of the Company's financial position in all material aspects for the periods indicated.

The Company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). In particular, the Company's accounting policies and financial reporting fully comply with IFRS 17—Insurance Contracts and IFRS 9—Financial Instruments, as applicable.

- IFRS 17 – Insurance Contracts: The Company recognizes, measures, and presents insurance contracts in accordance with IFRS 17, ensuring that the financial statements reflect the current obligations, risks, and performance of its insurance-related activities.
- IFRS 9 – Financial Instruments: The Company accounts for financial assets and liabilities in accordance with IFRS 9, including the classification, measurement, impairment, and hedge accounting of financial instruments, to provide a faithful representation of the Company's financial position and performance.

Unaudited financial information from the half-year December 2025 results have been used in parts of section 7 of this prospectus.

3.2. Profit Forecast

This Prospectus does not contain any profit forecasts or earnings estimates. No statement herein is intended, nor should it be construed, as a projection of the Company's future financial performance. Potential investors are cautioned not to interpret any historical data or descriptive narrative as an implied guarantee of future profitability.

3.3. Significant Changes in Issuer's Financial Position

Since June 30, 2025, the Company's paid-up capital has increased from ETB 2,647,210,000 to ETB 3,375,302,000, or approximately 27.5%. The increase resulted principally from the collection of outstanding subscription amounts from existing shareholders. The Company accelerated the collection of these subscriptions to strengthen its capital and liquidity position and support the continued financing of its new headquarters construction project, which has an estimated contract value of approximately ETB 3.6 billion, while reducing reliance on external financing.

3.4. Pro Forma Financial Information

There is no pro forma financial information included in this Prospectus.

4. SECTION FOUR – GOVERNANCE AND MANAGEMENT

4.1. Corporate Governance

Awash Insurance S.C. has established a transparent Corporate Governance Framework designed to promote fairness, responsibility, transparency, and accountability while safeguarding the interests of shareholders, policyholders, employees, regulators, and the public. The framework supports the Company's strategic direction, operational oversight, risk management, internal control, and regulatory compliance and is intended to ensure that the Company conducts its business responsibly and in a manner consistent with sound governance practices applicable to the Ethiopian insurance sector.

The Company's Corporate Governance Policy serves as a principal foundation of this framework. It sets out the authority, roles, and responsibilities of the Board of Directors, executive management, and oversight committees and provides for appropriate delegation of authority and separation of duties across the Company's governance structure.

Awash Insurance's governance philosophy is also guided by its aspiration to be the leading and most dependable insurer of choice and by its mission to serve as a trusted insurance partner to all stakeholders by delivering value and financial security through innovative insurance solutions and excellent customer service. The Company's governance framework is further underpinned by its core values of Agility, Winning Spirit, Adaptability, Social Responsiveness, and Harmony, which guide decision-making, leadership conduct, and stakeholder engagement.

To support these commitments, the Company strengthens its governance systems through regular Board evaluations, policy reviews, capacity-building initiatives, risk oversight, internal controls, and compliance monitoring. These measures are intended to promote ethical conduct, prudent risk management, regulatory compliance, operational efficiency, financial soundness, and sustainable long-term value creation for stakeholders.

Table 44: Key policies supporting the governance of the company

Policy Name	Purpose / Coverage	Last Approved Date	Reviewed By (Board /Management)
Code of Conduct	Sets ethical standards and expected behavior for directors, management and employees, including integrity, compliance, confidentiality and avoidance of misconduct.	Dec-23	Board
Conflict of Interest Management Policy	Establishes procedures for identifying, disclosing and managing actual or potential conflicts of interest involving directors, management and staff.	Jan-20	Board
Shareholders' Relations Policy	Defines principles for fair treatment of shareholders, communication channels, AGM processes and protection of shareholder rights.	May-18	Board

Policy Name	Purpose / Coverage	Last Approved Date	Reviewed By (Board /Management)
Related Party Transactions Policy	Establishes approval, disclosure and monitoring procedures for transactions with related parties to ensure transparency and arm's length terms.	Apr-19	Board
Board Charter	Defines the roles, responsibilities, authority and governance framework of the Board.	Dec-23	Board
Terms of Reference for the Board Risk Management and Compliance Committee	Outlines the mandate, responsibilities, meeting procedures and reporting lines of the Board Risk Management Committee, including oversight of risk appetite, key risk exposures and risk controls.	Dec-23	Board
Terms of Reference for the Board HR Affairs Committee	Defines oversight responsibilities relating to human resources, remuneration and succession planning.	Jan-24	Board
Terms of Reference for the Board Audit Committee	Sets the mandate for oversight of financial reporting, internal controls, audit and compliance functions.	Dec-23	Board
Terms of Reference for the Board Investment and Projects Follow up Committee	Defines the mandate and responsibilities of the Board Investment and Finance Committee, including oversight of investment strategy, capital allocation, funding, major financial commitments and related approvals.	Feb-24	Board
Terms of Reference for the Board Business Development and Strategy Committee	Sets the mandate of the Board Business Development Committee, including oversight of growth strategy, new products/markets, partnerships and strategic initiatives.	Dec-23	Board
Enterprise Risk Management Program	Provides the framework for identifying, assessing, monitoring and mitigating enterprise-wide risks.	Aug-23	Board
Internal Audit Policy	Defines the scope, authority and responsibilities of the internal audit function.	Sep-23	Board
Internal Audit Charter	Establishes independence, reporting structure and mandate of the internal audit function.	Sep-23	Board
Procurement Policy	Sets procedures for fair, transparent and competitive procurement of goods and services.	Jan-25	Board

Policy Name	Purpose / Coverage	Last Approved Date	Reviewed By (Board /Management)
Policy on Financial Customers Protection	Establishes standards for fair treatment of customers, complaints handling and transparency in financial services.	Mar-21	Board
IT Governance Policy (38 Policy Document)	Provides governance framework for IT systems, data security, continuity and alignment of IT with business objectives.	Dec-25	Board
Human Resource Management Policy	Defines policies on recruitment, performance management, training, discipline and employee relations.	Dec-25	Board
Policy on communication	Establishes internal and external communication protocols, disclosure practices and stakeholder engagement principles.	Nov-19	Board
Corporate Social Responsibility	Defines the company's approach to social, environmental and community engagement initiatives.	Nov-19	Board
Planning and Budget Policy	Sets procedures for preparation, approval, monitoring and control of the annual budget.	May 2026	Board
Investment Policy & Procedural Manual	Defines investment objectives, asset allocation guidelines, risk limits and approval processes.	Apr-19	Board
Disclosure Policy	Establishes standards for timely, accurate and transparent disclosure of material information to regulators and the market.	Nov-19	Board
Code of Conduct for Senior Management	Defines ethical and professional standards specific to senior management roles.	May-18	Board
Employees Code of Conduct	Sets behavioral expectations and compliance requirements for all employees.	Dec-17	Board
Management Members Procedure	Defines appointment, roles, accountability and operational procedures for management members.	Jun-20	Board
AML/CFT Procedural Manual	Establishes controls and procedures for anti-money laundering and combating the financing of terrorism compliance.	Jul-20	Board

Policy Name	Purpose / Coverage	Last Approved Date	Reviewed By (Board /Management)
Policy for detection and prevention of Criminal Activity	Establishes measures to detect, prevent and respond to fraud, corruption and other criminal conduct, including monitoring, reporting, investigation and escalation processes.	Apr-13	Board
Outsourcing Policy	Defines governance, risk assessment and monitoring requirements for outsourced activities.	Mar-18	Board
Fraud Prevention Policy	Establishes controls, reporting and investigation procedures to prevent and manage fraud risks.	Apr-18	Board

The Issuer confirms that it fully complies with the applicable corporate governance requirements under each of the laws, policies, and procedures listed above.

4.1.1. Alignment with National and International Corporate Governance Standards

Awash Insurance's governance framework is guided by the principles of transparency, accountability, fairness, and ethical responsibility and operates within the applicable Ethiopian legal and regulatory framework, including the Federal Democratic Republic of Ethiopia Commercial Code, Proclamation No. 1243/2021, the Insurance Business Proclamation No. 746/2012, as amended, the National Bank of Ethiopia's Insurance Corporate Governance Directive No. SIB/48/2019 (1st Replacement), the National Bank of Ethiopia's Requirements for Persons with Significant Influence in an Insurance Company Directive No. SIB/63/2026, and other applicable NBE directives and regulatory requirements governing insurance companies.

The Company aligns its governance arrangements with Directive No. SIB/63/2026, including the requirements applicable to influential shareholders, directors, the Chief Executive Officer, and senior executive officers, as part of its adherence to the national governance framework for insurance companies.

As a licensed insurance company, Awash Insurance is supervised by the National Bank of Ethiopia and conducts its insurance business in accordance with the laws, directives, and regulatory requirements applicable to insurance companies in Ethiopia. The Company's governance framework also takes into account applicable Ethiopian Capital Market Authority governance and disclosure requirements and relevant international best practices for sound corporate governance.

The Company also prepares and presents its financial statements in accordance with International Financial Reporting Standards (IFRS), as directed by the National Bank of Ethiopia. The application of IFRS supports transparency, accuracy, comparability, and consistency in the Company's financial reporting and contributes to the reliability of financial information made available to stakeholders.

The Issuer confirms that it fully complies with the applicable national and international corporate governance standards described above.

4.1.2. Key Governing Bodies

Awash Insurance's governance structure comprises several layers designed to ensure effective oversight and accountability:

- **General Meeting of Shareholders:** The highest decision-making body, responsible for electing the Board of Directors, approving annual reports, and reviewing overall company performance.
- **Board of Directors:** The apex governing body charged with providing strategic direction, overseeing management, approving major policies, and safeguarding the interests of stakeholders.
- **Board Committees:** Specialized committees that support the Board in executing its oversight responsibilities in areas such as audit, risk management, Human resources and remuneration, Investment, and Business development and strategy.
- **Senior Management:** Responsible for the prudent day-to-day management of the company in alignment with Board-approved strategies and policies.
- **Independent Control Functions:** Including the Risk and Compliance Department and the Internal Audit Department, which operate independently to ensure effective risk oversight, internal controls, and adherence to regulatory standards.
- **Sharia Advisory Board:** Ensures that Takaful (Sharia-compliant) insurance products and services fully comply with Islamic principles and oversees their design, underwriting, claims management, Investment and risk-sharing mechanisms, ensuring alignment with governance frameworks, ethical standards, and regulatory requirements.

4.1.3. Internal Governance Codes and Manuals in Use

To promote operational efficiency and uphold strong governance standards, Awash Insurance maintains a comprehensive system of internal policies and procedures supported by dedicated oversight functions, including the Risk and Compliance Department and the Internal Audit Department. In addition, Awash Insurance applies structured underwriting and claims management protocols with defined approval processes and performance monitoring. The ongoing development of supplementary policies, operational manuals, and resource management guidelines further strengthens governance practices, enhances operational effectiveness, and reinforces stakeholder and shareholder confidence.

4.1.4. Risk Management Framework

Awash Insurance S.C. operates a structured enterprise-wide risk management framework designed to identify, measure, monitor, control and mitigate risks inherent in its insurance and financial activities. The framework integrates board oversight, management execution, dedicated risk functions, reporting systems and risk-based limits to support the Company's strategic and operational objectives.

4.1.4.1. Governance and Oversight

- The Board of Directors is responsible for setting the Company's overall risk appetite, approving comprehensive risk management policies and programs, and providing independent oversight of implementation.
- Management (executive leadership) is accountable for interpreting the risk strategy, executing risk policies and limits, making risk decisions, monitoring exposures and reporting risk issues and trends to the Board.
- A Risk Management Unit implements and maintains risk procedures, assesses and monitors exposures across the Company's activities, and ensures compliance with approved risk policies and limits. It reports exceptions and areas of concern to the Board's Risk and Compliance Committee where appropriate.
- The Internal Audit Function independently provides assurance towards the effectiveness of risk controls and framework implementation, reporting findings and recommendations to the Board Audit Committee.

4.1.4.2. Risk Identification, Measurement and Reporting

- Risks are identified through ongoing processes integrated into business operations. All employees are expected to recognize risk exposures relevant to their responsibilities.
- Risk measurement uses models that estimate expected and unexpected losses, drawing on historical experience and adjusted for current economic conditions.
- Risk exposures are monitored relative to risk limits established by the Company, which reflect its strategic goals, market environment and risk appetite and tolerance limit. Aggregate risk-bearing capacity is tracked across all risk types.

4.1.4.3. Risk Types and Mitigation

Awash Insurance's risk framework covers operational and financial risks, including credit risk, liquidity risk, contagion and related party risk, market risk, reinsurance risk, operational risk, underwriting and liability risk and technical provision risks which are included in NBE's Directive of Inherent and Significant Risks Monitored on Quarterly Basis as Follows:

Operational Risk: Managed through internal controls, documented procedures, continuous monitoring and regular review at business unit and enterprise levels.

Contagion and related party risk: is interconnected, primarily manifesting through intra-group relationships where the financial distress of one entity can rapidly spread to others. Related party risk involves transactions with entities that have a pre-existing relationship with the insurer (e.g., parent companies, subsidiaries, or directors).

Reinsurance risk: is the possibility that an insurance company (the "cedent") will face financial strain because its reinsurance program fails to perform as expected. While reinsurance is a critical tool for managing insurance-specific risks like catastrophes, it introduces its own set of unique counterparty and operational vulnerabilities.

Underwriting and liability risk: is the potential for financial loss due to inadequate premium pricing, poor risk selection, or unexpected claim volume changes, often linked to economic shifts. Liability risk involves covering legal obligations arising from damages to third parties, which requires careful, tailored underwriting to manage high financial exposure.

Technical provision risk: is the risk that set-aside funds (reserves) for future claims, expenses, and policyholder obligations are inadequate, resulting in financial loss and solvency threats. These risks arise from inaccurate estimation of claim development, inadequate premium pricing (premium deficiency), inappropriate economic assumptions, or volatility in claim frequency and severity.

- **Financial Risk:**

- **Credit Risk:** Assessed through counterparty evaluations and management of receivables and reinsurance arrangements.
- **Liquidity Risk:** Managed via cash flow forecasting and maintaining adequate funding to meet obligations without undue cost or reputational harm.
- **Market Risk:** Identified and monitored by the Risk Management Unit, Inflation, interest rate risk, with strategies to limit adverse impacts on investments, assets and liabilities.

4.1.4.4. Risk Mitigation and Control Mechanisms

- Risk-mitigating techniques and controls are documented for both existing and new processes.
- Quarterly risk reporting and Management Risk Committee meetings review risk controls and mitigating actions, with adjustments approved by the Board where needed.
- Reinsurance arrangements with diversified, rated reinsurers help to share insurance risk and enhance financial resilience.

4.1.5. Internal Controls, Internal Audit, and Compliance

The Company maintains a comprehensive internal control framework designed to ensure the reliability of financial reporting, integrity of operations, regulatory compliance, and safeguarding of assets.

Management is responsible for establishing and maintaining effective internal controls over financial reporting and operational processes. These controls are intended to provide reasonable assurance against material misstatement, fraud, error, unauthorized transactions, and other control failures in the preparation of financial statements and the conduct of the Company's operations.

Key internal controls include formal segregation of duties, defined approval hierarchies, system-based transaction recording, established authorization processes, and periodic reconciliations. These measures are intended to strengthen accountability, accuracy, and the integrity of financial and operational information.

The Internal Audit Function operates independently within the Company and assesses the design, implementation, and effectiveness of internal controls, compliance with internal policies and procedures, and material risk exposures. The function reports its findings and recommendations to the Audit Committee of the Board of Directors. This functional independence supports objective evaluation

of the effectiveness of the Company's control environment and adherence to applicable policies and regulatory requirements.

Risk management and internal control processes are working as a second and third line of defense respectively while the management is working as a first line of defense, integrated within the Company's enterprise-wide risk management system. This includes regular monitoring of risk exposures against established limits, documentation of control procedures for key business processes, and periodic review and reporting at business-unit, management, and Board levels.

The Board of Directors and its committees receive periodic reports on internal control matters, risk assessments, compliance issues, and audit findings, enabling them to exercise oversight and require timely corrective action where necessary.

Collectively, the Company's internal control, risk management, internal audit, and compliance arrangements are intended to support reliable financial reporting, operational effectiveness, regulatory compliance, safeguarding of assets, and sound governance and financial stewardship.

4.1.6. Code of conduct and ethics-related policies

The Awash Insurance Code of Conduct and ethics-related policies establish comprehensive frameworks to guide the ethical behavior, professionalism, integrity, and responsibilities of all employees, management, and board. They are intended to strengthen ethical standards and ensure that employees management, and board perform their duties in accordance with the Company's policies, procedures, applicable laws, and professional principles.

The Codes define the responsibilities of the Board of Directors, CEO, HRM, Internal Audit, immediate supervisors, and employees in establishing, communicating, monitoring, and enforcing the Codes. The Codes emphasize management accountability, employee awareness, continuous monitoring, prompt disciplinary action for violations, and the creation of an environment where ethical concerns can be raised openly.

The Codes cover key areas of workplace conduct, including punctuality and attendance, proper use of company property and assets, confidentiality of information, professional dress and appearance, integrity, customer and colleague relationships, conflict of interest, teamwork, workplace safety and cleanliness, substance use, gambling, harassment and discrimination, gifts and entertainment, reporting of misconduct, personal and family relationships, and outside employment. These provisions are designed to protect the Company's reputation, assets, information, customers, employees, and overall business interests.

Particular emphasis is placed on confidentiality, integrity, conflict-of-interest management, and professional conduct. Employees are required to protect customer and company information, avoid fraudulent or corrupt practices, disclose actual or potential conflicts of interest, and ensure that official decisions are made objectively and without personal or preferential considerations.

The Codes also promote a safe, respectful, and inclusive workplace by prohibiting harassment, bullying, discrimination, sexual harassment, inappropriate conduct, workplace gambling, and the misuse of

alcohol or drugs. Employees are further required to report actual or potential violations and cooperate with investigations, while retaliation against persons involved in investigations is prohibited.

Finally, compliance with the Codes is mandatory, and violations constitute a disciplinary breach subject to appropriate disciplinary measures in accordance with the HRM Procedure Manual. The Executive and Employees' Code of Conduct provides for corrective/disciplinary measures for breaches, depending on the severity of the violation, including from verbal warnings to withholding of performance-related awards/bonuses, demotion, removal from post, dismissal and legal action, as applicable.

Overall, the Codes provide Awash Insurance with a structured ethical and behavioral framework intended to promote accountability, professionalism, integrity, responsible use of company resources, protection of confidential information, respectful workplace relationships, and compliance with applicable rules and regulations.

Summary of provisions applicable to the Board, senior management, and employees

Board of Directors Code of Conduct

The Code of Conduct for the Board of Directors establishes the ethical, fiduciary, professional, and governance standards applicable to members of the Board of Directors. It requires Directors to act with integrity, diligence, duty of care, loyalty, independence, professionalism, and in the best interests of the Company, while complying with applicable laws, regulations, and supervisory requirements. The Code addresses conflicts of interest, self-dealing, misuse of position, confidential and inside information, bribery, corruption, fraud, improper benefits, and other conduct that could compromise the integrity of Board decisions. Directors are required to disclose conflicts, abstain from decisions where appropriate, protect confidential information, use Company resources responsibly, and maintain their obligations even after leaving office. The Code therefore provides the framework for ethical Board leadership, sound corporate governance, independent and responsible decision-making, accountability, and protection of the Company and its stakeholders. It is primarily a Board-level governance code, although certain provisions also establish expectations relevant to Senior Management.

Executive / Senior Management Code of Conduct

The Executive/Senior Management Code of Conduct establishes the ethical, leadership, fiduciary, and professional standards applicable to the Company's Chief Executive Officer and other members of Executive/Senior Management. It requires senior executives to lead by example and exercise their authority with integrity, accountability, transparency, competence, due care, loyalty, and in the best interests of the Company, while ensuring compliance with applicable laws, regulatory requirements, Board decisions, and Company policies. Senior Management is expected to maintain effective governance, risk management, internal controls, financial and operational integrity, confidentiality, and responsible use of Company resources; identify and manage conflicts of interest; prevent fraud, corruption, improper influence, and abuse of authority; and ensure that material matters and risks are appropriately disclosed and escalated to the Board. The Code reinforces management responsibility for decisions, performance, risk ownership, control effectiveness, and ethical organizational culture. Overall, it establishes a higher level of accountability for executive leadership, ensuring that Senior

Management provides ethical direction, sound stewardship, transparent decision-making, and effective oversight in support of sustainable performance and protection of shareholders, policyholders, employees, regulators, and other stakeholders.

Employee Code of Conduct

The Employee Code of Conduct establishes the ethical, professional, and behavioral standards applicable to all employees of Awash Insurance Company S.C. It requires employees to act with honesty, integrity, professionalism, fairness, accountability, and confidentiality, while protecting the Company's reputation, assets, information, and legitimate interests. Employees are required to maintain accurate records, avoid conflicts of interest, reject improper benefits, gifts, kickbacks, fraud, falsification, misuse of Company resources, and unauthorized disclosure of confidential information, while treating customers, colleagues, and stakeholders fairly and respectfully. The Code also requires employees to report suspected misconduct, illegal activities, fraud, or violations through appropriate channels, cooperate with investigations and audits, and refrain from retaliation against whistleblowers or participants in investigations. Violations are subject to investigation and appropriate corrective or disciplinary measures. Overall, the Code provides the ethical and behavioral framework through which employees are expected to support integrity, compliance, accountability, responsible business conduct, and protection of the Company and its stakeholders.

4.1.7. Sustainability, ESG, and Stakeholder Management

Awash Insurance S.C., as a member of the Nairobi Declaration on Sustainable Insurance (NDSI), is committed to Environmental, Social, and Governance (ESG) considerations as critical components of sustainable business growth, responsible insurance practices, and long-term value creation for stakeholders. The Company is progressively integrating ESG principles into its corporate governance, enterprise risk management framework, underwriting practices, investment activities, operational processes and strategic planning.

Environmental and social considerations are relevant to the Company principally through their effect on insured risks and investment exposures. Climate-related events, including drought, flooding and other extreme weather conditions, may increase claims frequency and severity across the Company's property, motor, marine, engineering, agricultural and Takaful lines of business, and may affect the value and performance of assets held within the Company's investment portfolio. The Company may also be exposed to transition risks arising from changes in environmental regulation, market standards and customer expectations that affect the insurability or pricing of certain risks. Failure by the Company, or by parties it insures, to identify, assess and appropriately price or mitigate these risks may result in increased claims costs, underwriting losses, reserve inadequacy, operational disruption, regulatory exposure and reputational damage.

The Company's ESG framework is under development to be aligned with its Vision 2030 Strategy, international sustainable insurance principles, and emerging regulatory expectations. Awash Insurance is committed to promoting responsible insurance practices, enhancing social impact, strengthening corporate governance, and contributing to sustainable economic development in Ethiopia. As the framework matures, the Company intends to incorporate environmental and social screening into its

underwriting and investment decision-making, in a manner proportionate to the nature and risk profile of the business concerned.

Social considerations form a core part of the Company's business model through its Takaful window operation, which provides Sharia-compliant insurance cover to customers and communities who would not otherwise access conventional insurance products, consistent with the Company's broader mission of extending insurance protection and financial security across the Ethiopian market. The Company's governance framework, described in Section 4.1 above, is further underpinned by its core values of Agility, Winning Spirit, Adaptability, Social Responsiveness, and Harmony, which guide leadership conduct and stakeholder engagement across the organization.

The Company's governance framework, as described in various subsections of this Section 4.1, provides oversight of sustainability and ESG-related matters through the Board of Directors and senior management. The Board is responsible for approving the Company's strategic direction and key policies, overseeing the identification, assessment, monitoring and management of material ESG-related risks and ensuring that management maintains appropriate governance arrangements to support the Company's long-term sustainability objectives. Management is responsible for implementing the Board's strategic direction and embedding ESG considerations within the Company's operational and risk management activities.

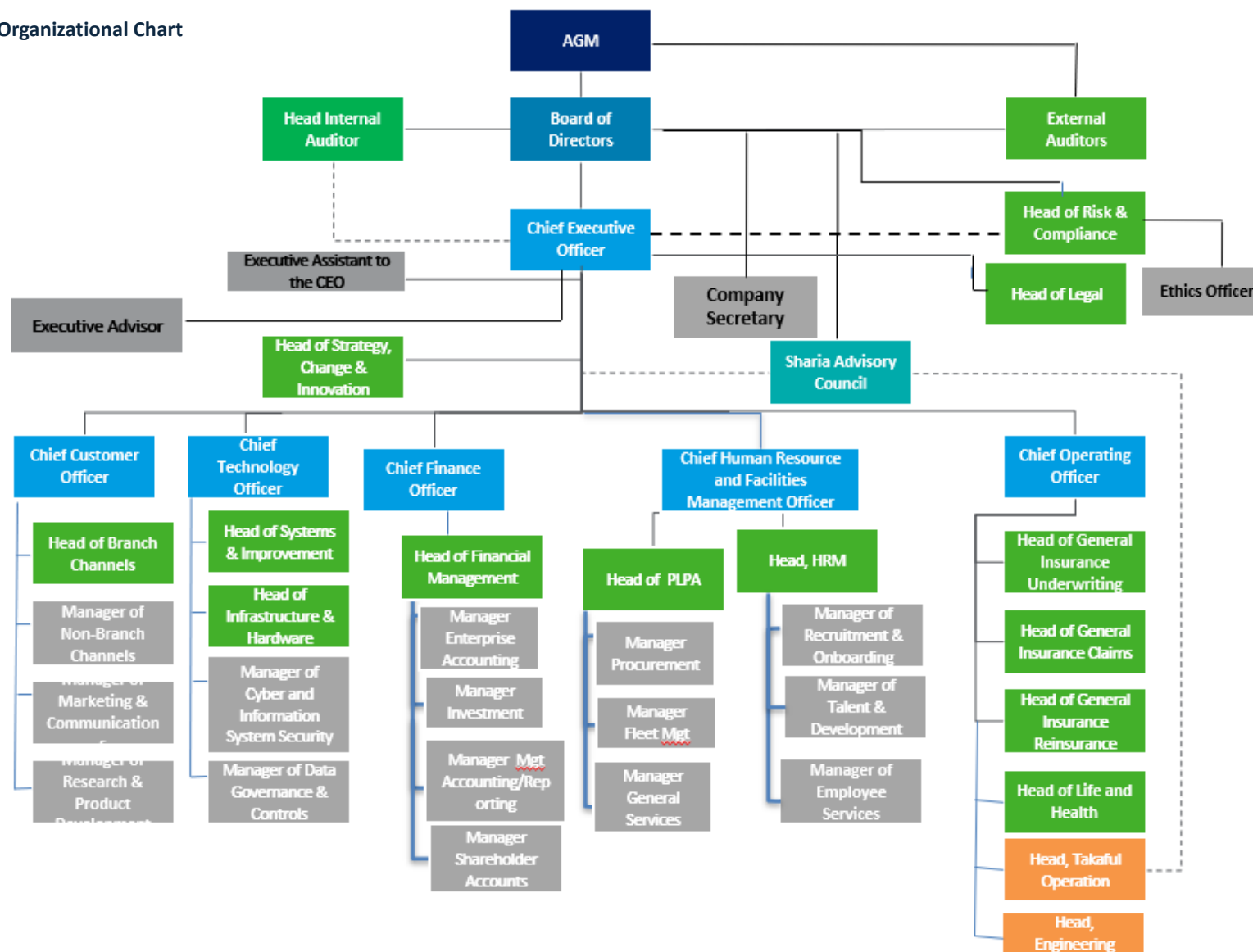
Employee management is an important component of the Company's sustainability and stakeholder management approach. The Company seeks to attract, develop and retain qualified employees through structured recruitment processes, performance management, training and professional development program, succession planning and performance-based reward systems. The Company promotes an ethical, inclusive and collaborative working environment supported by its Human Resource policies, Code of Conduct and internal governance framework. Employees are encouraged to engage with management through established reporting lines, performance evaluations, staff meetings, training program and other internal communication mechanisms, enabling management to consider employee feedback in operational and strategic decision-making while fostering employee engagement, accountability and continuous improvement.

Stakeholder management is integrated into the Company's governance and operational activities. The Company engages with shareholders, policyholders, employees, regulators, reinsurers, brokers, agents, service providers, business partners and the communities in which it operates through established governance processes, customer service channels, regulatory reporting, employee engagement initiatives, industry forums and partnership arrangements. Feedback received through these engagement mechanisms informs product development, service delivery, operational improvements, risk management practices and strategic decision-making. The Company recognizes that maintaining constructive relationships with its stakeholders is essential to sustaining customer confidence, supporting business growth and protecting its reputation.

The Company recognizes that environmental, climate-related and broader sustainability risks are likely to become increasingly significant for the insurance sector. Accordingly, it intends to continue strengthening its ESG framework, governance arrangements, stakeholder engagement practices and

risk management capabilities to enhance operational resilience, support sustainable business growth and create long-term value for its shareholders, policyholders, employees and other stakeholders.

Figure 1: Organizational Chart



4.2. Board of Directors

The current Board consists of nine members, including two female and seven male directors, reflecting a commitment to gender diversity. Board appointments and re-elections are conducted in accordance with the National Bank of Ethiopia's Corporate Governance Directive.

In line with the National Bank of Ethiopia's Insurance Corporate Governance Directive No. SIB/48/2019 (first replacement) and Awash Insurance's internal Policy and Procedures for the Nomination and Election of Board Members, an interim nomination committee is elected by the ordinary general meeting of shareholders. This committee oversees the election of Board members in accordance with established criteria. Subsequently, all candidates are voted on, and the candidate receiving the most votes is elected as a Board member. The appointments are then submitted to the National Bank of Ethiopia for approval. Once approved, the newly elected members commence their duties after completing a training program designed to prepare them for their responsibilities.

Board members of Awash Insurance serve a three-year term of office, ensuring continuity and effective oversight. Board meetings require a quorum of at least half of the Board members, with decisions passed by a majority vote of 50% plus one. Shareholder meetings follow similar rules: the Ordinary General Meeting of Shareholders requires a quorum of one-quarter of shareholders and decisions are approved by a 50% plus one majority, while the Extraordinary General Meeting of Shareholders requires a quorum of one-third of shareholders and decisions are approved by a two-thirds majority. Ordinary General Meetings are held annually, while Extraordinary General Meetings are convened as needed to address urgent matters.

Board members may be re-elected. However, a board member may not serve for more than 6 consecutive years. However, if the General Assembly wishes to continue the board, one-third of board members may be re-elected for an additional three-year term.

4.2.1. Board Performance Evaluation Processes and Practices

The Board of Directors is tasked with evaluating, on an annual basis, the collective and individual performance of the Board, its committees, and each Board member. The findings of these evaluations are communicated at the Annual General Meeting of Shareholders and submitted to the National Bank of Ethiopia.

The section below describes the formal practice and procedures of conducting the performance evaluation.

4.2.1.1. Structured Board Assessments

Awash Insurance conducts formal board effectiveness assessments regularly (typically annually and semiannually). These evaluations examine the performance of the Board as a whole, its standing committees, and individual Board Directors with the objective of identifying areas for improvement and enhancing overall governance effectiveness.

4.2.1.2. Focus on Board and Committee Performance

Evaluations address not only general Board functioning but also the effectiveness of Board Committees — such as Audit, Risk, Human Resources and Strategy committees — with results feeding into governance enhancements. Findings from these assessments are used to refine Board practices, strengthen decision-making processes and ensure alignment with strategic priorities.

4.2.1.3. Integration with Governance Frameworks

These evaluations are carried out within the context of a broader corporate governance framework, including an approved Board Charter and Committee Terms of Reference, which guide director duties, committee mandates, meeting practices and standards of conduct.

4.2.1.4. Attendance and Engagement Monitoring

Part of the evaluation practice involves tracking directors' attendance and engagement at meetings. The reports note that most directors meet or exceed the minimum attendance thresholds — an indicator of active participation and oversight.

4.2.1.5. Continuous Improvement and Board Training

The Board also engages in capacity-building activities for directors (including governance and risk training), and lessons from evaluations inform ongoing development and governance enhancements.

Overall, Board evaluation at Awash Insurance is an ongoing, systematic practice that assesses board and committee performance, reinforces governance standards, and drives continuous improvement in oversight and strategic guidance.

4.2.2. Frequency of Board Meetings

As stipulated in the Board Charter, the Board of Directors must meet at least once every quarter. However, regular monthly meetings may be held when necessary. Since its inception, the Board has proactively convened monthly, demonstrating its commitment to effective governance and oversight.

Profile of the Board of Directors

Table 45: Members of the Board of Directors of the Company

Name	Position	Appointment Date	Term Expiry	Independent	Gender	Nationality
Mr Tadesse Gameda Denta	Chairman	26/10/2019*	1/11/2028	No	Male	Ethiopian
Mr Daniel Tewodros Limeneh**	Vice Chairman	1/11/2025	1/11/2028	No	Male	Ethiopian
Dr. Meti Wole Gurmu	Director	1/11/2025	1/11/2028	No	Female	Ethiopian

Mrs Gifty Yoseph Hailemariam	Director	29/10/2022	1/11/2028	No	Female	Ethiopian
Mr Desalegn Tolera Jaleta	Director	1/11/2025	1/11/2028	No	Male	Ethiopian
Mr Tesfaye Gemechu Mideksa	Director	1/11/2025	1/11/2028	No	Male	Ethiopian
Mr Gadisa Abera Bedada	Director	1/11/2025	1/11/2028	No	Male	Ethiopian
Mr Lencho German Amente	Director	1/11/2025	1/11/2028	No	Male	Ethiopian

**Mr Tadesse Gemedo has continued to serve on the Board for more than six consecutive years following his re-election by the shareholders. At the 30th Ordinary General Meeting of Shareholders held on November 1, 2025, the shareholders re-elected Mr Tadesse Gemedo as members of the Board of Directors. The NBE subsequently approved his re-election by letter dated January 22, 2026, in accordance with the applicable Insurance Corporate Governance Directive SIB/48/2019.*

***Awash Insurance's Board comprised nine members until July 1, 2026, when Dr. Aseffa Seyoum Wedajo resigned for personal reasons. Dr. Aseffa served on the Board from October 26, 2019, to July 1, 2026, and held the position of Vice Chairperson. Following his resignation, the Board nominated Captain Wubshet Geremew Boku as his replacement from the waiting list of Board nominees established at the 31st Annual General Meeting and submitted his nomination to the National Bank of Ethiopia (NBE) for approval. As at the date of this Prospectus, NBE approval remains pending. Upon approval, Captain Wubshet will join the Board and assume Dr. Aseffa's positions on the Board committees described in the following sections of this Prospectus.*

Under the National Bank of Ethiopia directives, an independent director is a non-executive board member who has no material relationship with the Company, its management, or significant shareholders that could impair the exercise of objective and independent judgment.

Awash Insurance does not currently comply with the New NBE Directive SIB/63/2026, as the current Board composition does not include any independent directors. As per NBE Directive No. SIB/63/2026, a board ought to have at least three independent directors.

The following table provides the professional and academic background of the Company's Directors. All the directors listed below are currently active members of the Board.

Table 46: Detailed Profiles of the Board of Directors

Full Name	Position	Academic Qualifications	Professional Background	Board Committees
Tadesse Gemedema Denta	Chairman	BA Degree in Business Management; MBA in Business Administration	Senior Chief, Wholesale Banking at Awash Bank S.C. (December 2024 – Present); Chief Officer, Wholesale Banking at Awash Bank S.C. (July 2016-November 2023);	Investment and Projects Follow up
Daniel Tewodiros Limeneh	Vice Chairman	EMBA Business Administration	Founder, Shareholder & General Manager; Tewodros & His Family PLC; 2005–2022; Founder, Shareholder & General Manager; Yerossa Guest House Travel & Tour PLC; 2022–Present	Audit; Investment and Projects Follow up; Business Development and Strategy
Dr. Meti Wole Gurmu	Director	Doctorate Degree in internal medicine	Assistant Professor of Internal Medicine, Internist; Armed Forces Comprehensive Specialized Hospital; Nov. 2017–Dec. 2023; Endocrine Fellow & Internist; MEQREZ Hospital; Nov. 2023–Present; Internist; Lancet General Hospital; Dec. 2021–Oct. 2023; Internist, Endocrine Fellow; Commercial Bank Clinic; May 2019–Present; Assistant Professor of Internal Medicine, Endocrine & Metabolism Fellow, Internist; Tikur Anbessa Specialized Hospital, School of Medicine, College of Health Sciences, Addis Ababa University; Jan. 2024–Present	Business development; Audit
Gifty Yoseph Hailemariam	Director	LL. B; LL.M in Law	Executive Assistant, Gender Focal Person; Synergos; 2020–2024; Lawyer, Attorney; Federal Courts; 2017–2019; Assistant to President; Fed. Cross Society; 2021–2024	HR Affairs; Risk Management and Compliance
Gadisa Abera Bedada	Director	MA in Marketing; BA in Management	CEO of ODA S.C. (March 2021-present)	Audit
Deasalegn Tolera Jaleta	Director	B.A. in Economics; MBA in Business administration	Chief, Credit Operations Officer; Awash Bank; 2021–2023; Senior Chief, Enterprise Risk & Compliance Management Officer; Awash Bank; 2023–Present	HR Affairs; Investment and Projects Follow up
Tesfaye Gemechu Mideksa	Director	B.A in Business Management; M.A in Public Administration.	Protocol Officer, Africa Union (2007 – present)	Risk Management and Compliance; Investment and Projects Follow up
Lencho German Amente	Director	B.Sc. in Chemistry and; MBA in Business Management.	Senior Manufacturing Associate; Cancer Medicine Plant in USA; Aug. 2019–Feb. 2024; Project Manager; German Mall Residence; Mar. 2024–Present	Risk Management and Compliance Committee; Investment and Projects Follow up

4.2.3. Board Committees and practices

Awash Insurance has five sub-board level committees that assist the board in performing its function as the overseer of the operations of the Insurer. All Board and Board committee meetings are properly recorded through formal meeting minutes. Except for the independence-related gaps disclosed below, the establishment and composition of the Company's Board committees comply with the applicable requirements of the NBE Directives and the Commercial Code of Ethiopia.

The Issuer also does not currently meet the related Board and committee independence requirements and expectations under the NBE Insurance Corporate Governance Directive SIB/2025, including the requirement for the Audit Committee to include at least one independent director and the expectation that the Chairpersons of the Audit Committee and the Risk Management and Compliance Committee be independent.

Notwithstanding these gaps, the Issuer maintains an independent Risk and Compliance Department that operates independently from the business functions and reports directly to the Board of Directors. This arrangement provides the risk management function with direct access to the Board, consistent with the governance principles applicable to the risk management function under the NBE corporate governance framework.

The Issuer intends to address the identified independence gaps and meet the applicable NBE independence requirements upon expiry of the term of the current Board and the election of a new Board, including through the election of independent directors and the appropriate reconstitution of the relevant Board committees.

Details of the board committee are set out below.

4.2.3.1. Audit Committee

Based on corporate governance directives for financial institutions in Ethiopia and standard industry practices, the Terms of Reference (ToR) for the Board Audit Committee (BAC) of Awash Insurance are designed to ensure financial integrity, compliance, and risk management.

The committee operates under a formal mandate, with key roles and responsibilities focusing on financial oversight, internal controls, and auditing.

4.2.3.1.1 Purpose and Authority

- **Purpose:** To assist the Board of Directors in fulfilling its oversight responsibilities regarding the integrity of financial statements, the effectiveness of internal control systems, the performance of internal and external auditors, and compliance with legal/regulatory requirements.
- **Authority:** The committee is empowered to investigate any activity within its terms of reference, access all company information, and obtain outside legal or professional advice if necessary.
- **Access:** It has unrestricted access to management, personnel, and records.

4.2.3.1.2 Composition and Membership

- **Membership:** Composed of non-executive board members.

The board Audit Committee comprises the following members:

- Mr. Daniel Tewodros Limeneh (Chairperson)
 - Dr. Meti Wole Gurmu
 - Mr. Gadisa Abera Bedada
- **Independence:** Members must be free from any relationship that could interfere with their independent judgment.
 - **Expertise:** At least one member is expected to have recent and relevant financial, accounting, or auditing expertise.
 - **Meetings:** The committee meets monthly, with regular meetings and special meetings upon request.

4.2.3.1.3 Key Duties and Responsibilities

The Audit Committee's duties generally cover five main areas:

1. Financial Reporting

- Review the accuracy and integrity of quarterly and annual financial statements before submission to the Board.
- Ensure that financial statements comply with relevant accounting standards
- Review significant judgments, estimates, and adjustments made by management.

2. Internal Control and Risk Management

- Evaluate the effectiveness of the company's internal control framework.
- Review the company's risk management processes in collaboration with the risk management committee.
- Review procedures for detecting fraud, whistle-blowing, and ethical violations.

3. Internal Audit Function

- Supervise the Internal Audit department, ensuring it is independent and properly resourced.
- Approve the annual internal audit work plan.
- Review internal audit reports and monitor management's response and implementation of recommendations.

4. External Audit

- Recommend the appointment, reappointment, or removal of the external auditor to the Board.

- Review the external auditor's proposed scope, approach, and independence.
- Discuss audit findings, problems, and reservations with the external auditor.

5. Reporting and Evaluation

- **Reporting:** The committee reports to the Board of Directors after each meeting on all matters within its duties.
- **Annual Report:** Produces a report for inclusion in the annual report, summarizing how it has fulfilled its role.
- **Self-Evaluation:** Reviews its own performance and terms of reference Semi-annually to ensure effective operation.

4.2.3.2. Risk Management and Compliance Committee

Based on the corporate governance structure of Awash Insurance S.C. in Ethiopia, which mandates compliance with National Bank of Ethiopia (NBE) directives (specifically SIB/48/2019(first replacement) and Risk Management Guidelines), the Terms of Reference (ToR) for the Board Risk Management and Compliance Committee (BRMCC) are structured to provide independent oversight of risk and regulatory compliance.

Awash Insurance has a dedicated "Risk Management and Compliance Board Committee" that reports directly to the main Board of Directors.

4.2.3.1.1. Purpose and Objective

The primary purpose of the BRMCC is to assist the Board of Directors in fulfilling its oversight responsibilities for identifying, assessing, monitoring, and managing risks, and in ensuring compliance with regulatory requirements (NBE), internal policies, and ethical standards.

4.2.3.1.2. Composition and Membership

- **Membership:** The committee consists of at least three board directors (typically non-executive).

The Board Risk Management and Compliance Committee comprise of the following members:

- Mr. Tesfaye Gemechu Mideksa
- Mr. Lencho German Amente
- Mrs. Gifty Yoseph Hailemariam

- **Expertise:** Members should possess knowledge in risk management, insurance business, or finance.
- **Secretary:** The Company Secretary or a designated officer.

4.2.3.1.3. Key Duties and Responsibilities

The BRMCC is responsible for the following, aligned with Ethiopian insurance regulations:

1. Risk Management Oversight

- **Risk Appetite:** Review and recommend the company's risk appetite and risk tolerance limits to the Board.
- **Risk Framework:** Oversee the implementation and effectiveness of the enterprise-wide risk management framework (identifying credit, market, liquidity, operational, and insurance risks).
- **Reinsurance Strategy:** Review the effectiveness of reinsurance arrangements (e.g., treaty partners like Munich Re, Africa Re) to mitigate large-scale risks.
- **Emerging Risks:** Monitor emerging risks, including technological advancements and cybersecurity, in line with the company's digitalization efforts.

2. Compliance and Governance

- **Regulatory Compliance:** Ensure compliance with all NBE directives, legal regulations, and Anti-Money Laundering (AML) standards.
- **Code of Conduct:** Review and approve the code of conduct for directors, senior management, and employees.
- **Internal Policies:** Review and recommend policies related to underwriting, claims, and investment to ensure they align with risk management objectives.
- **Related Party Transactions:** Monitor related-party transactions to prevent conflicts of interest.

3. Monitoring and Reporting

- **Management Reporting:** Receive and review regular reports from the Head of Risk & Compliance on the risk profile.
- **Internal Audit Coordination:** Review issues raised by the Internal Audit Department regarding risk management and compliance.
- **Board Reporting:** Report to the Board of Directors following each committee meeting, highlighting significant risks and recommending actions.

4.2.3.1.4. Authority

- The Committee has the authority to investigate any activity within its terms of reference.
- It has full access to information, employees, and records of the company.
- It may obtain independent professional advice at the company's expense.

4.2.3.1.5. Meetings and Quorum

- **Frequency:** The Committee meets at least quarterly (four times a year) or more frequently as required.
- **Quorum:** A majority of members must be present to constitute a quorum.
- **Attendees:** The Chief Executive Officer (CEO) and Head of Risk & Compliance may attend, but the committee may hold private sessions without management.

4.2.3.1.6. Performance Review

The Committee reviews its own performance, constitution, and terms of reference Semi-annually to ensure it remains consistent with the Board's objectives and NBE regulations.

4.2.3.3. Business Development and Strategy Committee

4.2.3.3.1. Purpose and Objective

The primary purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities regarding the development, implementation, and monitoring of the Company's strategic plans, business growth initiatives, and marketing strategies. The Committee ensures that business strategies are aligned with the company's vision ("To be the leading and the most dependable insurer of Choice") and enhance shareholder value while considering the best interests of policyholders.

4.2.3.3.2. Composition and Membership

- **Members:** The committee shall consist of at least three members appointed by the Board of Directors.

The following directors constitute the committee.

- Dr. Meti Wole Gurmu
- Mr. Daniel Tewodros Limeneh
- Dr. Aseffa Seyoum Wedajo also served on the committee until his resignation from the Board on July 1, 2026. Following his resignation, the committee has two members. Captain Wubshet Geremew Boku is expected to fill the vacant committee position upon NBE approval of his appointment to the Board.

- **Expertise:** Members possess a strong background in business strategy, insurance, finance, or marketing.

4.2.3.3.3. Key Duties and Responsibilities

The Committee is authorized by the Board to:

1. Strategic Planning and Monitoring

- Review, challenge, and recommend for Board approval the annual and long-term Strategic Plans of Awash Insurance.
- Monitor the implementation of the strategic plan and evaluate performance against key performance indicators (KPIs).
- Analyze the competitive landscape in the Ethiopian insurance market to maintain Awash's leading position.
- Review and advise on the company's digital transformation initiatives and automated services (General and Life Insurance systems).

2. Business Development and Growth

- Develop strategies to increase revenue, including growth in premium collection.
- Evaluate and propose new business models, product diversification, and expansion strategies.

- Oversee the development of marketing strategies to enhance brand equity and market penetration.
- Explore new, tailored insurance products that meet customer needs across various sectors.

3. *Strategic Partnerships and Investments*

- Review and recommend strategic alliances or partnerships.
- Evaluate major capital investments or projects aimed at business development.

4. *Reporting and Accountability*

- Report to the Board of Directors after each committee meeting, providing recommendations on matters within its scope.
- Submit an annual report on the performance of the committee and its activities.

4.2.3.3.4. *Authority*

- The Committee is authorized by the Board to request any information from management necessary for its duties.
- The Committee may seek independent external professional advice at the Company's expense if required, subject to board approval.

4.2.3.3.5. *Meetings and Quorum*

- **Frequency:** The Committee shall meet at least quarterly, or as frequently as necessary to discharge its duties.
- **Quorum:** A majority of the members must be present to constitute a quorum.
- **Management Attendance:** The CEO and relevant senior management (e.g., Head of Strategy and Change, Head of Business Development) may attend meetings by invitation to provide information.
- **Confidentiality:** Due to sensitive financial and strategic information, all proceedings are highly confidential.

4.2.3.3.6. *Performance Review*

- The Committee will conduct a self-assessment of its performance against these Terms of Reference annually and report the results to the Board.
- These terms of reference shall be reviewed periodically (e.g., every two years) to ensure they remain relevant.

4.2.3.4. *Human Resource Affairs Committee*

The Human Resource Affairs Committee is a Board committee responsible for overseeing the Company's human resource governance, including senior management employment matters, performance management, talent development, succession planning, and compensation and benefit arrangements. Its mandate is consistent with the Human Resource Affairs Sub-Committee responsibilities contemplated under the NBE Insurance Corporate Governance Directive No. SIB/48/2019.

The Human Resource Affairs Committee also serves as the Board's remuneration committee and performs the remuneration oversight functions applicable to the Company. In this capacity, the Committee reviews and makes recommendations to the Board on remuneration and benefit arrangements for senior management and oversees the Company's broader compensation and benefit framework.

4.2.3.4.1. Purpose and Objective

The primary purpose of the Human Resource Affairs Committee is to assist the Board in:

- Developing and overseeing the company's HR strategy, policies, and procedures.
- Ensuring the company attracts, develops, motivates, and retains a high-performing workforce.
- Aligning HR practices with the company's strategic objectives and long-term sustainability.

4.2.3.4.2. Key Responsibilities and Duties

The Committee is responsible for reviewing and issuing recommendations to the Board of Directors:

- **HR Strategy and Policies:** Developing comprehensive policy guidelines for human resources management, including recruitment, promotion, transfer, and performance appraisal, to ensure consistent and fair personnel administration.
- **Organizational Structure:** Reviewing and approving the company's organizational design, staffing levels, and manpower planning.
- **Compensation and Benefits:** Evaluating the annual review of staff compensation, incentives, and welfare to ensure competitive reward systems.
- **Senior Management Appointment:** Recommending to the Board the appointment, remuneration, and performance assessment of senior management positions.
- **Succession Planning:** Ensuring a robust succession plan is in place for key positions to ensure business continuity.
- **Performance Management:** Monitoring the effectiveness of performance management systems to ensure they align with company goals.
- **Compliance and Ethics:** Monitoring adherence to labor laws and ensuring fair employment practices.

4.2.3.4.3. Composition and Membership

- **Composition:** The committee consists of three members of the Board of Directors. The committee members are as follows:
 - Mr. Desalegn Tolera Jaleta (Chairperson)
 - Mrs. Gifty Yoseph Hailemariam
 - Dr. Aseffa Seyoum Wedajo also served on the committee until his resignation from the Board on July 1, 2026. Following his resignation, the committee has two members. Captain Wubshet Geremew Boku is expected to fill the vacant committee position upon NBE approval of his appointment to the Board.

4.2.3.4.4. Meetings and Quorum

- **Frequency:** The Committee meets at least four times a year, or as necessary.
- **Reporting:** The Committee reports its deliberations, activities, and recommendations directly to the Board of Directors.
- **Quorum:** A quorum is typically established by a majority of the committee members.

4.2.3.4.5. Authority

- The Committee has the authority to request information from Management, particularly from the Human Resource Management Directorate.
- The Committee may engage external consultants or professionals to provide advice on HR matters if necessary.

4.2.3.4.6. Performance Review

The committee reviews its own performance and the adequacy of its Terms of Reference periodically to ensure they remain relevant to the business environment and regulatory requirements.

4.2.3.5. Investment and Projects Follow-up

This committee is a key board-level committee designed to monitor, review, and make recommendations on strategic investment portfolios and major projects.

4.2.3.5.1 Purpose and Objective

The Committee's primary role is to assist the Board of Directors in fulfilling its oversight responsibilities regarding the company's investment strategy, asset management, and the implementation of significant corporate projects. It ensures that investments and projects align with the company's risk appetite, financial goals, and regulatory requirements.

4.2.3.5.2 Composition and Membership

- **Members:** The committee consists of six Board members appointed by the Board of Directors, typically including a mix of expertise in finance, investment, and project management. The current members include:
 - Mr. Tadesse Gemedo (Chairperson)
 - Mr. Desalegn Tolera
 - Mr. Tesfaye Gemechu
 - Mr. Daniel Tewodros
 - Mr. Lencho German
 - Dr. Aseffa Seyoum Wedajo also served on the committee until his resignation from the Board on July 1, 2026. Captain Wubshet Geremew Boku is expected to fill the vacant committee position upon NBE approval of his appointment to the Board.

4.2.3.5.3 Key Responsibilities and Duties

- **Investment Strategy:** Formulate, review, and recommend to the Board investment policies, strategies, and guidelines for managing the company's funds.
- **Project Oversight:** Monitor the implementation status of major projects, such as building construction or system upgrades, based on progress reports.
- **Performance Evaluation:** Review the performance of investment portfolios, including real estate and financial instruments, ensuring they yield the expected returns.
- **Risk Management:** Monitor risks associated with investment and project activities, ensuring compliance with NBE regulations.
- **Strategic Decision Support:** Provide in-depth consideration of investment proposals and make recommendations to the full Board.
- **Operational Reporting:** Review and monitor the actions taken by Management for rectification of findings regarding investments or project delays.

4.2.3.5.4 Meetings and Quorum

- **Frequency:** The committee meets as required by the company's needs but typically quarterly to review quarterly financial results and project status, or as requested by the Board Chairman.
- **Quorum:** A majority of the appointed members must be present to hold a meeting.

4.2.3.5.5 Authority

- The Committee acts in an advisory capacity to the Board, but may be delegated specific authority to approve investments within approved budgetary limits.
- The Committee has access to management, employees, and external advisors to fulfill its duties.

4.2.3.5.6 Performance Review

- The committee reviews its own performance and terms of reference Bi-annually to ensure it is operating effectively.

Table 47: A summary of the Board Committees and their responsibilities

Name of Committee	Scope of Work	Number of Members	Composition:	Meeting Frequency:
Risk Management and Compliance	Overseeing the Company's risk management framework and ensuring compliance.	3	- Tesfaye Gemechu Mideksa - Lencho German Amente - Gifty Yoseph Hailemariam	Monthly, regular meetings and special meetings upon request.
Audit	Ensuring integrity of the Company's financial reporting and disclosures and effectiveness of internal control systems.	3	- Daniel TewodrosLimeneh - Dr. Meti Wole Gurmu - Gadisa Abera Bedada	Monthly, regular meetings and special meetings upon request.
HR Affairs	Overseeing the Company's human resource strategy including recruitment, retention, and succession, compensation and benefits practices.	3	- DesalegnToleraJaleta - Dr. Aseffa Seyoum Wedajo* - Gifty Yoseph Hailemariam	Monthly, regular meetings and special meetings upon request.
Investment and Projects Follow up	Overseeing the Company's investment strategy and capital projects.	6	- Tadesse Gemedas Denta - Dr. Aseffa Seyoum Wedajo* - DesalegnToleraJaleta - Lencho German Amente - Tesfaye Gemechu Mideksa - Daniel TewodrosLimeneh	Monthly, regular meetings and special meetings upon request.
Business Development and Strategy	Overseeing the formulation, implementation and review of the Company's corporate strategy and business development initiatives.	3	- Dr. Aseffa Seyoum Wedajo* - Dr. Meti Wole Gurmu - Daniel TewodrosLimeneh	Monthly, regular meetings and special meetings upon request.

*Dr. Aseffa Seyoum Wedajo also served on the committee until his resignation from the Board on July 1, 2026. Captain Wubshet Geremew Boku is expected to fill the vacant committee position upon NBE approval of his appointment to the Board.

4.3. Disclosures

1. There are no family relationships, among any of the Directors of the Company as well as members of the Senior Management.
2. None of the Directors or members of senior management has been convicted of any criminal offence or civil offence, nor has anyone been subject to any material regulatory or disciplinary action by any supervisory authority under both local and international jurisdictions.
3. Under related party transactions in this Prospectus, none of the Directors has any direct or indirect material interest in any transaction or arrangement with the Company.
4. The Board of Directors and Executive Management have material interests in the Company which is detailed in Section 6.
5. There are no anticipated material impacts on the Company's corporate governance framework, including any changes in the composition of the Board of Directors or its committees.
6. None of the Company's key personnel has been subject to any bankruptcy or insolvency petition that remains outstanding, whether personally or in relation to any partnership or company in which they served as a director.
7. The Company has not entered into any service contracts with its directors, and no termination benefits are payable to directors under any such arrangements.
8. No changes to senior management is expected within 12 months of the registration.

4.4. Senior Management

Table 48: Detailed Management Profiles

Full Name	Professional Background	Educational and Certifications	Gender	Nationality
Mr. Jibat Alemneh Faji Chief Executive Officer (CEO)	Over 23 years of professional experiences including the following roles at Awash Insurance: Chief Executive Officer (29/4/2024 to date); Acting Chief Executive Officer (4/3/24-28/4/24); Chief Operating Officer(30/10/21-3/3/24); Chief General Insurance Operations (30/1/20-29/10/21); Director, General Insurance Claims (1/1/2017-27/1/2020)	MA in Development Studies (AAU); BA in Finance and Development Economics (AAU); Diploma in Accounting (AAU)	Male	Ethiopian
Mr. Kumsa Birisa Tolawak Chief Operating Officer	Over 17 years of combined experiences in various capacities including the following roles at Awash Insurance: Chief Operating Officer(2/05/2025 to date); A/ Chief, Operating Officer(1/11/2024 - 1/5/2025); Head, General Insurance Claims (1/12/2021 - 31/10/2024); Director, Claims Director(01/01/2021- 30/11/2021); Acting Claims Director(01/07/2020 - 31/12/2020); Branch III Manager(1/09/2017 - 30/06/2020); Branch II Manager(17/12/2014 - 30/08/2017)	MBA (Wollega University); BA in Management (Wollega University); Diploma in Accounting (AACC)	Male	Ethiopian
Mr. Fekadu Dinku Gemachisa Chief Customers Officer	Over 18 years of professional experiences including the following roles at Awash Insurance Chief Customers Officer (21/04/2026 to date); A/ Chief Customers Officer (1/2/2026-20/4/2026); Head, Branch Channel (1/9/2024 - 31/01/2026); Manager, Grand Main Branch (1/9/2023 - 31/08/2024); Manager, Main Branch (01/08/2019 -31/08/2023); Manager, Branch III (1/1/2011 - 31/07/2019)	MBA (Rift Vally University); BA in Management (Mekelle University)	Male	Ethiopian
Mr. Adane Seyoum Hayile Chief Finance Officer	Over 18 years of professional experiences including the following roles at Awash Insurance: Chief Finance Officer(26/06/2025 to date); A/Chief Finance Officer(20/05/2025 - 25/06/2025); Head, Financial Management(01/12/2021 - 19/05/2025); Finance & Accounts Directorate(1/7/2017 -30/11/2021); Finance Department Manager(13/03/2014 - 30/06/2017)	MBA in Accounting and Finance (St Mary's University); BA in Accounting (AAU)	Male	Ethiopian
Mr. Dejene Tsegaye Ayane Chief Technology Officer	Over 16 years of professional experiences including the following roles at Awash Insurance: Chief - Technology Officer (20/10/2021 to date); A/Chief - Technology Officer (22/9/2021 - 19/10/2021); Director, MIS Directorate (1/7/20217 - 21/9/2021); MIS Department Manager (1/2/2013 - 30/06/2017)	MSC in Computer Science (AAU); BSc in Computer Science (AAU)	Male	Ethiopian

Mr. Workneh Mekonnen Bediye <i>Head, Strategy and Change</i>	Over 14 years of professional experience including the following roles at Awash Insurance: Head, Strategy and Change (01/07/2024 to date); Manager, Strategy and Change (1/09/2021 - 30/06/2024); Project Manager (1/2/2019 - 31/8/2021); Manager, Strategic Planning & Research (1/7/2017 - 31/01/2019); Research Senior Team Leader (1/7/2015 - 30/06/2017); Planning officer II (1/11/2013 - 30/06/2015); Planning officer (26/1/2012 - 31/10/2013)	MA in Project Management (St. Mary's University); BA in Economics (Jimma University)	Male	Ethiopian
Mr. Bernabas Teklu Dadi <i>Head, General Insurance Reinsurance</i>	Over 26 years of professional experience including the following roles at Awash Insurance: Head, General Insurance Reinsurance (01/04/2026 to date); A/Head, Audit & Inspection (1/6/2025 - 31/03/2026); Premium Branch Manager (1/1/2025 - 31/05/2025); Manager General Insurance Underwriting (01/07/2023 - 31/12/2024); Deputy Main Branch Manager (19/07/2018 -30/06/2023); Branch III Manager (1/07/2012 -18/7/2018)	Executive MBA (AAU); BA in Procurement and Supply Management (AAU); Diploma in Purchasing and Supplies Management, (AAUC)	Male	Ethiopian
Mrs. Sinafikish Tekle Lemecha <i>Head, Legal and Advisory Services</i>	- Over 15 years of professional experience including the following roles at Awash Insurance: Head, Legal & Advisory Services (18/04/2022 to date); Manager, Legal Service (Oct 2018 - 8/04/2022) - Licensed Legal Advisor (June 2012-Oct 2018) - Chief Legal Expert (01/01/2010 -19/06/2012) - Head, Legal & Advisory Division Consultant (31/12/2007 -31/12/2009) - Legal Expert & Corporate Legal Service A/Manager 18/4/2007-31/12/2007	- Certificate in CII 2026, - MA in Development Studies (Environment and Sustainable Development) (AAU); LLM in International Economic Law, (Amsterdam Law School); LLB in Law (AAU)	Female	Ethiopian
Mr. Samson Belina Sarka <i>Head, Risk and Compliance</i>	Over 28 years of professional experience including the following roles at Awash Insurance: Head, Audit & Inspection (01/04/2026 to date); Head, Risk & Compliance. 01/07/2024 - 31/03/2026); Manager, Risk & Compliance.09/02/2022 - 30/06/2024); Department Manager, Non-Motor (09/03/2020 - 08/02/2022); Branch Manager (levels I – III) (01/11/2013 - 08/03/2020)	MA in Journalism and Communication (AAU); BA in Foreign Language Literature (AAU); Diploma in Insurance (EIBI)	Male	Ethiopian
Mrs. Genet Bekele Tullu <i>Head, General Insurance Claims</i>	Over 16 years of professional experience including the following roles at Awash Insurance: Head, General Insurance Claims (01/07/2025 to date); A/Head, General Insurance Claims (1/02/2025 - 30/06/2025); Main Branch Manager (09/09/2024 -31/01/2025); Branch III Manager (01/07/2021 - 31/08/2024); Branch II Manager (09/03/2020 -30/06/2020); Branch I Manager (01 /02 /2016 -08/03/2020); Claims Officer II (25/09/2013 - 31/01/2016)	MBA, General Management (St Mary's University); BA in Management (Admas University College); Diploma in Secretarial Science and Office Management (Addis Ababa School of Commerce)	Female	Ethiopian

Mr. Chara Dagefu Jobir Head, Engineering	Over 12 years of professional experience including the following roles at Awash Insurance: Head, Engineering (01/07/2025 to date); Manager Engineering - Post Risk Department (01/12/2021 -30/06/2021); Senior Surveyor (01/01/2016 - 30/11/2021); A/ Senior Surveyor (25/08/2014 - 31/12/2015)	BSc in Automotive Technology(Adama University); Diploma in AutomotiveTechnology (Nazareth College of TT Education)	Male	Ethiopian
Mr. Abdi Bulti Gemechu Head Financial Management	Over 15 years of professional experience including the following roles at Awash Insurance: Head Financial Management (01/04/2026 to date); A/ Head Financial Management (01/01/2026 - 30/03/2026); Manager, Collection, Disbursement, Budget &Investment (15/01/2023 - 31/12/2025); Grand Main Branch Manager (21/03/2022 - 14/01/2023); Branch Manager (01/11/2010 - 05/04/2022)	Executive MBA (AAU); BA in Accounting (AAU); Diploma in Accounting (Mekelle University)	Male	Ethiopian
Mr. Ayele Desalegn Tufa Head, General Insurance and Underwriting	Over 18 years of professional experience including the following roles at Awash Insurance: Head, General Insurance Underwriting (01/10/2025 to date); Head, Human Resource Management (01/03/2024 - 30/09/2025); Manager, Recruitment & On Boarding, (01/04/2022 - 28/02/2024); Grand Main & Main Branch Manager (27/11/2021 - 31/03/2022); Branch Manager I & II (01/07/2010 -26/11/2017)	Certificate in CISI 2025, CII Level Diploma In Insurance (CII); MBA in General Management (St. Mary's University); BA in Management (HaramayaUniversity); Diploma in Management (Mekelle University)	Male	Ethiopian
Mr. Firafis Dejene Benti Head, Human Resource Management	Over 18 years of professional experience including the following roles at Awash Insurance: Head, Human Resource Management (01/04/2026 to date); A/Head, Human Resource Management 22/09/2025 - 31/03/2026); Manager, Research & Product Development (1/12/2021 - 21/09/2025); Manager, Strategic Planning & Research(01/07/2020 -30/11/2021); A/Manager, Strategic Planning & Research (03/05/2019 - 30/06/2020); Senior Planning & Research Officer. (18/07/2016 - 02/05/2019); Expert of Planning & Programming, Socioeconomic Analyst (15/10/2000 E.C to 04/06/2008 E.C.)	CII Certificate (Chartered Insurance Institute); MA in Development Studies (AAU); MA in Urban Infrastructure Provision and Management (Ethiopian Civil Service University); BA in Economics, (University of Gondar)	Male	Ethiopian
Mr. Lencho Olana Negeri	Over 10 years of professional experience including the following roles at Awash Insurance: A/ Head, Procurement, Logistics & Property Administration (26/11/2025 to date); Manager, Procurement, Logistics & Property Administration (01/10/2025 - 25/12/2025); Manager, Ethics & Anti- Corruption Office (20/01/2025 - 30/09/2025); Manager, Enterprise	MBA (International Institute of Church Mgt., Florida); BA in Accounting (AAU); Diploma in Biology (AAU)	Male	Ethiopian

A/Head, Procurement, Logistics and Property Administration	Accounting (12/04/2022 - 19/01/2025); Manager, General Accounts (01/07/2018 - 11/ 04/2022); Acting Manager, General Accounts (01/07/2017 - 30/06/2018); Financial Analyst (01/07/2016 - 30/06/2017)			
Mr. Deresse Berhanu Tola Head, Information System and Improvement	Over 14 years of professional experience including the following roles at Awash Insurance: Head, Information System & Improvement (01/12/2021 to date); Manager, Information System & Technology (01/07/2018 - 30/11/2021); A/ Manager, Information System & Technology (01/07/2017 -30/06/2018); Senior Programmer (01/06/2016 -30/06/2017); Programmer (01/12/2014 -31/05/2016)	MSc in Computer Science (St Mary's University); BA in Accounting (AAU); BSc in Software Engineering (Microlink)	Male	Ethiopian
Mr. Yohannes Tegegne W/Michael Head, ICT Infrastructure	Over 16 years of professional experience including the following roles at Awash Insurance: Head, ICT Infrastructure (01/07/2023 to date); Manager, ICT Infrastructure (01/12/2021 - 30/06/2023); Manager, Network & Hardware Engineer(01/07/2017 - 30/11/2021); Hardware &Network Team Leader (01/07/2016 - 30/06/2017)	MSC in Computer Science (St. Mary's University); BSc in MIS, (Unity University); Diploma in Computer Hardware Engineering; Microsoft Certified IT Professional (MCITP)	Male	Ethiopian
Mr. Alemayehu Kabtimer Tefera Head, Life and Health Operation	Over 18 years of professional experience including the following roles at Awash Insurance: Head, Life & Health Operation (01/07/2025 to date); Manager, Life & Health Department(01/12/2021 - 30/06/202025); Manager, Life Health Grand Main Branch (01/07/2018 - 30/11/2021); Manager, Main Branch(01/08/2013 -30/06/2021)	BSC in Mathematics (Kotebe University); FLMI	Male	Ethiopian
Mrs. Elham Abubeker Ibrahim Head, Takaful Operation	Over 10 years of professional experience including the following roles at Awash Insurance: Head, Takaful Operation (01/07/2025 to date); Manager, Takaful Department(01/01/2025 - 30/06/2025);Takaful Operation Department Manger (19/02/2021 - 03/01/2025); Main Branch Manager Grade I (01/02/2019 - 18/02/2021); Branch Manager (Various grades (06/01/2009 - 31/01/2019	BA in Accounting, Jimma University 2002.	Female	Ethiopian
Mr. Wondmagegn Zewdie Tekele Project Manager	Over 16 years of professional experience including the following roles at Awash Insurance: Project Manager (01/08/2022 to date); Project Engineer & Coordinator (Jan 2015 - July 2022); Project Manager, Oct 2011 - Sep 2013; Senior Construction Supervisor, Jan 2007 - Feb 2011; Construction Supervisor/Engineer, (Feb 2004 - Jan 2007)	M.Sc. in Civil Engineering (CoTM) (AA Science and Technology University); BSc in Civil Engineering (Adama Science and Technology	Male	Ethiopian

			University); Diploma in Building Technology (Zeway Technical Training Center)		
Mr. Wendmagegn Fufa Dadi A/Head, Risk & Compliance	Over 14 years of professional experience including the following roles at Awash Insurance: A/Head, Risk & Compliance (01/04/2026 to date); Manager, Risk & Compliance (01/10/2025 - 31/03/2026); Manager, Financial Audit (07/07/2025 - 30/09/2025), Acting Head, Audit & Inspection (15/12/2021 - 06/07/2025); Audit Manager (01/11/2021 - 14/12/2021); Senior Auditor (01/07/2019 - 31/10/2021); Auditor II (10/07/2012 - 30/06/2019)	BA, Accounting & Auditing (Hawassa University)			
Mr. Faji Tesfaye Daba Head, Branch Channel	Over 18 years of professional experience including the following roles at Awash Insurance: Head, Branch Channel (01/05/2026 to date); Grand Main Branch Manager (01/09/2025 - 30/04/2026); Main Branch Manager (01/09/2024 - 31/08/2025); Branch III Manager (01/8/2022 - 31/08/2024); Branch II Manager 14/11/2017 - 31/07/2022); Branch I Manager (01/07/2016 - 13/11/2017)	MBA, Accounting & Finance (St. Mary's University); BA in Accounting & Finance (Arba Minch University)			
Mr. Tadesse Roba Dugo Advisor to CEO	Over 18 years of professional experience including the following roles at Awash Insurance: Advisor to CEO; Director, Research & Product Development; Corporate Development Service Manager; A/ Corporate Development Service Manager; Marketing Department Manager; A/ Manager Marketing Department; Public Relations Officer	MBA (International Leadership Institute); Diploma in Insurance (Ethiopian Institute of Banking and Insurance); BA in Foreign Languages and Literature (English)	Male	Ethiopian	

4.5. Memorandum of Association

The Memorandum of Association (MoA) establishes the Insurer's foundational governance and operational structure across 37 articles. A summary of the key provisions is as follows:

4.5.1. Objectives of the Share Company (Article 3 of the MOA)

The Share Company shall have an objective to engage in general insurance works, long-term insurance business, and other investment operations permitted by the National Bank of Ethiopia.

4.5.2. Capital of the Share Company

The Share Company has a subscribed capital of ETB 4,000,000,000 (four billion) . The shares of the Share Company are divided into 8,000,000 (eight million) subscribed shares of ETB 500 (five hundred) par value. The paid-up capital is ETB 3,375,302,000.

4.5.3. Distribution of Profit among Shareholders (Article 5 of the MOA)

At the end of every accounting [fiscal year], the profit accounted for by the auditors of the Share Company shall be subject to the deductible amounts according to the law, the Memorandum of Association and the Resolution of the General Assembly; and the residual shall be distributed among the shareholders as net profit by accounting for the prorated age of the paid shares.

4.5.4. Organs of the Share Company (Article 11 of the MOA)

The Share Company shall have the following main Organs:

- a. General Assembly of the Shareholders
- b. Board of Directors
- c. Auditors
- d. Chief Executive Officer and
- e. Secretary of the Share Company

4.5.5. General Assembly of the Shareholders (Article 12 of the MOA)

The General Assembly of the Shareholders shall be the highest management body of the Share Company, and its resolutions shall be binding upon all shareholders.

- a. The General Assembly shall comprise all shareholders and may convene ordinary or extraordinary meetings.

- b. The convocation of the General Assembly Meeting may be conducted by the Board of Directors, the Auditors, the National Bank, a Court Order, or Liquidators to this effect.
- c. The meetings may be held by the shareholders in person or through electronic media, and when all shareholders consent to it, they shall render a decision through written votes, electronic votes, or without the need to meet in person.
- d. An attendance sheet shall be set up detailing the name and address of attendants or their representatives in the assembly, the number of shares held by each of them, and the voting right carried thereby, signed by the participants; and this document shall be endorsed with a signature of the Secretary of the Share Company.

4.5.6. Board of Directors (Article 22 of the MOA)

- a. The Share Company shall have a Board of Directors comprised of 9 (nine) members elected by the General Assembly for administrative purposes.
- b. The Board of Directors shall jointly represent the Share Company;
- c. The Board of Directors shall be appointed for a term of 3 years.
- d. The Board of Directors may be elected for two consecutive terms; however, the election of a member of the Board of Directors for a third term again and the replacement of vacant seats shall be decided in accordance with the provisions of relevant directives.
- e. Election of the Board of Directors may be conducted through an election card or through electronic mechanisms to this effect; the votes cast concerning the directors could also be counted through an electronic method.
- f. Members of the Board of Directors shall elect a chairperson and deputy chairperson amongst themselves, and committees shall be formed by the Board of Directors.
- g. A secretary of the Share Company shall be a Secretary to the board.

4.5.7. Power and Functions of the Board of Directors (Article 23 of the MOA)

The Board of Directors shall have the following powers and functions:

- a. Follow up and implement the instructions and resolutions of the General Assembly;
- b. Ensures compliance of the operations of the Share Company according to the law, oversees and supervises the operations thereof;
- c. Approves policies concerning the Share Company;
- d. Approves the strategic plan, annual budget, and operational program of the Share Company;
- e. Approves the organizational structure and salary category/ scale of the Share Company;
- f. Ensures that the company has adequate capital and liquidity to meet its liabilities in time;
- g. Submits the assignments and remunerations of external auditors of the Share Company after assessment for approval by the General Assembly
- h. Prevent damages against Share Company; where prevention is not possible, undertakes to mitigate adverse impacts.

- i. Implements a procedural system for the prevention of risk vulnerability and for internal control of the Share Company;
- j. Assigns, revokes, and determines the salary and benefits of the Chief Executive Officer of the Share Company;
- k. Assigns and revokes officers who are accountable to the Board;
- l. Assigns officers who are accountable to the Chief Executive Officer upon nomination of the Chief Executive Officer;
- m. Assesses and approves the plans submitted to open branches;
- n. Resolves regarding procurement and sales of the technology, immovable assets, or shares of other companies that demand extensive investment, where the amount shall be determined by the board of directors; authorizes loan agreements, and approves resolutions regarding pledging of assets of the company;
- o. Represents the Share Company;
- p. Conducts other powers and functions mandated by other laws;

4.5.8. Chief Executive Officer of the Share Company (Article 25 of the MOA)

The Chief Executive Officer of the Share Company shall be appointed by the Board of Directors.

The Chief Executive Officer of the Share Company shall undertake the daily activities of the Share Company in accordance with the relevant laws and the general instructions from the Board of Directors. One shall undertake all legal functions to accomplish, supervise and manage the business operations of the company;

Without prejudice to the generality of sub article 2 of this clause, the Chief Executive Officer shall have the following powers and Functions:

- a. Collects data to substantiate the resolution of the Board of Directors, and thereby submits the same on demand;
- b. Prepares the annual report, budget and operational programs of the company to submit to the Board of Directors, thereby implementing these upon approval;
- c. Nominates officers that are accountable to the Chief Executive Officer, thereby proposing to the directors;
- d. Represents the Share Company in regard to any functions of the Share Company and cases before courts;
- e. Employs, manages, dismisses and determines the salaries as well as allowances of the staff in accordance with the rules and salary scale legislated by the board;
- f. Conducts settlement and collection of payments, opens and operates or closes bank accounts; leases in and leases out assets under the title of the Share Company;
- g. Proposes recruitment and dismissal of a Secretary of the Share Company for resolution of the board;

- h. Legislates procedures, detailed working manuals or circulars in accordance with the policy of the board;
- i. Opens branches under the plan approved by the board of directors;
- j. Without Prejudice to those indicated under Article 23(1)(0) herein; sells and purchases technologies, immovable assets and shares of other companies that do not demand extensive investment; authorizes loan contracts, and resolves regarding pledging the assets of the company as deemed necessary;
- k. Signs procurement and sales contract concerning technology, immovable assets and shares that demand extensive investment, upon resolution of the Board of Directors;
- l. Resolves regarding sales, transfer to third parties and also disposal, as deemed necessary, of the vehicles, salvages or other assets of the Share Company that are subject to accidents and already indemnified under the insurance operation;
- m. Conducts procurement, sales, lease in and lease out as well as signing set off documents concerning fixed assets of the share company that do not demand extensive investment, apart from those mandated to the Board under article 23(1)(0) herein;
- n. Delegates one's functions to the staff, agents, insurance agents, attorneys or lawyers of the Share Company as deemed necessary; and also revokes such delegations;
- o. Conducts other functions assigned by the Board of Directors;

4.5.9. Duration of the Service of the Auditors (Article 26 of the MOA)

The term of office of the Auditors of the Share Company shall be for three years. The Auditors of the Share Company may be reelected by the General Assembly.

4.6. Details of Remuneration

Key management has been determined to be the Board of Directors and the company's Senior Management.

Compensation for the Company's key management personnel includes salaries, non-cash benefits, and contributions to the post-employment defined benefits plans. The Company does not have any contingent or deferred compensation arrangements for Directors and members of Executive Management.

In accordance with the Company's Human Resources Policy, annual bonus payments for employees, including executives, are awarded subject to the Company achieving a satisfactory level of profitability in a given financial year. The eligibility criteria, performance considerations, and the specific bonus amounts are determined based on a proposal submitted by Executive Management and are subject to approval by the Board of Directors.

No in-kind benefits are provided to members of the Board of Directors.

The table below provides remuneration details for members of the Board and Key Management for FY2024/25.

Table 49: Details of Remuneration of the Board and Senior Management (ETB '000)

	FY2024/25	FY2023/24	FY2022/23
Board of Directors' fee and allowances	2,430	2,430	2,430
Senior Management remuneration			
Salaries and other short-term employee benefits	32,602	22,051	17,900
Post-employment benefits	18,322	10,011	10,082
Leave Pay	6,152	3,304	3,335
Total Senior Management remuneration	57,076	35,366	31,317
Total Key Management remuneration	59,506	37,796	33,747

Board remuneration comprises annual compensation and monthly allowances. In accordance with NBE Directive No. SIB/46/2018, annual compensation payable to each Director is capped at ETB 150,000 and monthly allowances are capped at ETB 10,000 per Director. Based on a Board of 9 members, the maximum aggregate annual compensation amounts to ETB 2.43 million, assuming full attendance. Actual payments may vary depending on attendance at Board meetings. The Issuer confirms that the allowances presented above reflect the amounts actually paid to members of the Board of Directors.

The remuneration paid to senior management increased over the reporting periods, from 31,317 in FY2022/23 to 35,366 in FY2023/24, representing an increase of 4,049 or approximately 12.9%, and further increased to 57,076 in FY2024/25, representing an increase of 21,710 or approximately 61.4% compared with FY2023/24. The significant increase in FY2024/25 primarily resulted from salary adjustments, annual salary increments, and changes in employee benefits. Salaries and other short-term employee benefits increased by 10,551, or approximately 47.8%, while post-employment benefits increased by 8,311, or approximately 83.0%, and leave pay increased by 2,848, or approximately 86.2%.

The estimated amount payable to the named senior management members under Table 49 for FY2025/26 is expected to remain materially unchanged from FY2024/25.

5. SECTION FIVE – CAPITAL STRUCTURE AND INFORMATION ON SECURITIES

5.1. Share Capital

This section provides an overview of the Insurer's share capital as of the most recent financial statements.

Table 50: Summary share capital changes

FY	Authorized Capital (ETB '000)	Subscribed Capital (ETB '000)	Number of shares outstanding	Beginning Paid-Up Capital (ETB '000)	No. Shares Issued	Par Value (ETB)	Proceeds of Share Issue (ETB '000)*	Ending Paid-Up Capital (ETB '000)	Outstanding Subscribed Capital (ETB '000)	Number of share holders
Jun-23	4,000,000	3,792,640	7,585,280	956,562	909,064	500	454,532	1,411,094	2,381,546	1,921
Jun-24	4,000,000	3,850,186	7,700,372	1,411,094	1,020,796	500	538,923	1,921,492	1,928,694	2,035
Jun-25	4,000,000	3,967,900	7,935,800	1,921,492	1,451,436	500	760,873	2,647,210	1,320,690	2,175
Nov 24, 2025	4,000,000	4,000,000	8,000,000	2,647,210	1,456,184	500	760,873	3,375,302	624,698	2,181
September 29, 2026	4,000,000	4,000,000	8,000,000	2,647,210	-	500	-	3,375,302	624,698	2,181

*Proceeds from share issuance represent the total consideration received from shareholders in connection with share subscriptions, including amounts credited to paid-up share capital at par value and amounts recognized as share premium. Accordingly, the proceeds recorded during certain periods exceed the corresponding increase in paid-up capital. The difference amounted to ETB 28.525 million in FY2023/24, ETB 35.155 million in FY2024/25 and ETB 24.275 million during the period to September 10, 2026, representing amounts credited to share premium. The increases in paid-up capital during the periods presented resulted from additional cash payments by shareholders and the capitalization of dividends against outstanding share subscription obligations.

Over the three financial years from June 2023 to June 2025, Awash Insurance recorded a significant increase in its paid-up capital, supported by the capitalization of dividends against outstanding share subscriptions and additional cash payments by shareholders.

As at June 30, 2023, subscribed capital stood at ETB 3.79 billion, of which ETB 1.41 billion had been paid up. During FY2023/24, paid-up capital increased by ETB 510.4 million, or 36.2%, to ETB 1.92 billion. Over the same period, subscribed capital increased by ETB 57.5 million, or 1.5%, to ETB 3.85 billion. The increase in paid-up capital principally resulted from the capitalization of dividends against outstanding subscriptions and additional cash payments by shareholders.

During FY2024/25, subscribed capital increased further by ETB 117.7 million, or 3.1%, to ETB 3.97 billion, while paid-up capital increased by ETB 725.7 million, or 37.8%, to ETB 2.65 billion. The increase similarly reflected further settlement of outstanding subscription obligations through dividend capitalization and additional cash contributions by shareholders.

Overall, between June 2023 and June 2025, paid-up capital increased by approximately ETB 1.24 billion, or 87.6%, while subscribed capital increased by approximately ETB 175.3 million, or 4.6%. Consequently, the proportion of subscribed capital that had been paid up increased from approximately 37.2% in June 2023 to 49.9% in June 2024 and 66.7% in June 2025. Outstanding subscribed capital correspondingly declined from ETB 2.38 billion to ETB 1.32 billion over the period.

The trend continued after FY2024/25. As at September 29, 2026October 9, 2026, subscribed capital had reached ETB 4.00 billion, while paid-up capital increased by a further ETB 728.1 million, or 27.5%, from

the June 2025 balance to ETB 3.38 billion. This increased the proportion of subscribed capital paid up to approximately 84.4% and reduced outstanding subscribed capital to approximately ETB 624.7 million.

The increases in paid-up capital strengthened the Company's capital base and reduced the outstanding balance of subscribed but unpaid capital. The par value of the Company's Ordinary Shares remained unchanged at ETB 500 per share throughout the period.

The Company has only one class of existing shares, being ordinary shares. There are no other classes of shares in issue.

5.2. Other Securities

As at the date of this Prospectus, Awash Insurance has not issued any additional securities outside those authorized under its Memorandum of Association (MoA) .

5.3. Dividend Policy of the Company

The Company has adopted a Shareholder Relations Policy, approved by the Board of Directors on May 17, 2018, which establishes the general framework governing the declaration and payment of dividends.

Under the policy, the distribution of profits is subject to the Company having distributable profits after the required appropriations and satisfying the applicable legal and regulatory requirements. The Board of Directors considers the Company's financial results and proposes the appropriation of profits for consideration by the General Meeting of Shareholders. The General Meeting of Shareholders has the authority to approve the declaration and distribution of dividends.

The external auditor provides independent assurance on the financial statements on which the Board and shareholders rely in considering the appropriation of profits.

The Company's audited financial statements provide the basis for profit distribution and other appropriations. In accordance with Article 22 of the Insurance Business Proclamation No. 746/2012, the Company is required, at the end of each financial year, to transfer not less than 10% of its annual net profit to the legal reserve. When the legal reserve becomes equal to the paid-up capital of the Company, the amount to be retained annually is determined in accordance with the applicable NBE directive.

Dividend declarations and payments are also subject to the Company's compliance with the applicable minimum paid-up capital, margin of solvency, liquidity and other prudential requirements prescribed by the National Bank of Ethiopia. The relevant regulatory framework includes the Insurance Business Proclamation No. 746/2012, as amended, the Margin of Solvency Directive No. SIB/45/2016, and the Minimum Paid-Up Capital for an Insurance Company Directive No. SIB/57/2022. Both directives remain listed by the NBE among the applicable insurance-business directives.

Dividends may not be declared or paid where the Company does not satisfy the applicable solvency requirements or where distributable profits are not available after the required legal and regulatory appropriations. There are no shareholder agreements that impose additional restrictions or conditions on dividend distributions.

The Company has only one class of existing shares, being Ordinary Shares. Dividend entitlements therefore attach to the Ordinary Shares in accordance with the rights applicable to those shares and the resolutions of the General Meeting of Shareholders.

Where a dividend is declared, shareholders may receive the dividend in cash or apply the dividend toward the settlement of outstanding share subscriptions, in accordance with the terms approved for the relevant distribution. The Company's FY2024/25 Annual Report confirms that shareholders may apply dividends toward outstanding subscriptions or collect the dividend in cash.

Past dividend declarations and payments do not guarantee future dividend distributions. Future dividends will depend on, among other factors, the Company's profitability, distributable profits, capital requirements, solvency and liquidity position and the legal and regulatory requirements applicable at the relevant time.

Table 51: Dividends Declared and Dividends Paid

Particulars	FY2024/25	FY2023/24	FY2022/23
Profit after tax (ETB '000)	956,768	765,865	509,124
Dividend declared (ETB '000)	713,386*	456,866	298,713
Dividend payout ratio	71.5%	59.7%	58.7%
Amount Capitalized (ETB '000)	580,280	378,054	268,317
Amount Paid in Cash (ETB '000)	133,106	78,812	30,396

* The amounts shown in the table represent the actual dividends reinvested and paid in cash for FY2024/25. The dividend amount of ETB 684.33 million in the audited financial statements reflects adjustments arising from the transition to IFRS 17, including the conversion of three years of financial information to establish the opening balances under IFRS 17. These transition adjustments account for the difference between that amount and the actual dividends reinvested and paid in cash.

Dividend Trend

Dividends declared increased from ETB 298.713 million in FY2022/23 to ETB 456.866 million in FY2023/24, representing an increase of approximately 52.9%. Dividends declared increased further to ETB 713.39 million in FY2024/25, representing an increase of approximately 56.1% compared with FY2023/24.

The increase in dividends declared over the period was supported by the Company's earnings performance. Profit after tax increased from ETB 509.124 million in FY2022/23 to ETB 765.865 million in

FY2023/24 and further to ETB 956.768 million in FY2024/25. In FY2024/25, dividends grew faster than profit after tax, with dividends increasing by 49.8% compared with 24.9% growth in profit after tax.

As a result, the dividend payout ratio increased from 58.7% in FY2022/23 to 59.7% in FY2023/24 and 71.5% in FY2024/25. The increase in FY2024/25 represents an 11.8 percentage-point rise from the preceding year, reflecting a higher proportion of earnings distributed to shareholders.

Implementation of Dividend Distributions

For the financial years presented, shareholders were permitted to receive their dividend entitlement in cash or apply it toward outstanding share subscriptions. The amount applied toward share subscriptions increased the relevant shareholder's paid-up share capital, while the cash component was paid directly to the shareholder.

6. SECTION SIX– INTERESTS AND RELATED-PARTY TRANSACTIONS

6.1. Interest Disclosure

As at the date of this Prospectus, the members of the Board of Directors collectively hold 273,969 Ordinary Shares, representing approximately 3.425% of the Company's 8,000,000 subscribed Ordinary Shares. Members of Executive Management identified below collectively hold 31,208 Ordinary Shares, representing approximately 0.390% of the Company's subscribed Ordinary Shares.

Accordingly, the Board of Directors and Executive Management collectively hold 305,177 Ordinary Shares, representing approximately 3.815% of the Company's subscribed Ordinary Shares.

The individual shareholdings of the members of the Board of Directors and Executive Management are set out below.

Table 52: Shareholding of Directors and Executive Management

Name	Capacity	Number of Ordinary Shares	Value at Par (ETB)	% of Subscribed Ordinary Shares
Directors				
Tadesse Gemedo Denta	Chairman	13,493	6,746,500	0.169%
Daniel Tewodros Limeneh	Vice Chairman	6,190	3,095,000	0.077%
Dr. Meti Wole Gurmu	Director	314	157,000	0.004%
Gifty Yoseph Hailemariam	Director	1,404	702,000	0.018%
Desalegn Tolera Jaleta	Director	7,817	3,908,500	0.098%
Tesfaye Gemechu Mideksa	Director	690	345,000	0.009%
Oda S.C. (represented by Gadisa Abera Bedada)	Director	238,633	119,316,500	2.983%
Lencho German Amente	Director	5,428	2,714,000	0.068%
Board of Directors – Total		273,969	136,984,500	3.425%
Executive Management				
Jibat Alemneh Faji	Executive Management	11,295	5,647,500	0.141%
Kumsa Birisa Tolawak	Executive Management	3,589	1,794,500	0.045%
Adane Seyoum Haile	Executive Management	7,051	3,525,500	0.088%
Dejene Tsegaye Ayane	Executive Management	6,804	3,402,000	0.085%
Fekadu Dinku Gemechisa	Executive Management	2,469	1,234,500	0.031%
Executive Management – Total		31,208	15,604,000	0.390%

Total – Board and Executive Management	305,177	152,588,500	3.815%
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Note: The value of the shareholdings shown above is calculated at the par value of ETB 500 per Ordinary Share. Percentages are calculated against the Company's 8,000,000 subscribed Ordinary Shares and may have been rounded.

The 238,633 Ordinary Shares shown in respect of Oda S.C. are held by Oda S.C. itself. Gadisa Abera Bedada serves as Oda S.C.'s representative on the Board of Directors, and the shares attributed to Oda S.C. do not represent his personal shareholding. The current Prospectus identifies Oda S.C., represented by Gadisa Abera Bedada, as a corporate Director of the Company.

The Company confirms that no Director or member of Executive Management holds shares in a non-beneficial capacity, whether as nominee, trustee, agent or under any similar arrangement for the benefit of another person.

As at the date of this Prospectus, no Director or member of Executive Management has any direct or indirect interest in the registration of the Company's existing Ordinary Shares with ECMA other than the interests arising from their respective positions and the shareholdings disclosed above.

Except as otherwise disclosed in this Section, no Director or member of Executive Management has any direct or indirect material interest in any material transaction entered into by the Company during the relevant disclosure period.

6.1.1. Loans and Guarantees to Directors

As at the date of this Prospectus, the Company has no outstanding loans to any member of the Board of Directors and has not provided any guarantee, indemnity or similar financial arrangement for the benefit of any Board member.

6.1.2. Remuneration of Directors

Board remuneration comprises annual compensation and monthly allowances approved by the General Meeting of Shareholders in accordance with the applicable regulatory requirements.

Under NBE Directive No. SIB/46/2018, annual compensation payable to each Director may not exceed ETB 150,000 and the monthly allowance payable to each Director may not exceed ETB 10,000. The Directive also restricts an insurer from providing Directors with financial or non-financial remuneration or benefits other than the prescribed annual compensation and monthly allowance.

The aggregate remuneration paid or payable to members of the Board of Directors during the last three financial years is set out below.

Table 53: Directors' Remuneration

Particulars (ETB '000)	FY2024/25	FY2023/24	FY2022/23
Board of Directors' Fees and Allowances	2,430	2,430	2,430
Total Directors' Remuneration	2,430	2,430	2,430

Total Directors' remuneration remained unchanged at ETB 2.43 million in each of FY2022/23, FY2023/24 and FY2024/25, resulting in no year-on-year change during the review period. The remuneration comprises annual compensation and monthly allowances approved by the General Meeting of Shareholders. The remuneration arrangements comply with NBE Directive No. SIB/46/2018, including the prescribed limits of ETB 150,000 in annual compensation and ETB 10,000 in monthly allowances per Director. No other financial or non-financial remuneration or benefits are provided to Directors.

No in-kind benefits are provided to members of the Board of Directors. Further information on the remuneration of the Board of Directors and Executive Management is provided in Section 4.5 – Details of Remuneration of this Prospectus.

6.2. Major Shareholders and Interested Persons

As at the date of this Prospectus, no individual or entity, directly or indirectly, holds 5.0% or more of the Company's subscribed share capital or voting rights.

The Company has only one class of shares, consisting of Ordinary Shares. Each Ordinary Share carries one vote, and shareholders are entitled to exercise voting rights in proportion to their respective shareholdings. There are no shares carrying enhanced, preferential or differential voting rights.

The Issuer confirms that no individual or group of persons currently exercises, or is in a position to exercise, direct or indirect control over the Company.

The Company has not entered into any shareholder agreement, voting agreement, voting trust or other formal or informal arrangement governing the exercise of voting rights among shareholders or between shareholders and the Company. There are also no special contractual rights known to the Company that confer control over the Company on any particular shareholder or group of shareholders.

The Company is not aware of any existing arrangement the operation of which may result in a subsequent change in control of the Company.

Although Oda S.C. does not meet the 5.0% major-shareholder threshold, it holds 238,633 Ordinary Shares, representing approximately 2.983% of the Company's subscribed Ordinary Shares, and is a corporate Director of the Company represented by Gadisa Abera Bedada. The reciprocal investment relationship between the Company and Oda S.C. is disclosed further in Section 6.3 below.

6.3. Related Party Transactions

Related-party relationships and transactions are identified and disclosed in accordance with IAS 24 – Related Party Disclosures, applicable NBE requirements and the Company’s internal related-party transaction framework.

NBE Directive No. SIB/48/2019, Insurance Corporate Governance Directive, establishes governance and reporting requirements applicable to related-party transactions of insurers, including Board and Audit Committee oversight and reporting to the NBE of material related-party claims and certain material fixed-asset and technology transactions.

The Company’s audited financial statements identify the members of the Board of Directors and Executive Management as key management personnel. During FY2024/25, the principal related-party matters disclosed in the audited financial statements comprised employee loans to members of key management and compensation paid or payable to key management personnel. The audited financial statements further state that there were no sales or purchases of goods or services between the Company and key management personnel as at June 30, 2025.

6.3.1. Loans to Key Management Personnel

Loans to key management personnel increased from ETB 10.152 million in FY2022/23 to ETB 17.827 million in FY2023/24, representing growth of approximately 75.6%, and further increased to ETB 47.976 million in FY2024/25, representing an increase of ETB 30.149 million, or approximately 169.1%, compared with the preceding year.

Over the same period, total staff loans increased from ETB 110.780 million in FY2022/23 to ETB 137.570 million in FY2023/24 and further to ETB 227.053 million in FY2024/25. Key management loans therefore increased as a proportion of total staff loans from 9.2% in FY2022/23 to 12.96% in FY2023/24 and 21.13% in FY2024/25.

The increase in loans to key management personnel during FY2023/24 and FY2024/25 was attributable to amendments to the Company’s employee loan policy, including revisions to the loan amounts available to eligible employees. The Board of Directors amended and reinstated the policy on May 9, 2024, and the Chief Executive Officer approved its implementation procedures on August 6, 2024. The policy provides loan access to eligible long-serving employees, including key management personnel. Loans to key management personnel were granted in accordance with the Company’s employee loan policy and on terms generally available to eligible employees.

Table 54: Loans to Key Management Personnel

Particulars (ETB ‘000)	FY2024/25	FY2023/24	FY2022/23
Loans to Key Management Personnel	47,976	17,827	10,152
Gross Written Premium and Takaful Contributions*	4,534,560	3,119,329	2,437,377
Key Management Loans as % of Turnover	1.06%	0.57%	0.42%

** For purposes of this disclosure, Gross Written Premium and Takaful Contributions are used as a proxy for the Company's turnover, as they provide a consistent measure of the gross volume of insurance business across the three financial years presented.*

The Company does not expect the outstanding balance of loans to key management personnel to increase at a rate comparable to the increase recorded in FY2024/25 in the ordinary course of business. Future employee loans to eligible members of key management will depend on eligibility and applications made under the Company's applicable employee-loan policy.

6.3.2. Key Management Compensation

Key management compensation comprises remuneration paid or payable to members of the Board of Directors and Executive Management. The audited financial statements identify the principal components of key management compensation as salaries and other short-term employee benefits, post-employment benefits, leave pay, sitting allowances and other related expenses.

The aggregate remuneration of the Board of Directors and Executive Management for the relevant financial periods is disclosed in Section 4.5 – Details of Remuneration of this Prospectus. Directors' remuneration is also summarized in Section 6.1.2 above.

No sales or purchases of goods or services were entered into between the Company and key management personnel as of the date of this Prospectus.

6.3.3. Relationship with Oda S.C.

Oda S.C. is a corporate Director of Awash Insurance S.C., represented on the Board by Gadisa Abera Bedada, and holds 238,633 Ordinary Shares, representing approximately 2.983% of the Company's subscribed Ordinary Shares.

Awash Insurance also holds an equity investment in Oda S.C. As at June 30, 2024, the Company held 12.49% of Oda S.C.

During FY2024/25, the Company participated in a capital increase undertaken by Oda S.C. The shares made available in the capital increase were allocated to existing shareholders based on their respective shareholdings. The Company participated on the same allocation and pricing basis applicable to other shareholders and did not receive preferential terms or special treatment. The Issuer has no outstanding unpaid subscribed shares

The additional investment in Oda S.C. was considered and approved by the Board of Directors of Awash Insurance as part of the Company's investment approval process. The Company's FY2024/25 Annual Report records the Board's approval of additional equity investment in Oda S.C.

6.3.4. Related-Party Transactions Since the Last Audited Financial Statements

Since June 30, 2025 and up to the date of this Prospectus, the Company has not entered into any new material related-party transaction other than the continuation, in the ordinary course, of compensation and employee-loan arrangements applicable to eligible members of key management and the relationships otherwise disclosed in this Section.

6.3.5. Expected Continuation of Related-Party Arrangements

The employee remuneration and employee-loan arrangements described above are expected to continue in the ordinary course in accordance with the Company's applicable policies and approval procedures.

The Company does not expect the outstanding balance of loans to key management personnel to increase at a rate comparable to that recorded in FY2024/25.

Other than the ordinary-course compensation and employee-loan arrangements and the relationships specifically disclosed in this Section, the Company does not currently expect any other material related-party transaction or arrangement to continue or arise.

7. SECTION SEVEN – MANAGEMENT DISCUSSION AND ANALYSIS

This section presents an overview of the Company’s financial condition and results of operations for the fiscal years ended June 30, 2023, 2024, and 2025. It is intended to be read in conjunction with other information contained in this Prospectus, particularly Section 2 “Information on the Issuer”, Section 3 “Financial Statements & Information” and information on the Company’s business which is found elsewhere in this prospectus.

This Management Discussion and Analysis should be read together with the historical financial information and the audited financial statements included in this Prospectus. The discussion below provides an overview of the Company’s financial and operating performance for the three financial years ended June 30, 2023, June 30, 2024 and June 30, 2025.

The Company adopted IFRS 17, Insurance Contracts, in FY2024/25. Accordingly, the FY2023/24 comparative amounts presented in the FY2024/25 audited financial statements were presented on the same accounting basis as FY2024/25 for the relevant IFRS 17 financial statement items. FY2022/23 was prepared under the previous insurance accounting framework and has not been restated under IFRS 17. Consequently, IFRS 17-specific measures, including insurance revenue and insurance service result, are not presented for FY2022/23 and certain comparisons with that year should be considered in light of the change in accounting framework. The audited financial statements explain that IFRS 17 replaced the previous presentation of gross premiums written, net earned premiums and claims with, among other items, insurance revenue, insurance service expenses and insurance service result.

7.1. Overview

Business Growth and Earnings

The Company recorded sustained growth in gross written premium over the three-year period. Gross written premium and Takaful contributions increased from ETB 2.44 billion in FY2022/23 to ETB 3.12 billion in FY2023/24, representing growth of approximately 28.0%, and increased further by approximately 45.4% to ETB 4.53 billion in FY2024/25. The FY2024/25 increase was broad-based across the Company’s insurance businesses, with growth recorded in Non-Life, Life and Takaful operations. The FY2024/25 annual report records growth of approximately 43% in Non-Life premiums, 48% in Life business and 124% in Takaful business.

Following the adoption of IFRS 17, insurance and Takaful revenue amounted to ETB 3.78 billion in FY2024/25, compared with ETB 2.85 billion for the FY2023/24 comparative period, representing growth of approximately 32.9%. Insurance service result increased from ETB 492.8 million to ETB 711.3 million, or approximately 44.3%, and the corresponding insurance service result margin increased from approximately 17.3% to 18.8%. The FY2024/25 audited statement of profit or loss presents these amounts on the IFRS 17 basis.

Investment income also increased throughout the review period, rising from ETB 484.1 million in FY2022/23 to ETB 606.9 million in FY2023/24 and ETB 812.6 million in FY2024/25. This represents growth of approximately 25.4% in FY2023/24 and a further 33.9% in FY2024/25.

Profitability increased over the period. Under the accounting basis originally applied in FY2023/24, profit before tax increased from ETB 550.0 million in FY2022/23 to ETB 902.6 million in FY2023/24, while profit after tax increased from ETB 509.1 million to ETB 794.9 million. Following the adoption of IFRS 17, the Company restated its FY2023/24 comparative profit before tax and profit after tax to ETB 873.60 million and ETB 765.90 million, respectively. The reduction of approximately ETB 29.00 million in both measures arose primarily from the remeasurement of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) under IFRS 17. Against these restated comparative amounts, FY2024/25 profit before tax increased by approximately 27.3% to ETB 1.11 billion, while profit after tax increased by approximately 24.9% to ETB 956.80 million.

Financial Position and Capital

The Company's balance sheet expanded over the review period. Total assets increased from ETB 5.94 billion at June 30, 2023 to ETB 8.06 billion at June 30, 2024, representing growth of approximately 35.7%, and increased further by approximately 38.0% to ETB 11.12 billion at June 30, 2025. Over the three-year period, total assets increased at a compound annual growth rate of approximately 36.8%.

The increase during FY2024/25 was reflected principally in higher cash and bank balances, financial investments, reinsurance assets and other operating assets. At June 30, 2025, cash and bank balances amounted to ETB 3.93 billion, financial assets measured at fair value through other comprehensive income amounted to ETB 2.73 billion and reinsurance assets amounted to ETB 1.40 billion.

Total liabilities increased from ETB 3.14 billion at June 30, 2023 to ETB 4.33 billion at June 30, 2024, representing growth of approximately 38.2%, and increased further by approximately 39.6% to ETB 6.05 billion at June 30, 2025. The FY2024/25 increase principally reflected the expansion of insurance operations and the associated increase in insurance contract liabilities and insurance payables.

Total equity increased from ETB 2.80 billion at June 30, 2023 to ETB 3.72 billion at June 30, 2024, representing growth of approximately 32.8%, and increased further by approximately 36.1% to ETB 5.07 billion at June 30, 2025. Over the three-year period, total equity increased at a compound annual growth rate of approximately 34.5%.

Paid-up capital increased from ETB 1.41 billion at June 30, 2023 to ETB 1.92 billion at June 30, 2024 and ETB 2.65 billion at June 30, 2025. The increases principally resulted from the capitalization of dividends and additional cash payments made by shareholders toward their subscribed shares and contributed materially to the expansion of the Company's equity base.

Cash Flow and Liquidity

Operating cash generation strengthened over the three-year period. Net cash generated from operating activities increased from approximately ETB 598.40 million in FY2022/23 to ETB 692.82 million in FY2023/24 and ETB 1.16 billion in FY2024/25. The FY2024/25 increase of ETB 466.49 million, or 67.3%, accompanied the growth in earnings and provided the principal source of cash during the year.

The Company remained a net investor in each year. Net cash used in investing activities amounted to approximately ETB 483.40 million in FY2022/23, ETB 496.65 million in FY2023/24 and ETB 655.54 million in FY2024/25. During FY2024/25, investing outflows included additions to equity investments, debt instruments, fixed deposits, investment property and property, plant and equipment. Dividend and interest receipts and proceeds from asset disposals partly offset these outflows.

During FY2024/25, proceeds from share issues amounted to ETB 760.87 million. Dividend payments of ETB 713.39 million and lease liability repayments of ETB 24.35 million substantially offset these proceeds, leaving a net financing inflow of ETB 52.19 million.

Net operating cash inflow exceeded net investing outflow by ETB 503.77 million. Together with the net financing inflow, this supported an increase in cash and cash equivalents of ETB 555.96 million during FY2024/25. Cash and cash equivalents consequently increased from ETB 722.62 million at June 30, 2024 to ETB 1.28 billion at June 30, 2025, compared with ETB 458.05 million at June 30, 2023. Operating cash generation therefore supported investment spending and the increase in year-end cash balances, while financing activities made a smaller net contribution.

Underwriting Performance

The Company's Non-Life retention ratio declined from 71% in FY2022/23 to 69% in FY2023/24 and further to 64% in FY2024/25, indicating that a greater proportion of written business was ceded to reinsurers over the review period.

The Non-Life net claims ratio declined from 60% in FY2022/23 to 47% in FY2023/24 before increasing to 56% in FY2024/25. For FY2024/25, the increase in the ratio was driven principally by a 21.6% increase in net claims incurred (from ETB 788.0 million to ETB 1,064.3 million), which grew faster than the 28.9% increase in Non-Life insurance premium revenue would suggest given the Company's retention position, compounded by a decline in reinsurance recoveries as the Non-Life retention ratio fell from 69% to 64% (see Section 9.1.3). This meant a larger share of the growth in gross claims was retained rather than passed to reinsurers. The gross increase in claims costs is consistent with, though not separately quantified by, the effects of inflation and higher labor and spare-parts costs described in Section 7.2.1.2; the Company has not separately quantified the amount of the claims increase attributable to each of these specific cost drivers.

Key Financial Ratio Analysis

The Company's profitability, insurance operations, capital strength, and liquidity ratios recorded mixed movements over the three-year period. Return on Equity increased from 20.0% in FY2022/23 to 20.6% in FY2023/24 before declining to 18.9% in FY2024/25. The FY2024/25 decline resulted from total shareholders' equity increasing by 36.1%, from ETB 3.72 billion to ETB 5.07 billion, faster than the 24.9% increase in profit after tax. The expansion of the equity base therefore reduced the return generated on each Birr of closing shareholders' equity despite the increase in profit.

Earnings per Share, calculated based on each ETB 1 of paid-up capital, increased from ETB 0.36 in FY2022/23 to ETB 0.40 in FY2023/24 before declining to ETB 0.36 in FY2024/25. The decline in FY2024/25 occurred because paid-up capital increased faster than profit after tax. Accordingly, although profit after tax increased from ETB 765.9 million to ETB 956.8 million, the larger capital base reduced the earnings attributable to each ETB 1 of paid-up capital.

Investment Yield declined consistently, from 52.6% in FY2022/23 to 31.1% in FY2023/24 and 25.6% in FY2024/25. During FY2024/25, investment income increased by 33.9%, from ETB 606.9 million to ETB 812.6 million. However, the combined carrying amount of financial assets at fair value through other comprehensive income and debt instruments at amortized cost increased by 62.3%, from ETB 1.95 billion to ETB 3.17 billion. The investment asset base therefore expanded faster than the income generated from those assets, reducing the yield.

The Insurance Service Result Margin improved from 17.3% in FY2023/24 to 18.8% in FY2024/25. The Insurance Service Result increased by 44.3%, from ETB 492.8 million to ETB 711.3 million, exceeding the 32.9% growth in Insurance and Takaful Revenue. No comparable margin is presented for FY2022/23 because the financial statements for that year were prepared under IFRS 4 and did not present Insurance Revenue and Insurance Service Result on the basis required by IFRS 17.

The Non-Life Net Claims Ratio decreased from 60.0% in FY2022/23 to 47.0% in FY2023/24 before increasing to 56.0% in FY2024/25. The FY2024/25 increase indicates that net claims incurred absorbed a higher proportion of Non-Life net earned premium than in the preceding year. The Non-Life Retention Ratio also declined throughout the period, from 71.0% in FY2022/23 to 69.0% in FY2023/24 and 64.0% in FY2024/25. This movement indicates that the Company retained a smaller proportion of its Non-Life gross written premium and ceded a larger proportion to reinsurers as its underwriting portfolio and risk exposure changed.

The Company's capital and solvency position strengthened over the three-year period. The Solvency Ratio increased from 1.20 times in FY2022/23 to 2.20 times in FY2023/24 and 2.31 times in FY2024/25. During FY2024/25, the positive solvency margin increased from ETB 1.79 billion to ETB 2.46 billion, supported by the growth in paid-up capital and admissible assets. Paid-up capital increased by 47.5% in FY2022/23, 36.2% in FY2023/24, and 37.8% in FY2024/25. In FY2024/25, it increased from ETB 1.92 billion to ETB 2.65 billion, contributing to the growth in total equity and supporting the improvement in the Solvency Ratio. The larger capital base also contributed to the decline in Return on Equity and Earnings per Share calculated per ETB 1 of paid-up capital.

The Asset-to-Liability Ratio increased from 1.81 times in FY2022/23 to 1.86 times in FY2023/24 before decreasing marginally to 1.84 times in FY2024/25. The latest decrease occurred because total liabilities increased by 39.6%, from ETB 4.33 billion to ETB 6.05 billion, slightly faster than the 38.0% increase in total assets from ETB 8.06 billion to ETB 11.12 billion. Nevertheless, the Company continued to maintain assets materially above its total liabilities.

Cash and cash equivalents represented 40.8% of total assets in FY2022/23, 9.0% in FY2023/24, and 11.5% in FY2024/25. The ratio improved during FY2024/25 because cash and cash equivalents increased by 76.9%, from ETB 722.6 million to ETB 1.28 billion, substantially exceeding the 38.0% growth in total assets. The FY2022/23 ratio should be interpreted cautiously because the financial statements were prepared under IFRS 4 and the composition and classification of cash and investment balances may not be directly comparable with the subsequent IFRS 17 periods.

Net cash generated from operating activities increased by 50.7% in FY2022/23, 15.8% in FY2023/24, and 67.3% in FY2024/25. In FY2024/25, net operating cash flow increased from ETB 692.8 million to ETB 1.16 billion, indicating stronger cash generation from the Company's operating activities.

The Financial Asset Coverage Ratio stood at 1.41 times in FY2022/23 and 1.69 times in FY2024/25. At June 30, 2025, financial assets of approximately ETB 8.87 billion covered corresponding financial liabilities of approximately ETB 5.25 billion, resulting in a net financial asset position of approximately ETB 3.62 billion. A comparable ratio is not presented for FY2023/24 because the necessary financial-risk analysis was not available on a consistent basis.

Non-Financial Performance

The expansion in financial performance was accompanied by growth in the Company's operating capacity. Physical service outlets increased from 66 at June 30, 2023 to 70 at June 30, 2024 and 71 at June 30, 2025. The workforce increased from 717 employees in FY2022/23 to 765 employees in FY2023/24 and 802 employees in FY2024/25, representing increases of approximately 6.7% and 4.8%, respectively. The expansion in the branch network and workforce supported the increase in premium volumes and the broader scale of the Company's insurance operations.

The shareholder base also expanded from 1,921 shareholders at June 30, 2023 to 2,035 at June 30, 2024 and 2,175 at June 30, 2025, alongside the continued increase in the Company's paid-up capital.

Overall, the three-year period was characterized by continued premium growth, increased profitability, expansion of the balance sheet and capital base, stronger operating cash generation and gradual expansion of the Company's operating footprint. The movement in the retention and claims ratios also demonstrates that the growth in the Company's insurance business was accompanied by changes in underwriting and reinsurance dynamics, which are analyzed further in the subsequent sections of this Section.

Table 55: Summary of Financial and Non-Financial Performance (ETB '000), except percentages and operating indicators

Particulars	FY2024/25	FY2023/24	FY2022/23	Calculation Method
Financial Performance				
Gross Written Premium and Takaful Contributions	4,534,560	3,119,329	2,437,377	
Growth in Gross Written Premium	45.4%	28.0%	—	
Insurance and Takaful Revenue ¹	3,782,022	2,845,898	n.a.	
Insurance Service Result ¹	711,303	492,828	n.a.	
Insurance Service Result Margin ²	18.8%	17.3%	n.a.	
Investment Income	812,612	606,881	484,083	
Profit Before Income Tax ³	1,111,862	873,571	549,982	
Profit After Income Tax ³	956,767	765,865	509,124	
Financial Position				
Total Assets ³	11,117,204	8,056,915	5,938,370	
Total Liabilities ³	6,051,237	4,333,949	3,135,998	
Total Equity ³	5,065,967	3,722,967	2,802,372	
Paid-Up Share Capital	2,647,210	1,921,492	1,411,094	
Cash Flow and Liquidity				
Net Cash Generated from Operating Activities	1,159,311	692,820	598,398	
Net Cash Used in Investing Activities	(655,539)	(496,653)	(483,403)	
Net Cash Generated from Financing Activities	52,190	68,400	121,378	
Cash and Cash Equivalents at Year End	1,278,578	722,615	458,047	
Selected Insurance Performance Indicators				
Return on Equity	18.9%	20.6%	20%	Profit after tax ÷ closing shareholders' equity

Earning per share (ETB)	0.36	0.40	0.36	
Investment Yield	25.6%	31.1%	52.6%	Investment income ÷ financial assets at FVOCI and debt instruments at amortized cost
Insurance Service Result Margin	18.8%	17.3%	n.a.	Insurance service result ÷ insurance and Takaful revenue
Non-Life Net Claims Ratio	56.0%	47.0%	60.0%	Non-Life net claims incurred ÷ Non-Life net earned premium
Non-Life Retention Ratio	64%	69%	71%	Non-Life net written premium ÷ Non-Life gross written premium
Solvency Ratio	2.31X	2.20X	1.20X	Positive solvency margin ÷ required capital
Asset-to-Liability Ratio	1.84X	1.86X	1.81X	Total assets ÷ total liabilities
Cash and Cash Equivalents to Total Assets	11.5%	9.0%	40.8%	Cash and cash equivalents for cash-flow purposes ÷ total assets
Net Operating Cash Flow Growth	67.3%	15.8%	50.7%	Increase in net cash generated from operating activities ÷ preceding year's operating cash flow
Financial Asset Coverage Ratio	1.69x	n.a.	1.41x	Financial assets included in the financial-risk analysis ÷ corresponding financial liabilities
Non-Financial and Operating Indicators				
Physical Service Outlets⁴	71	70	66	
Employees	802	765	717	
Shareholders	2,175	2,035	1,921	

Note: Ratios may differ slightly from calculations using the amounts presented in this Prospectus because the underlying calculations use unrounded figures.

¹Insurance and Takaful Revenue and Insurance Service Result are IFRS 17 measures. Equivalent IFRS 17 measures are not presented for FY2022/23 because the Company adopted IFRS 17 in FY2024/25. The FY2023/24 amounts are the comparative figures presented in the FY2024/25 audited financial statements.

²Insurance Service Result Margin is calculated as Insurance Service Result divided by Insurance and Takaful Revenue. The Insurance Service Result Margin cannot be calculated for FY2022/23 because the audited financial statements were prepared under IFRS 4 and do not present Insurance Revenue or Insurance Service Result as defined under IFRS 17.

³The FY2023/24 profit before tax, profit after tax and financial-position amounts shown above are the comparative amounts presented in the FY2024/25 audited financial statements following adoption of IFRS 17. Before the adoption of IFRS 17, the Company originally reported FY2023/24 profit before tax of ETB 902.6 million and profit after tax of ETB 794.9 million. The FY2022/23 total liabilities and total equity shown above reflect the Company's audited Statement of Changes in Equity, which states total equity of ETB 2,802,372 thousand as at July 1, 2023 (equivalent to June 30, 2023).

⁴Physical service outlets comprise branches and contact offices. The Company operated 60 branches and six contact offices at June 30, 2023, giving 66 physical outlets. The network increased to 65 branches and five contact offices, or 70 outlets, at June 30, 2024, and to 71 physical outlets, including three contact offices, at June 30, 2025.

7.2. Key Material Factors Affecting the Company's Results of Operations

The Company's results of operations are affected by a combination of macroeconomic conditions, insurance industry developments, regulatory requirements and company-specific operating factors.

These factors affect the Company through insurance demand and premium growth, claims frequency and severity, reinsurance costs and recoveries, investment income, operating expenses, capital and solvency requirements and underwriting capacity.

During FY2024/25, the Company recorded growth across its principal financial performance measures. Gross written premium increased from approximately ETB 3.12 billion in FY2023/24 to ETB 4.53 billion in FY2024/25, representing growth of approximately 45.4%. Total Insurance and Takaful Revenue increased from ETB 2.85 billion to ETB 3.78 billion, while the Insurance Service Result increased from ETB 492.8 million to ETB 711.3 million. Investment income increased from ETB 606.9 million to ETB 812.6 million. Profit before tax increased from ETB 873.6 million to ETB 1.11 billion and profit after tax increased from ETB 765.9 million to ETB 956.8 million.

The principal factors that affected the Company's results during FY2024/25 and that are expected to continue influencing its operating and financial performance are discussed below.

7.2.1. Macroeconomic Factors

7.2.1.1. Economic Growth and Insurance Demand

Ethiopia continued to record positive economic growth during FY2024/25, supported by activity across the services, agriculture, construction, industrial and trade-related sectors. Economic expansion generally supports demand for insurance by increasing the volume and value of insurable assets, vehicles, commercial transactions, construction projects and trade-related exposures.

For Awash Insurance, the expansion in economic activity was accompanied by growth across all three principal lines of business. Non-Life gross written premium increased by approximately 43% to ETB 3.72 billion, Life gross written premium increased by approximately 48% to ETB 656.3 million, and Takaful gross written premium increased by approximately 124%. Overall gross written premium increased to approximately ETB 4.53 billion from ETB 3.12 billion in the preceding year.

The relationship between economic activity and insurance demand is particularly relevant to the Company because its premium portfolio is materially exposed to Motor, Political Violence and Terrorism ("PVT"), Fire, Engineering and other asset-related classes. Motor insurance represented approximately 51% of the Company's premium portfolio at June 30, 2025, followed by PVT at approximately 14% and Fire at approximately 8.3%. Consequently, changes in vehicle ownership, transport activity, construction, trade, investment and the value of insurable property directly influence the volume and composition of business available to the Company.

7.2.1.2. Inflation and Claims Costs

Ethiopian headline inflation moderated significantly during FY2024/25. Ethiopian headline inflation moderated significantly during FY2024/25. According to the National Bank of Ethiopia's Financial Stability Report (March 2026), headline inflation declined from approximately 19.9% at the end of June 2024 to

13.9% at the end of June 2025, a decline of 6.0 percentage points, and continued to decline further to approximately 13.2% by the end of the first quarter of FY2025/26 (NBE Financial Stability Report, March 2026). This followed a period of markedly higher inflation, with headline inflation at approximately 29.3% at the end of June 2023 (NBE Financial Stability Report, March 2026).

Although inflation moderated on a year-on-year basis, elevated price levels continued to affect the cost of doing business and the cost of settling insurance claims. Higher prices for vehicle spare parts, repair services, labor, medical services, construction materials and other replacement assets increase claims severity, particularly in Motor, Fire, Engineering and related general insurance classes. The Company's Non-Life net claims ratio increased from 47% in FY2023/24 to 56% in FY2024/25. The Company has not separately quantified the specific amount of the increase in net claims incurred attributable to inflation, labor and spare-parts costs as distinct from other factors affecting claims experience during the year.

7.2.1.3. Interest Rates and Investment Income

The yearly weighted average yield on Ethiopian Government Treasury Bills increased from approximately 9.7% at June 2024 to approximately 13.4% at June 2025, and further to approximately 15.5% by September 2025, according to the National Bank of Ethiopia's Financial Stability Report (March 2026). Commercial banks' weighted average long-term lending interest rate was approximately 18.0% at June 2025 (NBE Financial Stability Report, March 2026).

The Company's own average yield on interest-bearing assets, comprising cash and short-term deposits, fixed time deposits, debt instruments at amortized cost and statutory deposits, was approximately 13.5% in FY2024/25, based on total interest income of ETB 444.1 million against average interest-bearing assets of approximately ETB 3.30 billion¹. This is broadly in line with the Treasury bill benchmark of approximately 13.4% at June 2025, indicating that the Company's investment portfolio tracked the prevailing rate environment over the year.

7.2.1.4. Foreign Exchange Developments

Ethiopia implemented a significant foreign exchange reform in July 2024, moving from a managed to a market-determined exchange rate regime. According to the National Bank of Ethiopia's Financial Stability Report (March 2026), the official exchange rate moved from approximately ETB 57.2 per US dollar at June 2024 to approximately ETB 143.8 per US dollar by September 2025, representing depreciation of approximately 151.4% over that period. The official rate had been comparatively stable in the years preceding the reform, at approximately ETB 54.5 per US dollar at June 2023 and ETB 57.2 per US dollar at June 2024 (NBE Financial Stability Report, March 2026).

¹ Company calculation based on the audited financial statements: total interest income of ETB 444.1 million (Note 7 and the Statement of Cash Flows) divided by the average of opening and closing balances of fixed time deposits, short-term bank deposits, debt instruments at amortized cost (gross) and statutory deposits. A directly comparable FY2023/24 yield on the same basis is not presented, as the FY2023 opening balances of these items are not separately disclosed in the audited financial statements.

This depreciation and the associated increase in exchange-rate volatility affect the cost of imported replacement assets, spare parts, machinery, medical equipment, construction materials and reinsurance arrangements, a significant portion of which are import-dependent or, in the case of reinsurance, denominated in foreign currency. The Company has not separately quantified the effect of the depreciation on claims settlement costs or on the cost of reinsurance premiums.

7.2.2. Industry Factors

7.2.2.1. Growth in the Insurance Sector

The Ethiopian insurance industry expanded materially during FY2024/25. According to the NBE's Financial Stability Report (March 2026), industry gross written premium reached approximately ETB 41.1 billion at June 2025, representing growth of approximately 43.1% over the preceding year, as presented in Section 2.6.2.1 of this Prospectus.

Awash Insurance's gross written premium increased at a broadly comparable rate, rising by approximately 45.4% to ETB 4.53 billion. Growth was recorded across Non-Life, Life and Takaful, demonstrating that the expansion in the Company's premium base occurred alongside substantial growth in the wider insurance market.

The Ethiopian market nevertheless remains characterized by relatively low insurance penetration. Insurance penetration, measured as total insurance premiums as a percentage of gross domestic product (GDP), stood at approximately 0.30% in Ethiopia in FY2024/25. This was below the African and global benchmarks of 3.60% and 6.50%, respectively (NBE, Financial Stability Report, March 2026). Accordingly, the future development of the sector, the growth of insurable assets, customer awareness, compulsory insurance requirements and the expansion of formal economic activity remain important determinants of the Company's longer-term premium growth.

7.2.2.2. Business Line Concentration

The Ethiopian insurance market remains predominantly a general insurance market, with Motor insurance representing a significant component of industry premiums. The Company's portfolio reflects this characteristic.

Motor insurance represented approximately 51% of the Company's total premium portfolio at June 30, 2025, compared with approximately 56% in the preceding year. PVT represented approximately 14% and Fire approximately 8.3%.

As a result, the Company's underwriting performance remains particularly sensitive to developments affecting Motor insurance, including vehicle accident frequency, repair costs, spare-parts prices, claims severity and premium pricing. The reduction in Motor's share of the portfolio from 56% to 51% also indicates that the composition of premium production changed during FY2024/25 as other classes grew.

7.2.2.3. Competition in the Insurance Market

Competition in the Ethiopian insurance sector affects premium rates, underwriting terms, commissions, broker relationships and customer retention. Price competition may place pressure on the premium rates and terms at which the Company acquires and renews insurance business.

During FY2024/25, the Company's gross written premium increased by approximately 43% in Non-Life, 48% in Life and 124% in Takaful. Life insurance revenue increased by 49.1% to ETB 641.16 million, while Non-Life insurance revenue increased by 28.9% to ETB 3.04 billion, as detailed in Subsection 7.3.1.1 and Table 57.

Notwithstanding this competitive environment, the Company recorded premium growth of approximately 43% in Non-Life, 48% in Life and 124% in Takaful during FY2024/25. Future premium growth and underwriting margins will continue to be influenced by the degree of price competition in the market and the Company's ability to generate business at premium rates commensurate with the underlying insurance risk.

7.2.3.4. Reinsurance Market Conditions

Reinsurance affects the Company's retained exposure, underwriting capacity, insurance service result and capital utilization. The availability, pricing and terms of treaty and facultative reinsurance therefore represent an important external factor affecting the Company's results.

The Company's Non-Life retention ratio declined from approximately 69% in FY2023/24 to 64% in FY2024/25, indicating that a greater proportion of Non-Life business was ceded during the year.

The financial impact of reinsurance also changed materially. Net expenses from reinsurance contracts held amounted to ETB 446.6 million in FY2024/25, compared with net income of ETB 51.1 million in FY2023/24. Net expenses from Retakaful contracts held increased from ETB 9.8 million to ETB 23.3 million. The movement in the reinsurance result therefore reduced the insurance service result relative to what would otherwise have been generated from the growth in insurance revenue and insurance service performance.

Changes in international reinsurance pricing, available treaty capacity, foreign-exchange conditions and reinsurer appetite may continue to affect the amount of business retained by the Company, the cost of protection and the resulting contribution of reinsurance to insurance service results.

7.2.3.5. Development of the Takaful Market

The development of Shariah-compliant insurance represents an additional source of business for insurers operating Takaful windows or businesses in Ethiopia. Awash Insurance operates Salaam Takaful alongside its conventional Non-Life and Life insurance businesses.

The Company's Takaful business recorded significant growth during FY2024/25. Gross written premium increased by approximately 124%, while Takaful Revenue increased from ETB 56.2 million in FY2023/24 to ETB 100.5 million in FY2024/25, representing growth of approximately 78.9%.

The contribution of Takaful to the Company's future performance will depend on the continued development of the market, customer demand for Shariah-compliant products and growth in the underlying classes of business written through the Takaful operation.

7.2.3. Regulatory Factors

7.2.3.1. Capital and Solvency Requirements

The Company operates under the prudential supervision of the National Bank of Ethiopia and is required to comply with applicable minimum capital, solvency, liquidity, statutory deposit and other prudential requirements. These requirements affect the amount of capital available for underwriting, dividend distributions, investment allocation and the scale of insurance business that the Company may undertake.

As detailed in Subsection 2.7.2, Directive No. SIB/57/2022 sets minimum paid-up capital of ETB 500 million for an insurer undertaking both general and long-term insurance business. During FY2024/25, the Company's audited paid-up capital increased by approximately 37.8%, from ETB 1.92 billion to ETB 2.65 billion. At June 30, 2025, paid-up capital exceeded this minimum by approximately ETB 2.15 billion and represented 5.29 times the prescribed amount. Source: NBE Directive No. SIB/57/2022.

The Company must also maintain sufficient admitted capital under the Margin of Solvency Directive No. SIB/45/2016. As presented in Table 34 under Subsection 2.7.2, admissible assets exceeded admissible liabilities by ETB 3.53 billion at June 30, 2025, against required capital of ETB 1.07 billion. This left a positive solvency margin of ETB 2.46 billion. The surplus represented 2.31 times required capital, compared with 2.20 times a year earlier. These figures indicate that the Company held admitted capital above its calculated regulatory requirement. Source: NBE Directive No. SIB/45/2016.

Future changes in these requirements, business volumes, claims obligations or asset admissibility may affect the Company's capital planning, dividend capacity, investment allocation and underwriting capacity.

7.2.3.2. Changes in the Regulatory and Financial Reporting Framework

The Company is subject to requirements issued by the National Bank of Ethiopia, the Ethiopian Capital Market Authority and other relevant authorities. Changes in insurance regulation, corporate governance standards, solvency requirements, financial reporting standards and capital-market requirements may affect the Company's capital requirements, operating costs, governance arrangements and reporting obligations.

FY2024/25 was also the first financial year in which the Company implemented IFRS 17 for the recognition, measurement and presentation of insurance and reinsurance contracts. IFRS 17 replaced a number of measures previously reported under IFRS 4, including gross premiums earned and net claims, with measures including Insurance Revenue, Insurance Service Expenses, Net Expenses from Reinsurance Contracts Held and Insurance Service Result. The change affects the presentation and comparability of the Company's reported results across periods.

The Company's registration of its existing shares with ECMA will also subject it to the applicable ongoing disclosure, securities-market and corporate reporting requirements following registration.

7.2.4. Company-Specific Factors

7.2.4.1. Underwriting Performance and Portfolio Mix

The composition and growth of the Company's insurance portfolio are among the principal company-specific factors affecting its results. Gross written premium increased to approximately ETB 4.53 billion in FY2024/25 from ETB 3.12 billion in FY2023/24. Non-Life remained the largest business line, with gross written premium of approximately ETB 3.72 billion, while Life gross written premium reached approximately ETB 656.3 million and Takaful also recorded substantial growth.

The premium mix also changed during the year. Motor's share declined from approximately 56% to 51%, while PVT and Fire accounted for approximately 14% and 8.3%, respectively, at June 30, 2025. The Company's results are therefore affected not only by the overall volume of premiums written but also by the relative contribution and claims characteristics of the individual classes within the portfolio.

Insurance Service Result increased by approximately 44.3%, from ETB 492.8 million in FY2023/24 to ETB 711.3 million in FY2024/25. This increase occurred alongside a 32.9% increase in Total Insurance and Takaful Revenue and demonstrates the material contribution of underwriting activity to the Company's results.

7.2.4.2. Claims Experience

Claims frequency, severity and the development of outstanding claims directly affect the Company's insurance service expenses and underwriting profitability. These factors differ across Motor, Fire, Engineering, Marine, Life and other insurance classes and may also change materially from one financial year to another.

The Company's Non-Life net claims ratio stood at approximately 56% in FY2024/25. The Company identified inflation, labor costs and higher spare-parts prices as factors contributing to the increase in net claims incurred and net claims paid during the year.

Accordingly, changes in claim frequency, claim severity, repair and replacement costs and the development of outstanding claims remain significant determinants of the Company's insurance service result.

7.2.4.3 Reinsurance and Retention

The Company's decisions regarding the amount of risk retained and ceded materially affect both underwriting exposure and reported results. The Non-Life retention ratio declined from 69% in FY2023/24 to 64% in FY2024/25.

At the same time, Net Expenses from Reinsurance Contracts Held deteriorated from income of ETB 51.1 million in FY2023/24 to an expense of ETB 446.6 million in FY2024/25. Net Retakaful expenses also increased to ETB 23.3 million from ETB 9.8 million. This movement represented a significant offset to the growth generated by the Company's insurance operations during FY2024/25.

The relationship between premiums ceded, claims recovered, commissions, the timing of reinsurance cash flows and the Company's retention levels will therefore continue to be an important driver of the insurance service result.

7.2.4.4. Investment Portfolio and Investment Income

The Company's investment portfolio represents a material source of earnings in addition to its insurance operations. Investment income increased by approximately 33.9% to ETB 812.6 million during FY2024/25, principally comprising interest and dividend income.

The composition of the investment portfolio is also relevant to the Company's results. Equity investments increased from approximately ETB 1.71 billion at June 30, 2024 to ETB 2.73 billion at June 30, 2025, while debt instruments measured at amortized cost increased from approximately ETB 244.2 million to ETB 441.3 million.

The equity portfolio has a significant concentration in Awash Bank S.C. At June 30, 2025, the carrying amount of this investment was approximately ETB 2.46 billion, representing approximately 90% of the Company's total equity investment portfolio. Consequently, dividend distributions and changes in the carrying value of this investment can have a significant effect on investment income, other comprehensive income and the Company's financial position.

7.2.4.5. Operating Efficiency and Cost Management

The Company's ability to translate premium and revenue growth into profitability depends in part on the rate at which its operating cost base grows.

Other operating and administrative expenses increased by ETB 278.28 million, or 96.5%, from ETB 288.28 million in FY2023/24 to ETB 566.56 million in FY2024/25.

VAT expense was the largest individual contributor, increasing by ETB 97.91 million and accounting for 35.2% of the total expense increase. Donations added ETB 29.34 million, representing a further 10.5%. Neither category had a corresponding expense in FY2023/24.

Employee benefit expenses included in operating and administrative expenses, after allocating directly attributable employee costs to insurance service expenses, increased by ETB 43.40 million, or 27.3%, from ETB 158.74 million to ETB 202.15 million. This contributed 15.6% of the total expense increase. Before allocation, employee benefit expenses increased by ETB 56.29 million, or 14.1%, while the workforce increased by 37 employees, or 4.8%, from 765 to 802 employees.

The receivables impairment-related amount included in operating expenses increased from ETB 0.24 million to ETB 37.60 million, adding ETB 37.35 million and contributing 13.4% of the total increase. Legal and consultancy fees increased by ETB 26.70 million, or 111.1%, from ETB 24.04 million to ETB 50.73 million, accounting for another 9.6% of the increase.

Other expenses increased by ETB 22.47 million, or 41.1%, contributing 8.1% of the total increase. Repairs and maintenance increased by ETB 15.15 million, or 47.8%, contributing 5.4%, while fuel and lubricants increased by ETB 11.40 million, or 79.6%, contributing 4.1%. The remaining operating expense categories increased by a net ETB 21.03 million, or 14.9%, and contributed 7.6%. These remaining movements included higher stationery, building right-of-use amortization, travel and Takaful management expenses, partly offset by lower gift and sponsorship expenses and other reductions.

These increases were partly offset by a reduction in bank charges of ETB 14.59 million, or 61.4%, equivalent to 5.2% of the total net expense increase. In addition, nonemployee operating costs allocated to insurance service expenses increased by ETB 11.51 million, or 7.2%, reducing the increase in operating and administrative expenses by an amount equivalent to 4.1% of the total. Employee cost allocations are already reflected in the net employee benefit expense movement above. After deducting ETB 0.37 million for finance costs presented separately, these movements reconcile, on a rounded basis, to the net expense increase of ETB 278.28 million.

The increase in operating and administrative expenses absorbed part of the benefit from premium and revenue growth during FY2024/25. Growth in personnel and operating infrastructure supports a larger volume of insurance business, but the associated personnel, occupancy, technology and administrative costs also affect operating profitability. If recurring operating costs continue to increase faster than revenue, the Company's operating margins may narrow, limiting its ability to translate business growth into sustained earnings.

7.2.4.6. Capital Strengthening and Business Expansion

The size of the Company's capital base affects its underwriting capacity, regulatory position, investment capacity and ability to finance business expansion.

Paid-up capital increased by approximately ETB 725.7 million during FY2024/25, from ETB 1.92 billion to ETB 2.65 billion, representing an increase of approximately 37.8%. The increase occurred alongside substantial growth in gross written premium and the Company's balance sheet.

The Company's future results will therefore be influenced by the relationship between capital growth and the expansion of insurance liabilities, underwriting exposures, investments and other capital requirements.

7.2.4.7. Technology and Digital Development

Technology increasingly affects underwriting, policy administration, claims processing, customer service, financial reporting and distribution within the insurance industry. The Company has identified continued investment in digital platforms and technological solutions as part of its future operating direction.

The development and use of digital channels may affect future results through customer reach, transaction volumes, service delivery and operating expenditure. The pace and cost of the Company's technology investments, and the extent to which customers adopt digital insurance channels, will therefore remain relevant to the Company's operating performance.

7.3. Analysis of Financial Statements

The following discussion analyzes the Company's historical financial performance, financial position and cash flows based on the audited IFRS financial statements for the year ended June 30, 2025 and the comparative financial information presented therein.

The Company implemented IFRS 17, Insurance Contracts, during FY2024/25. Accordingly, the FY2024 comparative figures presented in the audited FY2024/25 financial statements have been presented using the IFRS 17 financial statement structure. IFRS 17 changed the recognition and presentation of several insurance-related financial statement line items previously reported under IFRS 4, including gross premiums written, earned premiums and net claims, and introduced measures including Insurance Revenue, Insurance Service Expenses, Net Expenses from Reinsurance Contracts Held and Insurance Service Result.

Accordingly, the analysis of IFRS 17-specific income statement measures focuses on FY2024/25 and FY2023/24, for which directly comparable figures are presented in the audited financial statements. Three-year compound annual growth rates are presented where comparable historical balances are available from the audited financial statements, including selected investment, equity and cash measures.

7.3.1. Analysis of Historical Financial Performance

The Company recorded growth in its insurance operations and investment income during FY2024/25. Total Insurance and Takaful Revenue increased by 32.9%, while Insurance Service Result increased by 44.3%. Investment income increased by 33.9%. These increases were partly offset by a material deterioration in the reinsurance service result and a 96.5% increase in other operating and administrative expenses. Profit before income tax increased by 27.3% to ETB 1.11 billion, while profit after tax increased by 24.9% to ETB 956.77 million.

Table 56: Summary Statement of Profit or Loss (ETB '000)

Particulars	FY2025	FY2024	YoY Growth
Insurance Revenue	3,681,516	2,789,709	32.0%
Takaful Revenue	100,506	56,189	78.9%
Total Insurance and Takaful Revenue	3,782,022	2,845,898	32.9%
Insurance Service Expenses	(2,535,854)	(2,358,467)	7.5%
Takaful Service Expenses	(64,963)	(35,858)	81.2%
Net Expenses from Reinsurance Contracts Held	(446,614)	51,058	n.m.
Net Expenses from Retakaful Contracts Held	(23,288)	(9,803)	137.6%
Insurance Service Result	711,303	492,828	44.3%
Insurance Finance Income	94,525	88,933	6.3%
Reinsurance Finance Income/(Expense)	(44,517)	(42,951)	3.6%
Insurance Finance Result	50,008	45,982	8.8%
Investment Income	812,612	606,881	33.9%
Wakala Fee Income	17,836	11,321	57.5%
Other Operating Income	118,225	36,234	226.3%
Investment, Wakala and Other Operating Income	948,673	654,436	45.0%
Finance Costs	(369)	(518)	(28.8%)
Other Operating and Administrative Expenses	(566,564)*	(288,282)	96.5%
Takaful Fund Movement, net of tax	(9,600)	(20,205)	(52.5%)
Actuarial Life Insurance Reserve	(21,589)	(10,670)	102.3%
Profit Before Income Tax	1,111,862	873,571	27.3%
Income Tax Expense	(155,095)	(107,706)	44.0%
Profit After Income Tax	956,767	765,865	24.9%

* The Audited Financial Statements show a different FY2024/25 operating and administrative expense amount from that disclosed here. The External Auditor confirmed that finance costs were presented separately without removing the corresponding amount from operating and administrative expenses. This presentation error did not affect reported profit. The External Auditor's clarification is included in the accompanying documents of the registration statement.

7.3.1.1. Insurance and Takaful Revenue

Total Insurance and Takaful Revenue, measured on the basis of insurance revenue recognized under IFRS 17, increased by ETB 936.1 million, from ETB 2.846 billion in FY2024 to ETB 3.782 billion in FY2025, representing year-on-year growth of 32.9%.

The increase was broad-based across the Company's three business segments. Non-Life Insurance Revenue increased by 28.9% to ETB 3.040 billion, Life Insurance Revenue increased by 49.1% to ETB 641.2 million and Takaful Revenue increased by 78.9% to ETB 100.5 million.

Table 57: Insurance Revenue by Business Segment (ETB '000)

Business Segment	FY2025	FY2024	YoY Growth	FY2025 Share	FY2024 Share
Non-Life*	3,040,354	2,359,549	28.9%	80.4%	82.9%
Life	641,162	430,160	49.1%	17.0%	15.1%
Takaful	100,506	56,189	78.9%	2.7%	2.0%
Total	3,782,022	2,845,898	32.9%	100.0%	100.0%

**The Non-Life Insurance Revenue growth reported in this section should be distinguished from the approximately 43% growth in Non-Life Gross Written Premium (GWP) discussed in Sections 7.1, 7.2.1.1, 7.2.2.2 and 7.2.4.1. Gross Written Premium represents the total premiums written during the period, whereas insurance revenue under IFRS 17 is recognized over the period in which insurance services are provided. Accordingly, growth in insurance revenue may differ from growth in gross written premium because a portion of premiums written during the year relates to insurance coverage that will be recognized as revenue in future reporting periods. As a result, Non-Life Insurance Revenue increased by 28.9%, while Non-Life Gross Written Premium increased by approximately 43% during FY2025.*

The revenue mix changed moderately during FY2025. Non-Life remained the principal source of insurance revenue, accounting for 80.4% of the total, compared with 82.9% in FY2024. Life increased its contribution from 15.1% to 17.0%, while Takaful increased from 2.0% to 2.7%. The change in mix therefore reflects faster growth in Life and Takaful than in the larger Non-Life business.

7.3.1.2. Insurance Service Expenses

Combined Insurance and Takaful Service Expenses increased from approximately ETB 2.394 billion in FY2024 to ETB 2.601 billion in FY2025, representing an increase of approximately 8.6%. This rate of increase was below the 32.9% growth in Insurance and Takaful Revenue over the same period.

Insurance Service Expenses relating to the conventional insurance business increased by 7.5%, from ETB 2.358 billion to ETB 2.536 billion. Takaful Service Expenses increased by 81.2%, from ETB 35.9 million to ETB 65.0 million, reflecting the much higher rate of growth in the Takaful business from a smaller base.

The audited insurance-result note indicates that the principal components of insurance service expenses include claims service expenses, directly attributable expenses, movements in risk adjustment and loss components, and amortization of insurance acquisition expenses.

7.3.1.3. Reinsurance and Retakaful Result

The reinsurance result represented one of the most significant year-on-year movements in the Company's FY2025 financial performance.

Net Expenses from Reinsurance Contracts Held changed from net income of ETB 51.1 million in FY2024 to a net expense of ETB 446.6 million in FY2025, representing an adverse movement of approximately ETB

497.7 million. Net Expenses from Retakaful Contracts Held increased from ETB 9.8 million to ETB 23.3 million.

Taken together, the reinsurance and Retakaful service result changed from net income of approximately ETB 41.3 million in FY2024 to a net expense of approximately ETB 469.9 million in FY2025, an adverse movement of approximately ETB 511.2 million.

This movement should be analyzed separately from direct underwriting performance because reinsurance contracts are presented separately under IFRS 17. The audited financial statements also confirm that the Company cedes business to reinsurers to limit its net loss exposure, while the reinsurance arrangements do not relieve the Company of its direct obligations to policyholders.

7.3.1.4. Insurance service result

Despite the adverse movement in the reinsurance result, Insurance Service Result increased by ETB 218.5 million, from ETB 492.8 million in FY2024 to ETB 711.3 million in FY2025, representing growth of 44.3%.

The Insurance Service Result margin, calculated as Insurance Service Result divided by Total Insurance and Takaful Revenue, increased from approximately 17.3% in FY2024 to 18.8% in FY2025, an improvement of approximately 1.5 percentage points.

The improvement resulted from insurance revenue growing materially faster than direct insurance service expenses during the year, notwithstanding the higher net cost of reinsurance.

7.3.1.5. Insurance Finance Result

Insurance Finance Result increased from ETB 46.0 million in FY2024 to ETB 50.0 million in FY2025, representing growth of 8.8%.

Insurance Finance Income increased by 6.3% to ETB 94.5 million, while the reinsurance finance expense increased slightly from ETB 43.0 million to ETB 44.5 million. As a result, the net contribution from insurance finance activities increased by approximately ETB 4.0 million.

7.3.1.6. Investment income

Investment income increased by ETB 205.7 million, from ETB 606.9 million in FY2024 to ETB 812.6 million in FY2025, representing year-on-year growth of 33.9%.

The increase was primarily attributable to interest income, which increased by 39.1% to ETB 416.2 million, and dividend income, which increased by 21.6% to ETB 342.2 million. Interest income on cash and short-term deposits increased significantly from ETB 4.7 million to ETB 27.9 million, albeit from a comparatively small base. Rental income from investment properties increased by 21.5%.

Table 58: Investment Income by source (ETB '000)

Source	FY2025	FY2024	YoY Growth	FY2025 Share
Interest Income	416,208	299,142	39.1%	51.2%
Dividend Income	342,239	281,466	21.6%	42.1%
Interest on Cash and Short-Term Deposits	27,914	4,670	497.7%	3.4%
Rental Income from Investment Properties	26,251	21,603	21.5%	3.2%
Total Investment Income	812,612	606,881	33.9%	100.0%

Interest and dividend income together accounted for approximately 93.3% of investment income in FY2025. The earnings contribution of the investment portfolio therefore remained concentrated in these two sources.

7.3.1.7. Other operating income

The audited financial statements separately present Wakala fee income of ETB 17.8 million and other operating income of ETB 118.2 million in FY2025. Combined, the corresponding note reports other operating income of ETB 136.1 million, compared with ETB 47.6 million in FY2024.

Table 59: Other operating income (ETB '000)

Source	FY2025	FY2024	YoY Growth	FY2025 Share
Gain on Disposal of Property, Plant and Equipment	12,457	2,036	511.8%	9.2%
Wakala Fee Income	17,836	11,321	57.5%	13.1%
Sundry Income	105,768	34,198	209.3%	77.7%
Total	136,061	47,555	186.1%	100.0%

The increase was principally attributable to sundry income, which increased by ETB 71.6 million and represented approximately 77.7% of the FY2025 total.

7.3.1.8. Operating and Administrative Expenses

Other operating and administrative expenses increased by ETB 278.28 million, from ETB 288.28 million in FY2024 to ETB 566.56 million in FY2025, representing growth of 96.5%. These amounts exclude finance costs, which are presented separately. Operating and administrative expenses grew substantially faster than the 32.9% increase in Insurance and Takaful Revenue, absorbing part of the earnings benefit from business growth.

Legal and consultancy fees increased to ETB 50.7 million from ETB 24.0 million; repairs and maintenance increased to ETB 46.9 million from ETB 31.7 million; fuel and lubricants increased to ETB 25.7 million from ETB 14.3 million; and other expenses increased to ETB 77.2 million from ETB 54.7 million. The FY2025 expense schedule also includes ETB 97.9 million of VAT expense and ETB 29.3 million of donations. The VAT expenses primarily arose following the implementation of the new Ethiopian VAT Proclamation, with

a portion of the amount relating to penalties paid by the Issuer to the tax authority due to delays in VAT settlement.

The increase in operating expenses therefore partially offset the benefit of higher insurance service and investment results and represents an important element of the year-on-year movement in profitability.

7.3.2. Profitability

Profit before income tax increased by ETB 238.3 million, from ETB 873.6 million in FY2024 to ETB 1.112 billion in FY2025, representing growth of 27.3%.

Income tax expense increased by 44.0%, from ETB 107.7 million to ETB 155.1 million. Consequently, profit after income tax increased by ETB 190.9 million, from ETB 765.9 million in FY2024 to ETB 956.8 million in FY2025, representing growth of 24.9%.

The effective income tax charge represented approximately 14.0% of profit before tax in FY2025, compared with approximately 12.3% in FY2024. The effective rate sits materially below the standard 30% corporate income tax rate principally because interest income and dividend income are taxed at source and excluded from the corporate income tax base. In FY2025 these two income streams together (ETB 786.4 million, comprising ETB 444.1 million of interest income and ETB 342.2 million of dividend income) represented over 70% of profit before tax, sheltering a substantial share of earnings from the standard corporate rate.

The increase in the effective rate between the two years reflects the differential growth rates of these components: dividend income grew by 21.6% and interest income by 46.2%, against overall profit before tax growth of 27.3%. Because dividend income, the larger of the two exclusions in FY2024, grew more slowly than overall profit, a smaller proportion of FY2025 earnings was sheltered from the standard rate, which increased the effective tax charge relative to pre-tax profit.

The deferred tax liability increased by 41.5%, from ETB 322.4 million to ETB 456.1 million, driven principally by the fair value gain on the Company's FVOCI-classified equity investments (ETB 460.8 million recognized in other comprehensive income in FY2025, per the Statement of Profit or Loss and Other Comprehensive Income). This unrealized gain creates a temporary difference between the accounting and tax bases of these investments, which is recognized as a deferred tax liability rather than a current tax charge.

Overall, the movement in FY2025 profitability reflected three principal positive contributors: higher insurance revenue, an improved Insurance Service Result and increased investment income. These were partly offset by the adverse movement in the reinsurance result and significantly higher operating and administrative expenses discussed elsewhere in this Prospectus.

7.4. Analysis of Historical Financial Position

Total assets increased by ETB 3.060 billion, from ETB 8.057 billion at June 30, 2024 to ETB 11.117 billion at June 30, 2025, representing growth of 38.0%. Total liabilities increased by 39.6% to ETB 6.051 billion, while total equity increased by 36.1% to ETB 5.066 billion.

Table 60: Asset Composition

Asset	FY2025	FY2024	YoY Growth	FY2025 % of Total Assets
Cash and Bank Balances	3,932,603	2,883,300	36.4%	35.4%
Financial Assets at FVOCI	2,731,505	1,710,345	59.7%	24.6%
Debt Instruments at Amortized Cost	441,272	244,227	80.7%	4.0%
Insurance Receivables	20,830	2,951	605.9%	0.2%
Reinsurance Assets	1,397,838	1,063,137	31.5%	12.6%
Retakaful Assets	31,681	9,533	232.3%	0.3%
Other Assets	347,145	182,054	90.7%	3.1%
Salvage Property Held for Sale	67,835	49,970	35.8%	0.6%
Right-of-Use Assets	68,002	76,728	(11.4%)	0.6%
Property, Plant and Equipment	1,215,720	1,144,610	6.2%	10.9%
Investment Properties	452,678	397,301	13.9%	4.1%
Intangible Assets	18,217	8,474	115.0%	0.2%
Statutory Deposits	391,877	284,286	37.8%	3.5%
Total Assets	11,117,204	8,056,915	38.0%	100.0%

7.4.1. Assets

7.4.1.1. Cash and bank balances

Cash and bank balances increased by ETB 1.049 billion, from ETB 2.883 billion at June 30, 2024 to ETB 3.933 billion at June 30, 2025, representing growth of 36.4%. Cash and bank balances represented 35.4% of total assets at June 30, 2025, making them the Company's largest individual asset category.

Table 61: Cash and bank balances (ETB '000)

	FY2024/25	FY2023/24	Growth (%)
Cash in hand	46,361	789	5776%
Cash at Bank	1,018,513	604,217	69%
Short term deposits with banks	213,704	117,609	82%
Fixed time deposits with local banks	2,658,761	2,161,065	23%
Subtotal	3,937,339	2,883,680	37%
Allowance for impairment of cash and bank balance	(4,736)	(380)*	1146%
Total	3,932,603	2,883,300	36.4%

* The Audited Financial Statements show a different FY2023/24 impairment allowance from the amount disclosed here. The External Auditor confirmed that this difference resulted from a presentation error. The External Auditor's clarification is included in the accompanying documents of the registration statement.

7.4.1.2. Financial assets at FVOCI

Financial assets measured at fair value through other comprehensive income increased from ETB 1.710 billion at June 30, 2024 to ETB 2.732 billion at June 30, 2025, representing growth of 59.7%.

The audited investment note provides a three-year balance progression from ETB 1.206 billion at July 1, 2023 to ETB 1.710 billion at June 30, 2024 and ETB 2.732 billion at June 30, 2025. This represents year-on-year growth of 41.8% in FY2024 and 59.7% in FY2025 and a two-year CAGR of approximately 50.5%.

Table 62: FVOCI Investment Trend

	FY2025	FY2024	FY2023*	FY25/24	FY24/23	CAGR
Financial Assets at FVOCI	2,731,505	1,710,344	1,206,407	59.7%	41.8%	50.5%

*FY2023 represents the opening balance at July 1, 2023 disclosed in the audited FY2025 financial statements.

During FY2025, additions to FVOCI investments amounted to ETB 560.3 million, while remeasurement gains recognized through OCI amounted to ETB 460.8 million.

The investment in Awash Bank S.C. had a carrying amount of approximately ETB 2.460 billion at June 30, 2025, representing approximately 90.1% of the Company's total FVOCI equity investment portfolio. Accordingly, the composition of this asset category remains concentrated in that investment.

7.4.1.3. Debt instruments at amortized cost

Debt instruments measured at amortized cost had a carrying amount of ETB 441.3 million at June 30, 2025, compared with ETB 244.2 million at June 30, 2024, representing growth of 80.7%.

Gross debt instruments at June 30, 2025 consisted of corporate bonds of ETB 258.9 million, staff loans of ETB 227.1 million and Government bonds of ETB 10.0 million, totaling ETB 495.9 million. The difference between this gross amount and the carrying amount of ETB 441.3 million comprises an impairment allowance against staff debtors of ETB 2.3 million, unchanged from FY2024, and amortization of debt instruments of ETB 52.4 million, up from ETB 27.5 million in FY2024. On a comparable basis, gross debt instruments at June 30, 2024 were ETB 274.0 million against a carrying amount of ETB 244.2 million. Growth on a gross basis was 81.0%; growth on a carrying-amount basis, as reported above, was 80.7%.

Table 63: Debt instruments at amortized cost (ETB '000)

	FY2025	FY2024
Staff loans	227,053	137,570
Corporate bonds	258,858	126,455
Government bonds	10,000	10,000
Gross debt instruments	495,911	274,025
Less: impairment allowance on staff debtors	(2,273)	(2,273)
Less: amortization of debt instruments	(52,366)	(27,525)

Carrying amount	441,272	244,227
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7.4.1.4. Reinsurance and Retakaful Assets

Reinsurance assets increased by ETB 334.7 million, from ETB 1.063 billion to ETB 1.398 billion, representing growth of 31.5%. Retakaful assets increased from ETB 9.5 million to ETB 31.7 million.

Together, reinsurance and Retakaful assets amounted to approximately ETB 1.430 billion and represented approximately 12.9% of total assets at June 30, 2025.

7.4.1.5. Property, Investment Property and Intangible Assets

Property, plant and equipment increased by 6.2%, from ETB 1.145 billion to ETB 1.216 billion. Investment properties increased by 13.9% to ETB 452.7 million, while intangible assets increased from ETB 8.5 million to ETB 18.2 million.

Property, plant and equipment represented approximately 10.9% of total assets at June 30, 2025.

7.4.1.6. Statutory Deposits

Statutory deposits increased from ETB 209.5 million at the beginning of FY2024 to ETB 284.3 million at June 30, 2024 and ETB 391.9 million at June 30, 2025. This represents growth of 35.7% in FY2024 and 37.8% in FY2025, producing a two-year CAGR of approximately 36.8%.

7.4.1.7. Insurance receivables and other assets

Insurance receivables, net of impairment, increased from ETB 2.951 million at June 30, 2024 to ETB 20.830 million at June 30, 2025. This movement is driven principally by the impairment allowance against insurance receivables remaining fixed at ETB 22.453 million in both years, while the gross balance due from contract holders grew from ETB 25.403 million to ETB 43.283 million, an increase of 70.4%. Because the allowance did not increase in proportion to the gross balance, the net receivable increased sharply in percentage terms even though the underlying gross exposure grew at a more moderate rate.

Other assets increased from ETB 182.054 million at June 30, 2024 to ETB 347.145 million at June 30, 2025, an increase of 90.7%. The composition of other assets at each year-end is set out below.

Table 64: Composition of other assets (ETB '000)

	FY2025	FY2024
Qard receivable from takaful	9,000	9,000
Other account receivables	153,682	90,273
Subrogation reimbursements	61,223	48,976
Staff debtors	1,627	1,647

Prepaid staff expense	1,481	1,481
Withholding tax receivable	42,466	37,192
Value added tax receivable	85,669	-
Gross other assets	355,148	188,569
Less: impairment allowance	(8,002)	(6,515)
Net other assets	347,145	182,054

The increase in other assets was driven principally by growth in other account receivables (up ETB 63.4 million), the recognition of a value added tax receivable of ETB 85.7 million that did not arise in FY2024, and growth in subrogation reimbursements (up ETB 12.2 million).

7.4.1.8. Overall Asset Structure

The Company's balance sheet remained concentrated in cash and investments. Cash and bank balances accounted for 35.4% of total assets, FVOCI investments for 24.6%, debt instruments at amortized cost for 4.0%, reinsurance assets for 12.6% and property, plant and equipment for 10.9%.

Cash and the two principal financial investment categories together represented approximately 63.9% of total assets at June 30, 2025.

7.4.2. Liabilities

Total liabilities increased by ETB 1.717 billion, from ETB 4.334 billion at June 30, 2024 to ETB 6.051 billion at June 30, 2025, representing growth of 39.6%.

Table 65: Liability Composition (ETB '000)

Liability	FY2025	FY2024	YoY Growth	FY2025 % of Total Liabilities
Insurance Contract Liabilities	4,270,332	3,251,518	31.3%	70.6%
Provisions for Claims under Litigation	1,509	13,829	(89.1%)	0.0%
Insurance Payables	570,608	354,943	60.8%	9.4%
Other Liabilities	394,498	169,661	132.5%	6.5%
Defined Benefit Obligations	23,304	23,109	0.8%	0.4%
Deferred Tax Liability	456,072	322,382	41.5%	7.5%
Current Income Tax Liabilities	159,209	110,673	43.9%	2.6%
Lease Liability	14,748	16,557	(10.9%)	0.2%
Takaful Liabilities	115,781	46,662	148.1%	1.9%
Retakaful Liabilities	20,948	12,968	61.5%	0.3%
Payable to Takaful Participants	3,970	29	n.m.	0.1%
Participants' Takaful Fund	11,258	2,619	329.9%	0.2%
Qard	9,000	9,000	0.0%	0.1%
Total Liabilities	6,051,237	4,333,949	39.6%	100.0%

7.4.2.1. Insurance contract liabilities

Insurance contract liabilities increased by ETB 1.019 billion, from ETB 3.252 billion to ETB 4.270 billion, representing growth of 31.3%.

Insurance contract liabilities remained the dominant liability category, representing approximately 70.6% of total liabilities at June 30, 2025. The audited financial statements explain that these liabilities represent estimated obligations for outstanding claims, future benefits and expenses associated with insurance contracts, including risk adjustment and discounting.

7.4.2.2. Insurance payables

Insurance payables increased from ETB 354.9 million to ETB 570.6 million, an increase of ETB 215.7 million or 60.8%. Their share of total liabilities increased to approximately 9.4%. The composition of insurance payables at each year-end is set out below.

Table 66: Composition of insurance payables (ETB '000)

	FY2025	FY2024
Due to reinsurers	481,832	333,140
Payable to local insurance	71,214	–
Due to contract holders	208	10,780
Due to agents	17,354	11,023
Total	570,608	354,943

The increase in insurance payables was driven principally by growth in amounts due to reinsurers of ETB 148.7 million, or 44.6%, consistent with the 31.5% growth in reinsurance assets and the expansion of ceded business during the year, together with a new balance payable to local insurance of ETB 71.2 million that did not exist at June 30, 2024. These two items more than account for the net increase of ETB 215.7 million, partly offset by a reduction in amounts due to contract holders.

7.4.2.3. Other liabilities

Other liabilities increased by ETB 224.8 million, from ETB 169.7 million to ETB 394.5 million, representing growth of 132.5%. Despite the high percentage increase, other liabilities represented approximately 6.5% of total liabilities at June 30, 2025. The composition of other liabilities at each year-end is set out below.

Table 67: Composition of other liabilities (ETB '000)

	FY2025	FY2024
Dividend payable	33,634	13,283
Directors' compensation	1,800	1,350
Other account payables	93,048	21,233
Withholding tax payable	12,189	9,310
Provident/pension fund payable	1,063	1,063

Unearned rental income	3,745	5,187
Leave pay	30,205	25,574
Accruals	119,142	66,895
Value added tax payable	79,071	4,054
Payroll tax payable	9,259	6,579
Advance premium deposit	11,342	15,133
Total	394,498	169,661

The increase was driven principally by growth in other account payables (up ETB 71.8 million), accruals (up ETB 52.2 million) and value added tax payable (up ETB 75.0 million), which together account for approximately ETB 199 million of the ETB 224.8 million overall increase. This growth outpaced the 39.6% increase in total liabilities and the 32.9% increase in insurance revenue because these balances relate to the timing of year-end settlements and tax remittances rather than to the volume of insurance business written, and their FY2024 base was comparatively low.

7.4.2.4. Tax Liabilities

Deferred tax liabilities increased by 41.5% to ETB 456.1 million, while current income tax liabilities increased by 43.9% to ETB 159.2 million. Together, these liabilities represented approximately 10.2% of total liabilities at June 30, 2025.

7.4.2.5. Takaful-Related Liabilities

Takaful liabilities increased from ETB 46.7 million to ETB 115.8 million, representing growth of 148.1%. Retakaful liabilities increased by 61.5% to ETB 20.9 million. The percentage growth in these balances was significant, although their combined contribution to total Company liabilities remained comparatively small.

7.4.3. Equity

The Company's audited Statement of Changes in Equity provides a continuous equity movement from July 1, 2023 through June 30, 2025, allowing a three-year trend analysis of the principal equity accounts.

Table 68: Equity Trend

Equity Component	FY2025	FY2024	FY2023	YoY FY25-24	YoY FY24-23	CAGR
Share Capital	2,647,210	1,921,492	1,411,094	37.8%	36.2%	37.0%
Share Premium	68,379	33,224	4,699	105.8%	607.0%	n.m.
Retained Earnings, of which:	1,959,488	1,472,626	1,171,138	33.1%	25.7%	29.4%
—Undistributable retained earnings ¹	1,060,505	749,015	n.a. ²	41.6%	n.a.	n.a.
—Distributable retained earnings	898,983	723,611	n.a. ²	24.2%	n.a.	n.a.
Legal Reserve	390,890	295,625	215,441	32.2%	37.2%	34.7%
Total Equity	5,065,967	3,722,967	2,802,372	36.1%	32.9%	34.5%

¹Includes the Company's fair value reserve on FVOCI investments, which is held within the undistributable component of retained earnings rather than as a separate equity reserve. See discussion below.

²The undistributable/distributable split for FY2023 is not separately presented in the audited financial statements.

Total equity increased from ETB 2.802 billion at the beginning of the three-year period to ETB 3.723 billion at June 30, 2024 and ETB 5.066 billion at June 30, 2025. This represents a CAGR of approximately 34.5%.

7.4.3.1. Share capital

Share capital increased from ETB 1.411 billion at July 1, 2023 to ETB 1.921 billion at June 30, 2024 and ETB 2.647 billion at June 30, 2025, representing a CAGR of approximately 37.0%.

During FY2025, additional shares increased share capital by ETB 725.7 million, compared with an increase of ETB 510.4 million during FY2024.

Share capital represented approximately 52.3% of total equity at June 30, 2025.

7.4.3.2. Retained earnings

Retained earnings increased from ETB 1.171 billion at July 1, 2023 to ETB 1.473 billion at June 30, 2024 and ETB 1.959 billion at June 30, 2025, representing a CAGR of approximately 29.4%.

During FY2025, retained earnings movements were as follows: profit for the year added ETB 956.8 million; ETB 713.39 million was distributed as dividends; ETB 95.3 million was transferred to the legal reserve²; ETB 1.8 million was transferred to directors' incentive; and a fair value remeasurement gain on FVOCI investments, net of tax, of ETB 311.5 million was recognized directly within the undistributable component of retained earnings.

The Company does not maintain a separate fair value reserve within equity. Fair value remeasurement gains on FVOCI investments, disclosed in Section 7.4.1.2 as ETB 460.8 million recognized through other comprehensive income before tax during FY2025 (ETB 311.5 million net of tax), are recognized within the undistributable component of retained earnings, as shown in Table 68 above. At June 30, 2025, retained earnings of ETB 1,959.5 million comprised undistributable retained earnings of ETB 1,060.5 million, which include this fair value reserve, and distributable retained earnings of ETB 899.0 million.

² The Issuer has identified an error in the calculation of the legal reserve transfer disclosed herein. Based on the profit after tax of ETB 956.768 million, the required legal reserve transfer should have been ETB 95.677 million, representing 10% of annual net profit as required under Article 22 of the Insurance Business Proclamation No. 746/2012. However, the legal reserve transfer disclosed herein was ETB 95.265 million, resulting in a shortfall of ETB 411,800. The Issuer confirms that the shortfall amount will be included in the legal reserve transfer to be made for the 2025/26 financial year to ensure compliance with the statutory requirement.

Retained earnings represented approximately 38.7% of total equity at June 30, 2025.

7.4.3.3. Legal reserve

The legal reserve increased from ETB 215.4 million at the beginning of the review period to ETB 295.6 million at June 30, 2024 and ETB 390.9 million at June 30, 2025, representing a CAGR of approximately 34.7%.

At June 30, 2025, the Company's equity was composed of approximately:

Table 69: Equity Composition (FY2025)

Component	FY2025 % of Equity
Share Capital	52.3%
Retained Earnings, of which:	38.7%
— Undistributable retained earnings (incl. fair value reserve)	20.9%
— Distributable retained earnings	17.7%
Legal Reserve	7.7%
Share Premium	1.3%
Total	100.0%

The growth in the Company's equity base during the review period therefore resulted from both additional paid-in capital and accumulated earnings, including unrealized fair value gains on the Company's FVOCI investment portfolio recognized within retained earnings.

7.5. Analysis of historical cash flows

Table 70: Statement of cash flows (ETB '000)

	FY2025	FY2024	YoY Change
Net Cash Inflow from Operating Activities	1,159,311	692,820	67.3%
Net Cash Outflow from Investing Activities	(655,539)	(496,653)	32.0%
Net Cash Inflow from Financing Activities	52,190	68,400	(23.7%)
Net Increase in Cash and Cash Equivalents	555,963	264,568	110.1%
Cash and Cash Equivalents at Beginning of Year	722,615	458,047	57.8%
Cash and Cash Equivalents at End of Year	1,278,578	722,615	76.9%

7.5.1. Net cash inflow from operating activities

Net cash generated from operating activities increased by ETB 466.5 million, from ETB 692.8 million in FY2024 to ETB 1.159 billion in FY2025, representing growth of 67.3%.

Cash generated from operations before employee-benefit remeasurement and income tax payments increased from ETB 729.8 million to ETB 1.267 billion, representing growth of approximately 73.6%.

Selected working-capital movements contributed to the Company's operating cash flow in FY2024/25. Increases in insurance contract liabilities of approximately ETB 1.02 billion, insurance payables of ETB 215.70 million and other payables of ETB 224.80 million contributed positively to operating cash flow. These movements were partly offset by increases in reinsurance assets of ETB 334.70 million, other assets of ETB 165.10 million, statutory deposits of ETB 107.60 million and insurance receivables of ETB 17.90 million.

These selected items contributed approximately ETB 834.20 million on a net basis and represent only part of the reconciliation to net cash generated from operating activities of ETB 1,159.30 million. They exclude profit for the year, non-cash adjustments and other reconciling items. Related financial movements are discussed elsewhere in this Prospectus, while the complete reconciliation appears in the Statement of Cash Flows in the Company's audited financial statements for the year ended June 30, 2025, included in the financial information accompanying this Prospectus.

7.5.2. Net cash outflow from investing activities

Net cash used in investing activities increased from ETB 496.7 million in FY2024 to ETB 655.5 million in FY2025, representing an increase of approximately 32.0% in the magnitude of the net investing outflow.

The principal investing outflows during FY2025 comprised ETB 560.3 million for purchases of equity investments, ETB 221.9 million for debt instruments, ETB 497.7 million of additional investment in fixed deposits, ETB 154.0 million for property, plant and equipment and ETB 32.1 million for investment property.

These outflows were partly offset by ETB 342.2 million of dividends received, ETB 444.1 million of interest received and ETB 24.0 million of proceeds from disposal of property, plant and equipment.

The increase in investing cash outflows is consistent with the expansion of the Company's investment portfolio reflected in the Statement of Financial Position, particularly the increase in FVOCI investments and debt instruments during FY2025.

7.5.3. Net cash outflow from financing activities

Net cash generated from financing activities amounted to ETB 52.2 million in FY2025, compared with ETB 68.4 million in FY2024, representing a decline of 23.7%.

Cash proceeds from share issues increased from ETB 538.9 million to ETB 760.9 million. This was substantially offset by dividend payments of ETB 713.39 million, compared with ETB 456.9 million in FY2024, together with ETB 24.4 million of lease liability repayments.

The financing cash flow therefore reflects the interaction between continued capital contributions from shareholders and the distribution of earnings through dividends.

7.6. Contingent Liabilities

The Company's material legal, tax and arbitration matters are consolidated in Table 76 under "Legal and Arbitration Proceedings." Five proceedings remain pending, with aggregate claimed or assessed amounts of ETB 3.48 billion, comprising one insurance arbitration, one advance payment bond dispute, two dividend-tax appeals and one VAT appeal concerning ceding commission.

Table 76 separately identifies the VAT dispute decided in the Company's favor, the Gemshu Beyene Construction bond proceeding closed for lack of jurisdiction, and two settled dividend-tax cases. The original claims and assessments across all nine matters total ETB 3.98 billion. This aggregate includes concluded proceedings and does not represent outstanding contingent exposure.

The amounts claimed or assessed are distinct from payments already made, expected refunds, applicable policy limits, retained insurance exposure and amounts recognized in the Company's accounts. The status and financial implications of each matter are described in Table 76.

7.7. Capital Resources and Liquidity

The Company's capital resources are principally composed of shareholders' equity and retained earnings. Total shareholders' equity increased from ETB 3.72 billion as at June 30, 2024 to ETB 5.07 billion as at June 30, 2025, representing growth of approximately 36.1%. Paid-up share capital increased from ETB 1.92 billion to ETB 2.65 billion, while retained earnings increased from ETB 1.47 billion to ETB 1.96 billion over the same period.

The Company does not materially rely on external debt financing. As at June 30, 2025, the Company had no outstanding bank loans or overdrafts. Lease liabilities amounted to ETB 14.75 million, compared with ETB 16.56 million as at June 30, 2024. Insurance contract liabilities and insurance payables arise from the Company's insurance operations and do not constitute debt financing.

7.7.1. Capital Structure

The Company's capital structure as at June 30, 2025 and June 30, 2024 is summarized below.

Table 71: Capital Structure (ETB '000)

Particulars	FY2024/25	FY2023/24
Equity Capital		
Paid-Up Share Capital	2,647,210	1,921,492
Share Premium	68,379	33,224
Retained Earnings, of which:	1,959,488	1,472,626
— Undistributable retained earnings (incl. fair value reserve)	1,060,505	749,015
— Distributable retained earnings	898,983	723,611

Legal Reserve	390,890	295,625
Total Shareholders' Equity	5,065,967	3,722,967
Debt Financing		
Bank Loans and Overdrafts	–	–
Lease Liabilities	14,748	16,557

The increase in shareholders' equity during FY2024/25 was supported by additional share capital and earnings retained in the business, and unrealized fair value gains on FVOCI investments recognized within retained earnings. Paid-up share capital increased by approximately ETB 725.72 million, while profit after tax for the year amounted to ETB 956.77 million before dividend distributions and transfers to reserves.

The expansion of the equity base increased the capital available to support underwriting activities, insurance liabilities, investment requirements and the continued growth of the Company's operations.

7.7.2. Regulatory Capital and Solvency

The Company maintains regulatory capital in accordance with the applicable requirements of the National Bank of Ethiopia, including the Margin of Solvency Directive No. SIB/45/2016.

As at June 30, 2025, admissible assets amounted to approximately ETB 9.38 billion, while admissible liabilities amounted to approximately ETB 5.85 billion, resulting in excess admitted capital of approximately ETB 3.53 billion. After deducting the applicable required capital amount of approximately ETB 1.07 billion, the Company had a positive solvency margin of approximately ETB 2.46 billion.

The solvency ratio presented in this Prospectus is calculated as the positive solvency margin divided by required capital: ETB 2,464.9 million ÷ ETB 1,067.6 million = 2.31 times at June 30, 2025. Required capital itself is determined under Directive No. SIB/45/2016 as the highest of 25% of technical provisions, 20% of net written premium in the preceding financial year, or the minimum paid-up capital, for general insurance business (with a corresponding test of 10% of technical provisions or minimum paid-up capital for long-term business). The Directive does not separately prescribe a minimum multiple for the ratio as presented here; it is a Company-calculated indicator of capital headroom above the regulatory minimum, rather than a statutory ratio in itself.

Table 72: Regulatory Solvency Position (ETB '000, except ratio)

	FY2024/25	FY2023/24
Admissible Assets	9,383,185	6,807,450
Admissible Liabilities	5,850,716	4,209,177
Excess of Admissible Assets over Admissible Liabilities	3,532,469	2,598,273
Required Capital	1,067,583	812,880
Positive Solvency Margin	2,464,886	1,785,393
Solvency Ratio	2.31x	2.20x

The solvency ratio increased from 2.20 times at June 30, 2024 to 2.31 times at June 30, 2025, while the positive solvency margin increased from approximately ETB 1.79 billion to ETB 2.46 billion. The increase was supported by the expansion of the Company's capital and admissible asset base during the year.

7.7.3. Liquidity Position

The Company maintains liquidity through cash and bank balances, investment assets, premium collections, investment income and reinsurance recoveries.

Cash and bank balances increased from ETB 2.88 billion as at June 30, 2024 to ETB 3.93 billion as at June 30, 2025, representing growth of approximately 36.4%. Cash and cash equivalents used for cash-flow purposes, which are a subset of cash and bank balances comprising balances with original maturities of three months or less, increased from ETB 722.62 million to ETB 1.28 billion over the same period.

Net cash generated from operating activities increased from ETB 692.82 million in FY2023/24 to ETB 1.16 billion in FY2024/25, representing growth of approximately 67.3%. The increase in operating cash generation contributed to the growth in available cash resources during the year.

As at June 30, 2025, total financial assets amounted to approximately ETB 8.87 billion, comprising cash and bank balances, financial assets at fair value through other comprehensive income, debt instruments at amortized cost, insurance receivables, reinsurance assets and other assets, as set out in the table below. Financial liabilities included in the Company's financial-risk analysis amounted to approximately ETB 5.25 billion. Financial assets therefore exceeded these financial liabilities by approximately ETB 3.62 billion, equivalent to financial-asset coverage of approximately 1.69 times.

The principal financial liabilities comprise insurance contract liabilities of ETB 4.27 billion, insurance payables of ETB 570.61 million, other financial liabilities of approximately ETB 394.50 million and lease liabilities of approximately ETB 14.75 million.

Table 73: Capital and Liquidity Indicators

Metric	FY2024/25 (ETB, billions, except ratios)
Total Shareholders' Equity	5.07
Paid-Up Share Capital	2.65
Solvency Margin	2.46
Solvency Ratio	2.31x
Cash and Bank Balances	3.93
Financial Assets at FVOCI	2.73
Debt Instruments at Amortized Cost	0.44
Insurance Receivables	0.02
Reinsurance Assets	1.40
Other Assets	0.35
Total Financial Assets	8.87
Financial Liabilities included in Financial-Risk Analysis	5.25
Net Financial Asset Position	3.62
Financial Asset Coverage Ratio	1.69x
Net Cash Generated from Operating Activities	1.16

The Financial Asset Coverage Ratio is calculated as total financial assets divided by the financial liabilities included in the Company's financial-risk analysis.

Of the ETB 8.87 billion of total financial assets, ETB 7.10 billion, comprising cash and bank balances, financial assets at FVOCI and debt instruments at amortized cost, is held in cash or readily realizable investments. The remaining ETB 1.77 billion, comprising reinsurance assets of ETB 1.40 billion and insurance receivables and other assets, represents amounts recoverable from reinsurers and other counterparties as and when underlying insurance claims are settled or balances fall due, rather than resources immediately available to meet obligations. Reinsurance assets are classified as current in the audited financial statements, indicating that recovery is expected within twelve months, but their timing remains dependent on the settlement of the underlying reinsured claims and on reinsurer counterparty performance; Section 7.2.3.4 records that the reinsurance result moved adversely by ETB 497.7 million during FY2025.

The Company manages liquidity by monitoring expected cash inflows and outflows from premium collections, claims settlements, reinsurance recoveries, investment income, operating expenses, taxes and other contractual obligations. The timing of claims payments and reinsurance recoveries is particularly relevant because insurance contract liabilities represent the largest component of the Company's financial liabilities.

The Company's ETB 5.07 billion equity base, positive solvency margin, ETB 3.62 billion net financial asset position and positive operating cash generation provide the capital and liquidity resources supporting its insurance operations and obligations as they fall due.

7.8. Working Capital Statement

The Company's working capital requirements arise principally from insurance claims, operating expenses, reinsurance payments, taxes and other contractual obligations. Sources of cash include premium collections, investment income, maturing deposits and investments, and reinsurance recoveries. The availability of these resources depends on their collection or maturity dates and any restrictions on their use.

7.8.1. Liquidity Position

As at June 30, 2025, cash and bank balances amounted to ETB 3.933 billion, compared with ETB 2.883 billion at June 30, 2024, an increase of 36.4%. These balances included cash and cash equivalents for cash-flow purposes of ETB 1.279 billion and ETB 722.62 million, respectively. Cash and cash equivalents are included within cash and bank balances and are not additional resources.

Net cash generated from operating activities increased by 67.3%, from ETB 692.82 million in FY2023/24 to ETB 1.159 billion in FY2024/25. During FY2024/25, net cash used in investing activities amounted to ETB 655.54 million, while net cash generated from financing activities amounted to ETB 52.19 million.

The following table presents historical balances and cash flows relevant to the Company's liquidity assessment.

Table 74: Working Capital and Liquidity Indicators (ETB '000, except ratios)

Indicator	June 30, 2025	June 30, 2024
Cash resources		
Cash and bank balances	3,932,603	2,883,300
Of which: cash and cash equivalents for cash-flow purposes	1,278,578	722,615
Investments and recoverables		
Financial assets at fair value through other comprehensive income	2,731,505	1,710,345
Debt instruments at amortized cost	441,272	244,227
Reinsurance assets	1,397,838	1,063,137
Retakaful assets	31,681	9,533
Insurance receivables	20,830	2,951
Restricted resources		
Statutory deposits	391,877	284,286
Liabilities		
Total liabilities, including current and longer-term obligations	6,051,237	4,333,949
Of which: insurance contract liabilities	4,270,332	3,251,518
Of which: insurance payables	570,608	354,943
Of which: other liabilities	394,498	169,661
Of which: current income tax liabilities	159,209	110,673
Of which: lease liabilities	14,748	16,557
Cash flows for the year ended		
Net cash generated from operating activities	1,159,311	692,820
Net cash used in investing activities	(655,539)	(496,653)
Net cash generated from financing activities	52,190	68,400

Notes:

- Cash and cash equivalents are included within cash and bank balances. The liability components shown are selected components of total liabilities and do not constitute a complete reconciliation. Balance-sheet amounts represent carrying values; cash-flow amounts relate to the respective financial years.
- Cash and bank balances include fixed deposits whose availability depends on their contractual terms and any withdrawal restrictions. Investments measured at fair value through other comprehensive income and debt instruments measured at amortized cost are presented separately because their carrying values do not establish the amount or timing of cash available to meet obligations.
- Reinsurance and Retakaful assets and insurance receivables are also presented separately from cash. Collections depend on contractual terms, settlement processes and counterparty performance. Statutory deposits are subject to restrictions and are not treated as cash freely available for ordinary operating requirements.

7.8.2. Working Capital Management

The Company manages liquidity by monitoring expected cash inflows and outflows arising from premium collections, claims settlements, reinsurance recoveries, investment income, operating expenses, taxes and other contractual obligations. The Finance Management Function prepares rolling cash-flow forecasts and

monitors liquidity requirements to ensure that sufficient cash is available to meet operational needs and obligations as they fall due.

The timing of claims payments and reinsurance recoveries is particularly relevant to the Company's working capital position because insurance contract liabilities represent the largest component of its financial liabilities. The Company's working capital assessment therefore considers both available financial resources and the expected timing of insurance-related cash flows.

7.8.3. Working Capital Assessment

Taking into account the Company's existing cash resources, positive operating cash generation, financial asset position, expected premium and investment inflows, insurance and other obligations, and known expenditure commitments, the Company is of the opinion that it has sufficient working capital to meet its present requirements and its obligations as they fall due for at least twelve months from the date of this Prospectus.

7.9. Capitalization and Indebtedness

The June 30, 2026 figures are based on the Company's unaudited management accounts, while the June 30, 2025 comparative figures are based on its audited financial statements.

As at June 30, 2026, the Company's total liabilities amounted to ETB 10.01 billion, compared with ETB 6.05 billion as at June 30, 2025, an increase of 65.49%. The principal contributors were increases of ETB 2.39 billion in insurance contract liabilities and ETB 1.09 billion in deferred tax liability. Lease liabilities decreased from ETB 14.75 million to ETB 13.10 million.

Deferred tax liability increased from ETB 456.07 million to ETB 1.54 billion, representing growth of 238.41%. The increase arose mainly from the revaluation of the Company's equity investments, particularly its investment in Awash Bank S.C., and the related deferred tax effect.

Total shareholders' equity increased from ETB 5.07 billion to ETB 8.94 billion, representing growth of 76.56%. The principal movements were increases of ETB 2.98 billion in retained earnings and ETB 728.09 million in share capital.

Retained earnings increased from ETB 1.96 billion to ETB 4.94 billion. Principal additions during FY2025/26 included profit for the year of ETB 1.39 billion and other comprehensive income of ETB 2.27 billion. These additions were partly offset by dividends declared of ETB 859.70 million, a transfer to legal reserve of ETB 139.14 million and a transfer to directors' incentives of ETB 1.35 million. These items explain the principal movements but do not constitute a complete reconciliation of the opening and closing balances.

Share capital increased from ETB 2.65 billion to ETB 3.38 billion, representing growth of 27.50%. The principal sources of the increase included dividend reinvestment of ETB 601.57 million and cash subscriptions of ETB 87.21 million.

Table 75: Capitalization and Indebtedness (ETB '000)

Item	June 30, 2026 (Unaudited)	June 30, 2025 (Audited)
Operating and Other Liabilities		
Insurance contract liabilities	6,662,130	4,270,332
Insurance and other payables	728,634	570,608
Other liabilities	304,210	394,498
Deferred tax liability	1,543,404	456,072
Current income tax liabilities	381,804	159,209
Takaful and Retakaful liabilities, net	335,238	160,957
Other provisions and obligations	45,878	24,813
Total operating and other liabilities	10,001,298	6,036,489
Indebtedness		
Bank loans and overdrafts	Nil	Nil
Lease liabilities	13,096	14,748
Total indebtedness	13,096	14,748
Total liabilities	10,014,394	6,051,237
Shareholders' Equity		
Share capital	3,375,302	2,647,210
Share premium	92,654	68,379
Retained earnings	4,940,630	1,959,488
Legal reserve	535,807	390,890
Total shareholders' equity	8,944,393	5,065,967
Total capitalization and shareholders' equity	18,958,787	11,117,204

7.10. Going Concern

Board of Directors has assessed the Company's ability to continue in operation for the foreseeable future. Based on this assessment, nothing has come to the attention of the Directors indicating that the Company will not continue as a going concern for at least twelve months from the date of this Prospectus. The Directors are of the opinion that the Company will continue in operation for the foreseeable future.

In forming this opinion, the Directors considered the Company's historical financial performance, cash flow position, liquidity, solvency, capital position, borrowing facilities, business plans, operating environment, and the principal risks and uncertainties affecting the Company's business.

The Company's historical financial statements for the fiscal years ended June 30, 2025, 2024, and 2023 have been prepared on a going concern basis. Separately, the External Auditor has not identified any

material uncertainty relating to the Company's ability to continue as a going concern in the audited financial statements included in this Prospectus.

7.11. Legal and Arbitration Proceedings

The Company is involved in legal, tax and arbitration proceedings arising from its insurance operations and other activities.

For purposes of this Prospectus, the Company considers legal, tax and arbitration proceedings material where the amount claimed or assessed, or the reasonably possible financial exposure to the Company, exceeds ETB 50 million, individually or together with related matters.

The Company also considers qualitative factors, including the nature of the dispute, its procedural stage, uncertainty concerning the outcome, and potential effects on profitability, liquidity, financial position, operations, regulatory standing or reputation. In assessing financial exposure, the Company considers applicable policy limits, reinsurance arrangements and amounts already paid or recognized.

Proceedings that do not exceed the monetary threshold are also disclosed where their nature or potential consequences, individually or together with related matters, may reasonably be relevant to an investor's assessment of the Company or the Ordinary Shares.

Table 76: Major outstanding legal and arbitration proceedings

No.	Proceeding / legal body	Original claim or assessment (ETB)	Nature and procedural status	Payments and financial effect
A Pending proceedings				
1	Political violence and terrorism insurance claim: Ansif Construction and Heransif Construction / Arbitration Tribunal	2,747,082,626.00	Arbitration remains pending concerning assets destroyed during the conflict in Northern Ethiopia. The Company disputes liability on the basis that the loss arose from war-related perils that it considers excluded under the applicable policy terms.	The Company confirms that the applicable policy liability limit is ETB 358.05 million. Of this amount, the Company retains 10%, equivalent to ETB 35.805 million, with the remaining insured exposure subject to reinsurance arrangements. An adverse determination may result in payment obligations within the applicable policy terms and limits, together with legal costs, subject to recoverability.
2	ERA v. Yencomad Construction and Awash Insurance: advance payment bond dispute / Federal High Court	396,275,609.92	The case has been pending since May 2026. ERA alleges that the contractor failed to apply the advance payment in accordance with the underlying contract. The Company disputes the claim. ERA and the contractor are also engaged in negotiations.	The Company faces potential exposure of up to ETB 396.3 million under the advance payment bond, subject to the final determination of the case. The case is under negotiation of ERA with the Contractor. Amicable settlement of the case is expected. Of this amount, the Company retains less than 5%, equivalent to ETB 20 million, with the remaining insured exposure subject to reinsurance arrangements. An adverse determination may result in payment obligations within the applicable policy terms and limits, together with legal costs, subject to recoverability.
3	Dividend-tax appeal / Tax Appeal Commission	96,719,972.96	The appeal remains pending. The Ministry of Revenue assessed dividend tax on capitalized annual profits, treating these amounts as taxable distributions to shareholders. The Company contests the assessment.	50% of principal tax amount Birr 28 Million is already paid for the appeal. Appeal is pending at tax appeal commission.
4	Dividend-tax appeal / Federal Supreme Court	57,819,183.29	The appeal remains pending before the Federal Supreme Court. The dispute concerns dividend tax assessed on capitalized annual profits.	75% of principal tax amount Birr 34.3 Million is already paid for the appeal. Appeal is pending at tax appeal commission.
5	VAT assessment on ceding commission / Tax Appeal Commission	178,162,186.74	The appeal remains pending. The Ministry of Revenue treats ceding commission as commission payments subject to VAT. The Company contests this treatment on the basis that the amounts form part of a risk-sharing arrangement and compensate for administrative costs rather than services.	50% of principal tax amount Birr 32 Million is already paid for the appeal. Appeal is pending at tax appeal commission.
Subtotal		3,476,059,578.91		
B Decided or closed proceedings				

6	VAT dispute / Federal High Court	133,734,260.00	The dispute concerns a retroactive VAT assessment for a period preceding official gazettal and public notification. The Federal High Court decided in the Company’s favor on 27/09/2018 E.C.	The Company paid ETB 97 million at the beginning of FY2025/26. The case has been decided in favor of the Company and the Issuer expects a refund of 55 Million from the tax authority.
7	ERA v. Gemshu Beyene Construction and Awash Insurance: advance payment bond dispute / Federal High Court	228,253,474.84	On 23/10/2018 E.C., the court closed the case after ruling that it lacked jurisdiction. The underlying dispute concerns payment under an advance payment bond.	The Company faces potential exposure of up to ETB 228.25 million under the advance payment bond, subject to the final determination of the case. No payment made in respect of the disputed bond has been indicated. Of this amount, the Company retains 9%, equivalent to ETB 20.5 million, with the remaining insured exposure subject to reinsurance arrangements. An adverse determination may result in payment obligations within the applicable policy terms and limits, together with legal costs, subject to recoverability
Subtotal		361,987,734.84		
C	Settled proceedings			
8	Dividend-tax case / Federal Supreme Court	55,557,645.00	The case concerned dividend tax assessed on capitalized annual profits. The case is closed and settled.	Case is closed and fully paid as per court decision /Settled.
9	Dividend-tax case / Federal Supreme Court	88,116,640.00	The case concerned dividend tax assessed on capitalized annual profits. The case is closed and settled.	Case is closed and fully paid as per court decision /Settled.
Subtotal		143,674,285.00		
Total: nine matters		3,981,721,598.75		

Table 76 includes nine material legal, tax and arbitration matters with aggregate original claims and assessments of ETB 3.98 billion. Five proceedings remain pending, with aggregate claims and assessments of ETB 3.48 billion. Two matters, comprising the VAT dispute decided in the Company's favor and the Gemshu Beyene Construction bond proceeding closed for lack of jurisdiction, involve original claims and assessments totaling ETB 361.99 million. The remaining two dividend-tax cases are settled and involve original assessments totaling ETB 143.67 million.

The aggregate across all nine matters includes decided and settled cases and does not represent the Company's outstanding contingent exposure or estimated ultimate liability. Payments, expected refunds, policy limits, retained insurance exposure, reinsurance recoveries and amounts recognized in the accounts are separate measures.

The Company paid ETB 97.00 million in connection with the VAT dispute and expects a refund of ETB 55.00 million following the favorable judgment. The two settled dividend-tax cases have been fully paid in accordance with the respective court decisions. Payments relating to the pending tax appeals are identified separately in Table 76.

Potential Regulatory Review Relating to Share Issuances and Dividend Capitalization

Following the entry into force of the Public Offering and Trading of Securities Directive No. 1030/2024, certain prior subscriptions, share issuances, capital increases and dividend capitalization arrangements undertaken by the Issuer may be subject to review by ECMA in connection with the registration of the Company's existing Ordinary Shares and compliance with applicable capital market requirements.

The Company has historically implemented phased capital increases, including through dividend capitalization, pursuant to shareholder resolutions and applicable regulatory approvals. As per the deliberation of the General Assembly of Shareholders in its 11th extraordinary meeting on the 29th of October 2022, it is decided to increase the authorized capital of the company to reach from ETB 1.2 Billion to ETB 4 Billion. Subscriptions were made by shareholders from January 2022 until November 24, 2025. No shares were issued, sold or subscribed after November 24, 2025. The subscribed capital had already reached ETB 4 Billion by November 24, 2025.

As at the date of this Prospectus, the Company is not aware of any litigation or arbitration proceedings arising from these matters. However, prior and recent dividend capitalization arrangements, including those implemented during the transition to the new capital-market regulatory framework, remain subject to ECMA's review in connection with the registration of the Company's existing Ordinary Shares and compliance with applicable capital market requirements.

8. SECTION EIGHT – INFORMATION ON THE OFFER

8.1. Information concerning the securities being Registered

The registration of all existing shares of Awash Insurance S.C. is based on the resolution duly passed by the shareholders at the Extraordinary General Meeting held on October 29, 2022, which increased the Company's authorized capital to ETB 4,000,000,000.

Accordingly, the Company's 8,000,000 existing Ordinary Shares, comprising 6,750,604 fully paid Ordinary Shares and 1,249,396 subscribed but unpaid Ordinary Shares, will be registered with the ECMA upon approval of the Registration Statement, in accordance with applicable capital market laws and directives.

8.2. Registration of securities

The Existing Ordinary Shares of the Company will be registered with the ECMA at the date of approval of the registration statement and this Prospectus.

The name and address of the persons in charge of keeping the records of the Securities

The Company Secretary, Mr Hachalu Anbesa in his role, has and will be the person in charge of keeping the records of the Ordinary Shares of the Company. The Company Secretary's address is:

Awash Towers

Ras Abebe Aregay Street

Kirkos Sub City, Woreda 07, Addis Ababa

Telephone: +251-115-570001

Postal Address: P.O. Box 12637

Email: aic@awashinsurance.com

Website: www.awashinsurance.com

8.3. Rights attached to the securities

Awash Insurance has only one class of shares, being the Ordinary Shares. All Ordinary Shares carry identical rights and rank *pari passu* in all respects. The rights attached to each Ordinary Share are set out below:

Dividend Rights: Each Ordinary Share entitles its holder to participate in dividends declared by the Company out of distributable profits. The amount payable to each shareholder is determined in proportion to the paid-up capital represented by the shareholder's Ordinary Shares.

Voting Rights: Each Ordinary Share carries voting rights. The voting rights exercisable by a shareholder are determined in proportion to the amount of capital represented by the shareholder's Ordinary Shares, subject to applicable law and the Company's constitutional documents.

Rights on Winding-Up: Upon the winding-up of the Company, holders of Ordinary Shares are entitled to participate in the distribution of the net assets remaining after settlement of the Company's liabilities and other claims having priority. The amount distributable to each shareholder is determined in proportion to the paid-up capital represented by the shareholder's Ordinary Shares.

Pre-emptive Rights: Each holder of Ordinary Shares has a pre-emptive right, in proportion to their existing shareholding, to subscribe for new Ordinary Shares issued as part of an increase in the Company's capital, subject to applicable law and the terms of the relevant issuance. These rights may be exercised within the applicable subscription period and in accordance with the procedures specified by the Company.

The pre-emptive rights attaching to the Ordinary Shares are governed by Article 448 of the Commercial Code, the applicable provisions of the Public Offer Directive and the Company's Memorandum of Association. These provisions protect Existing Shareholders against dilution by providing them with a preferential opportunity to subscribe for newly issued shares for cash in proportion to their existing holdings.

8.4. Disclosure Regarding Dematerialization, Migration, and Holding of Securities

8.4.1. Mandatory Dematerialization Regime

Pursuant to applicable regulations, all securities are required to be held, transferred, and traded exclusively in dematerialized (electronic) form. This requirement applies to both the securities offered through Primary Issue and any existing physical share certificates currently held by shareholders. Physical certificates cannot be transferred, sold, or otherwise dealt with unless they are dematerialized.

8.4.2. Issuer-Side Migration to Central Securities Depository (CSD)

As part of the process to comply with electronic holding requirements, the Company will initiate the migration of eligible shareholdings to the Central Securities Depository (CSD). This migration involves the electronic registration of shareholdings with the depository on the issuer side.

Upon completion of this migration, shareholdings will be recorded in electronic form with the CSD.

In order to actively hold and transact in their securities, shareholders are required to open a securities trading account with a licensed broker/dealer and a corresponding CSD account. The process generally involves selecting a licensed broker, submitting the required identification and account opening documentation, and linking the shareholder's CSD account to the broker. Once this process is completed, shareholders may request the transfer (dematerialization) of their electronically recorded holdings into their active brokerage account.

Shareholders who have not yet completed this process will have their securities reflected in a non-trading (inactive) suspense account maintained by the CSD. While such holdings are electronically recorded, shareholders will not be able to transfer, pledge, trade, or otherwise deal with these securities until they complete the subsequent steps of opening a brokerage account and dematerializing the securities into that account.

8.4.3. Shareholder Obligation: Retention of a Licensed Broker/Dealer/Investment Bank

To gain full functionality over their securities, it is mandatory for each shareholder to retain the services of a licensed Broker or Dealer. Accordingly, every shareholder must open and maintain a brokerage account with a registered CSD Participant such as a broker or dealer registered with the CSD. The broker/dealer/Investment Bank acts as intermediary between the shareholder and the CSD for all transactions.

8.4.4. Dematerialization via Securities Deposit to Brokerage Account

Following the opening of a brokerage account with a licensed Broker or Dealer, shareholders must initiate the process of dematerializing their securities to transfer them from the issuer-side CSD record (or inactive account) into their active, tradable brokerage account.

The procedure is as follows:

1. Account Opening: The shareholder opens a brokerage account with a registered CSD Participant (broker/dealer/ Investment Bank).
2. Dematerialization Request: The shareholder submits a Dematerialization Request Form/Securities Deposit form to their broker/dealer/ Investment Bank, instructing the deposit of securities into their specific account.
3. Verification and Credit: The broker/dealer forwards the request to the Company's Registrar. Upon verification, the electronic holdings are credited from the issuer-side CSD record to the shareholder's active brokerage account.
4. Activation for Trading: Once credited to the active brokerage account, the securities become fully functional, allowing the shareholder to hold, transfer, pledge, or trade them freely.

8.4.5. Consequences of non-compliance

Shareholders who fail to complete these steps, specifically; those who do not open a brokerage account and dematerialize their holdings into that account, will face the following restrictions:

- a. Inability to Transfer: Securities remaining in the issuer-side inactive account cannot be sold, transferred, or pledged.
- b. Risk of Dormancy: holdings that remain unlinked to an active brokerage account for an extended period may be subject to further transfer restrictions.

c. Loss of Functionality: Shareholders will be unable to participate in certain corporate actions requiring active demat holdings.

8.4.6. Investor Responsibility

The Company and the CSD shall have no liability for delays, inability to transfer shares, or any other consequences arising from an investor's failure to:

- Open and maintain a brokerage account with a registered broker/dealer/ Investment Bank.
- Initiate the dematerialization of securities from the issuer-side CSD record into their active brokerage account.
- Respond to communications regarding the activation of their holdings.

8.5. Information on the tax treatment of the securities

As per the Income Tax proclamation No. 979/2016 and its amendment Proclamation No. 1395/2025, the following taxes may apply to holders of the offered securities:

Residents of Ethiopia who receive dividend income are subject to a 15% income tax on the gross amount of the dividend. Non-residents who earn Ethiopian-source dividends attributable to a permanent establishment in Ethiopia are also taxed at a rate of 15%.

However, dividend tax does not apply when a dividend is distributed to a permanent establishment in Ethiopia or to a resident company that is part of a group of companies. A "group of companies" refers to a structure in which a company directly or indirectly owns more than 50% of the shares of one or more companies.

Under Article 59 of the Income Tax Proclamation (as amended), individuals who realize a gain from the disposal of shares are required to pay a 15% income tax on that gain. The taxable gain is determined by subtracting the adjusted cost of the asset—indexed upward by 30% for inflation—from the consideration received for the disposal.

Additionally, under Article 64 of the Federal Income Tax Proclamation No. 979/2016, as amended, the Company may be subject to a further 15% income tax on net profits that remain undistributed and are not reinvested within twelve months after the fiscal year-end. Undistributed profits include amounts not distributed or reinvested within the required timeframe, as well as profits attributed to a permanent establishment in Ethiopia that are not remitted to a foreign head office. Until directives from the Ministry of Finance are issued, profits applied toward increasing the Company's capital or shareholders' equity are presumed to have been reinvested and are therefore not treated as undistributed profits.

8.6. Restrictions on the transferability of the securities

The securities that are registered will be freely transferable.

8.7. Public takeover bids

The Company has not received any public takeover bids by third parties in the last financial year ended FY2024/25 and to the period up to the date of this Prospectus.

8.8. Expenses of the Registration of Existing Ordinary Shares

The table below is the itemized list of the major categories of estimated expenses incurred in connection with the registration of the securities. These expenses are payable by the Issuer in full.

Table 77: Estimated Expenses of the Registration (ETB)

	Amount
Transaction Advisor	5,450,000.00
Legal Advisor	500,000
External Auditor	0
Securities registration fee payment to ECMA	4,300,000.00
Total estimated expenses of the Registration	10,250,000.00

8.9. Professional Parties

Set out below is a summary of the professional parties and experts who have been engaged by the Company in connection with this registration process.

Table 78: Professional Parties

Professional party	Role	Interest in the Issuer	Conflict of interest
i-Capital Institute PLC	Transaction Advisor	None	None
MALO Law Firm LLP	Legal Advisor	None	None
TAY Audit Service Limited Liability Partnership ("TASLLP")	External Auditor	None	None

i-Capital Institute PLC, the Transaction Advisor; MALO Law Firm LLP, the Legal Advisor; and TAY Audit Service Limited Liability Partnership ("TASLLP"), the External Auditor, have no interest in the Issuer and no conflict of interest in relation to their respective roles in the engagement.

The consent of each of the parties named above to act in their stated capacity has been obtained and has not been withdrawn prior to the publication of this Prospectus.

9. SECTION NINE – RISK FACTORS

Any investment in the Ordinary Shares involves a degree of risk. Prospective investors should carefully consider the risks described in this Section, together with all other information contained in this Prospectus, before making an investment decision.

The risks described below arise from the Company's insurance operations, portfolio composition, investment activities, operating environment, regulatory framework and the future trading of its Ordinary Shares. The risks are grouped according to their nature and, within each category, are presented in order of relative materiality, taking into account their probability of occurrence and potential negative impact on the Company.

9.1. Insurance Business and Underwriting Risks

9.1.1. Concentration in Motor Insurance Risk

The Company has a significant concentration in motor insurance. In FY2024/25, motor insurance accounted for approximately 51% of the Company's total premium portfolio, compared with 56% in FY2023/24, and remained the largest class of business within the Company's insurance portfolio.

This concentration exposes the Company to developments that particularly affect motor insurance, including increases in the frequency and severity of road traffic accidents, changes in compulsory motor insurance requirements, increases in vehicle repair and replacement costs, and increases in the prices of spare parts and labor.

The Company's motor insurance portfolio is also sensitive to inflation and foreign exchange movements because vehicle repairs frequently require imported spare parts and replacement components. During FY2024/25, increases in net claims incurred and net claims paid were attributable, among other factors, to inflation and increases in labor and spare-parts costs. The net claims ratio for the Company's non-life business was approximately 56% during the year.

Given the proportion of the Company's premium portfolio represented by motor insurance, a material increase in motor claim frequency, claim severity, repair costs, replacement costs or other adverse developments affecting the motor insurance market may have a disproportionate adverse effect on insurance service expenses, underwriting results and profitability.

9.1.2. Insurance Claims and Reserving Risk

The Company is exposed to the risk that the ultimate amount or timing of insurance claims may differ from the assumptions used in pricing insurance contracts and measuring insurance contract liabilities.

Insurance contract liabilities increased by approximately 31.3%, from ETB 3.25 billion as at June 30, 2024 to ETB 4.27 as at June 30, 2025. These balances exclude the separately presented Takaful and Retakaful liabilities.

The measurement of insurance contract liabilities requires estimates and actuarial assumptions relating to the ultimate cost of reported claims, claims incurred but not reported, future cash flows, discount rates, risk adjustments and other factors. The ultimate cost of a claim may not become certain until a significant

period after the occurrence of the insured event, particularly where claims are complex, disputed or reported after a delay.

Actual claims experience may differ materially from the assumptions used in measuring insurance contract liabilities. An increase in claim frequency or severity, claims inflation, delayed reporting of claims, adverse claim development, changes in settlement patterns, or errors in actuarial assumptions or underlying data may increase insurance contract liabilities and insurance service expenses and may adversely affect the Company's profitability, shareholders' equity and capital position.

9.1.3. Reinsurance Counterparty and Capacity Risk

Changes in the availability, pricing or terms of reinsurance capacity, and movements in the amount of insurance risk retained by the Company, have already affected the Company's results during the period covered by the financial information in this Prospectus, and may continue to do so in future periods.

The Company's Non-Life retention ratio declined from approximately 69% in FY2023/24 to approximately 64% in FY2024/25, reflecting an increase in the proportion of insurance risk ceded to reinsurers. Net expenses from reinsurance contracts held amounted to ETB 446.6 million in FY2024/25, compared with net income of ETB 51.1 million in FY2023/24, an adverse movement of ETB 497.7 million. Net expenses from Retakaful contracts held increased from ETB 9.8 million to ETB 23.3 million over the same period. As set out in Section 7.3, this movement in the reinsurance result was one of the principal items that offset the growth in the Company's Insurance Service Result during FY2024/25.

Should the availability, pricing or terms of reinsurance capacity change further, whether as a result of global or regional reinsurance market conditions, the Company's claims experience, or changes in reinsurer risk appetite, the Company may be required to retain a greater proportion of insurance risk than it currently does, which may increase the volatility of its underwriting results and further affect its reinsurance result in future periods.

Africa Re acts as the lead reinsurer on nine of the Company's treaty arrangements, spanning Fire, Marine Cargo, Engineering, Bonds, Professional Indemnity, Miscellaneous Accident, Horticulture, and the Motor and Fire/Engineering/Marine Excess of Loss programs. The Company's other reinsurance and retakaful counterparties include Ethiopian Reinsurance Share Company, Zep Re (PTA Reinsurance Company), Munich Reinsurance Company of Africa Ltd., East Africa Reinsurance Company Ltd., Afro Asian Insurance Service Ltd., Apex Reinsurance Broker, NASCO France and Fair Insurance & Reinsurance Broker, and the Company's placements are distributed among these counterparties as described in Section 2.11 of this Prospectus. Notwithstanding this distribution, Africa Re's position as lead reinsurer across a substantial number of the Company's treaty programs means that a deterioration in Africa Re's financial strength, or a change in its capacity or terms of participation, could disproportionately affect the Company's reinsurance protection compared with any single one of its other counterparties.

9.1.4. Competition and Pricing Risk

The Company operates in an insurance market characterized by increasing competition, including competition based on premium pricing. During FY2024/25, the Company's non-life written premiums increased by approximately 43%, while total non-life premiums in the Ethiopian insurance market increased by approximately 46%. The Company also experienced rate-based competition in its life insurance business during the period.

Competition based on premium pricing may place downward pressure on premium rates and underwriting margins. It may also result in loss of existing business, slower acquisition of new customers or lower growth in particular classes of insurance.

If premium rates do not adequately reflect the underlying insured risks and expected claim costs, the Company may experience higher loss ratios, reduced underwriting profitability and greater volatility in financial results. Increased competition may also reduce the Company's market share even where its absolute premium income continues to grow.

9.1.5. Takaful and Shar'ia Compliance Risk

The Company operates Salaam Takaful as a Takaful window. Takaful insurance revenue amounted to approximately ETB 100.5 million in FY2024/25, compared with ETB 56.2 million in FY2023/24.

The Takaful operation is required to conduct its underwriting, investment and fund-management activities in accordance with applicable Shariah principles and regulatory requirements.

Changes in Shar'ia interpretations, errors in the structuring or administration of Takaful products, or investments or transactions that are subsequently determined to be non-compliant may require affected income or transactions to be treated in accordance with applicable Shar'ia requirements.

A material Shar'ia non-compliance event may result in regulatory or licensing consequences, may reduce confidence among Takaful participants and prospective customers, may result in loss of business and may adversely affect the financial performance and reputation of the Takaful operation.

9.2. Macroeconomic and Political Risks

9.2.1. Inflation Risk

The Company is exposed to inflation through increases in insurance claim settlement costs and the cost of conducting its operations.

Inflation may increase the cost of vehicle spare parts, labor, medical services, construction materials and other goods and services required to repair or replace insured assets. The Company's FY2024/25 claims experience was affected by increases in labor and spare-parts costs associated with the prevailing inflationary environment.

Inflation may also reduce the real purchasing power of individual customers and increase operating costs for corporate customers. This may reduce demand for non-compulsory insurance products or affect the ability of customers to maintain insurance coverage.

Persistent inflation may therefore increase claim severity and insurance service expenses, may cause claim settlement costs to exceed assumptions reflected in premiums and insurance liabilities, and may adversely affect underwriting margins and profitability.

9.2.2. Foreign Exchange and Currency Depreciation Risk

The Company's foreign exchange exposure arises primarily through the cost of settling insurance claims involving imported goods, equipment, vehicle spare parts and replacement components. The Company does not have material direct exposure to foreign-currency-denominated monetary assets or liabilities.

This indirect exposure is particularly relevant to motor insurance, which represented approximately 51% of the Company's total premium portfolio in FY2024/25.

A depreciation of the Ethiopian Birr may increase the local-currency cost of imported spare parts and other imported items required to repair or replace insured assets. Foreign exchange volatility may therefore increase claim severity and may cause actual claim settlement costs to exceed the costs assumed when the relevant policies were priced.

Material or sustained depreciation of the Birr may increase insurance service expenses, may reduce underwriting margins and may adversely affect the Company's profitability and financial position.

9.2.3. Political and Security Risk

The Company conducts insurance activities through a physical distribution network in Addis Ababa and several regional markets. Outside Addis Ababa, the Company has its largest regional presence in Oromia with 20 branches, followed by SNNP with four branches and Amhara with three branches, with a smaller presence in other regions.

The Company is also exposed to political and security developments through its insured portfolio. Political Violence and Terrorism insurance represented approximately 14% of the Company's premium portfolio in FY2024/25.

Political unrest, armed conflict, civil disturbance, terrorism, restrictions on movement or deterioration in security conditions may interrupt branch and agent operations, may restrict access to customers, and may delay premium collection, claims assessment and claims settlement.

Political and security events may also result in damage to insured property and may increase claims under Political Violence and Terrorism, property, motor and other affected insurance classes. Such events may increase insurance service expenses and may adversely affect premium income, underwriting results, liquidity and profitability.

9.3. Financial and Investment Risks

9.3.1. Reciprocal Shareholding and Related-Party Exposure Risk

The Company has a material concentration within its equity investment portfolio. As at June 30, 2025, the Company held approximately ETB 2.73 billion in equity investments, of which approximately ETB 2.46 billion related to its investment in Awash Bank S.C. Accordingly, the investment in Awash Bank S.C. represented approximately 90% of the Company's equity investment portfolio and 22% of its total assets as at June 30, 2025.

Awash Bank S.C. is also a major institutional shareholder of the Company, while the Company is an influential shareholder of Awash Bank S.C., resulting in a reciprocal shareholding relationship between the two entities. The two entities also share a common brand and historical origin. Accordingly, the Company has a significant concentration of its assets in an entity with which it has a related-party relationship.

A deterioration in the financial condition or profitability of Awash Bank S.C., a reduction in dividends received from the investment, or an adverse change in the value of the investment may have a

disproportionate effect on the Company's investment income, shareholders' equity and overall financial position.

The Company also holds investments in unquoted equity securities. Changes in the value of such investments or limitations on their marketability may reduce their realizable value and may adversely affect the Company's investment portfolio and financial position.

9.3.2. Liquidity Risk

Liquidity risk may arise where the timing or amount of the Company's cash inflows does not correspond with the timing or amount of claims, insurance payables, operating expenses, capital expenditure and other financial obligations.

As at June 30, 2025, the Company recognized approximately ETB 4.27 billion in insurance contract liabilities, ETB 570.6 million in insurance payables and ETB 394.5 million in other liabilities.

A significant increase in claim payments, a concentration of large claims within a short period, delays in reinsurance recoveries, reduced premium collections, illiquidity of investments or significant capital expenditure requirements may increase demands on the Company's available liquidity.

A material liquidity shortfall may delay settlement of obligations, may require the Company to obtain additional financing or dispose of assets on unfavorable terms and may adversely affect profitability, financial condition and regulatory standing.

9.3.3. Capital Adequacy and Shareholder Dilution Risk

The Company is subject to minimum capital, solvency and other prudential requirements applicable to insurance companies. The Company's paid-up capital increased from approximately ETB 2.65 billion as at June 30, 2025 to ETB 3.38 billion as at February 2026.

Future increases in regulatory capital requirements, growth in insurance exposures, underwriting losses, adverse claims experience, impairment of material investments or other reductions in shareholders' equity may increase the amount of capital required by the Company.

The Company may be required to raise additional equity to meet future capital requirements. An additional issuance of shares may dilute the percentage ownership of existing shareholders who do not participate proportionately in the capital increase and may reduce earnings per share if earnings do not increase proportionately with the expanded capital base.

An inability to obtain sufficient additional capital when required may restrict underwriting capacity, business growth or dividend distributions and may result in regulatory or supervisory action.

9.4. Operational and Strategic Risks

9.4.1. Information Technology and Cybersecurity Risk

The Company depends on information technology and data-management systems for underwriting, policy administration, premium collection, claims processing, customer service, accounting, financial reporting and regulatory reporting. The Company also relies on banking, payment, telecommunications and other external infrastructure in connection with its operations.

System failures, prolonged outages, unauthorized access, malware, ransomware, cyberattacks, data breaches, telecommunications failures or disruptions affecting external payment infrastructure may interrupt the Company's operations and may delay policy issuance, premium collection, claims processing, customer service or access to customer and financial information.

A material information technology or cybersecurity incident may result in loss, corruption or unauthorized disclosure of information, financial loss, interruption of business activities, regulatory action, claims by affected parties and reputational damage.

9.4.2. Major Capital Project and Execution Risk

The Company is undertaking the construction of its new headquarters building in Addis Ababa. The principal construction contract has a value of approximately ETB 3.64 billion, making the project a significant capital commitment for the Company.

The project is exposed to contractor performance risk, construction delays, increases in labor and material costs, changes in design or technical specifications, regulatory requirements, supply-chain disruption and increases in the cost of imported construction inputs.

Material delays, variations or cost overruns may increase the Company's capital expenditure requirements, may reduce liquidity and funds available for other business or investment activities, may delay the intended use of the headquarters building and may adversely affect the Company's cash flows and financial position.

9.5. Regulatory, Legal and Financial Reporting Risks

9.5.1. Legal Proceedings Risk

The Company is exposed to legal and arbitral proceedings arising from its insurance operations, including disputes concerning the interpretation, scope and application of insurance coverage. Five material proceedings remain pending, with aggregate claimed or assessed amounts of approximately ETB 3.48 billion. These amounts represent claims and assessments against the Company and do not constitute an estimate of its ultimate liability.

The Company is a respondent in an arbitration proceeding brought by Ansif Construction and Heransif Construction concerning assets destroyed during the conflict in Northern Ethiopia. The claimants seek approximately ETB 2.75 billion under Political Violence and Terrorism insurance coverage. The interpretation and application of the relevant policy terms remain subject to the arbitration outcome. An adverse determination may result in payment obligations and legal costs.

The Company is also involved in an advance payment bond dispute before the Federal High Court in which the Ethiopian Roads Authority seeks approximately ETB 396.28 million in connection with Yencomad Construction. A separate proceeding involving Gemshu Beyene Construction, with a claim of approximately ETB 228.25 million, was closed after the court ruled that it lacked jurisdiction. Any subsequent proceedings concerning the underlying dispute may result in additional legal costs and payment obligations.

The pending tax proceedings comprise two dividend-tax appeals involving assessments of ETB 96.72 million and ETB 57.82 million, and a VAT appeal concerning ceding commission involving an assessment of ETB 178.16 million. Adverse outcomes may result in additional tax payments, interest, penalties and legal costs.

Amounts paid in connection with these appeals may not be recovered, and any recovery sought from affected shareholders may be delayed or incomplete.

In a separate VAT dispute decided in the Company's favor, the Company paid ETB 97.00 million and expects a refund of ETB 55.00 million. Recovery of the expected refund may be delayed or fall short of expectations, which may adversely affect liquidity. Two other dividend-tax cases, involving original assessments totaling ETB 143.67 million, have been settled and fully paid and are excluded from the aggregate for pending proceedings.

The outcome and timing of legal and arbitration proceedings are uncertain. Adverse judgments, arbitral awards or settlements may result in payment obligations, interest, legal costs and additional expenses. Payment obligations arising from several proceedings within the same period may place increased pressure on the Company's liquidity and capital resources.

Prolonged proceedings may also divert management time and adversely affect business relationships. Individually or collectively, these matters may adversely affect the Company's profitability, shareholders' equity, financial position and reputation.

9.5.2. Regulatory and Governance Risk

The Company operates in a regulated insurance and capital-market environment and is subject to requirements relating to insurance operations, capital, solvency, governance, financial reporting and securities-market disclosure.

Article 5.1.2.1 of NBE Directive No. SIB/63/2026, "Requirements for Persons with Significant Influence in an Insurance Company," requires an insurance company to have three independent directors. The Directive became effective on March 26, 2026, after the Company elected its current Board. As disclosed in Section Four of this Prospectus, none of the current Board members qualifies as an independent director, and the current Board composition does not currently reflect this requirement. The Company understands that the requirement is to be considered in connection with the election of the next Board, and there is no current indication of any punitive or enforcement action by the NBE in respect of the existing Board composition.

Accordingly, the current governance position should be viewed as a matter to be addressed as part of the Company's next Board election and succession planning. The Company may need to consider the appointment of qualified independent directors at that time to align its Board composition with the applicable regulatory requirements. This may affect the composition of the Board and its committees and may require appropriate planning to ensure an orderly transition and continued effective governance.

More generally, changes in applicable laws, directives, prudential requirements or supervisory expectations may require changes to the Company's capital structure, governance arrangements, systems, reporting processes or business activities and may increase compliance and operating costs.

Failure to comply with applicable insurance, governance, prudential or capital-market requirements may result in administrative or supervisory action, financial penalties, restrictions on business activities and reputational damage.

9.5.3. IFRS 17 Measurement and Financial Reporting Risk

The Company applies IFRS 17 to the recognition, measurement, presentation and disclosure of its insurance and reinsurance contracts.

Application of IFRS 17 requires significant actuarial and accounting judgments and estimates, including estimates relating to future cash flows, claims incurred but not reported, discount rates, risk adjustments and insurance contract liabilities.

Changes in actuarial assumptions, claims experience, discount rates, risk adjustments or other estimates may result in material changes in insurance contract liabilities, insurance service results, shareholders' equity and reported profitability.

Errors in actuarial models, underlying data, contract classification, accounting judgments or the application of IFRS 17 may result in misstatements or subsequent adjustments to the Company's financial statements and may result in regulatory scrutiny, reduced investor confidence and adverse effects on the reported financial position and performance of the Company.

9.6. Risks Related to the Ordinary Shares

9.6.1. Future Share Price and Par Value Risk

The Ordinary Shares have a par value of ETB 500 per share. The par value represents the nominal value assigned to each Ordinary Share and does not represent or guarantee the price at which the Ordinary Shares may trade following admission to the secondary market.

The future trading price of the Ordinary Shares may be higher or lower than their par value and may fluctuate materially. The trading price may be affected by the Company's financial performance, profitability, claims experience, investment performance, dividend expectations, regulatory developments, macroeconomic conditions, trading liquidity, investor demand and general market sentiment.

An investor may therefore be unable to sell the Ordinary Shares at a price equal to or greater than their par value or the price at which the investor acquired the shares.

9.6.2. Liquidity Risk in the Ordinary Shares

The Ordinary Shares do not have an established history of trading in a public secondary market.

An active or liquid secondary market for the Ordinary Shares may not develop or, if developed, may not be sustained. A limited number of buyers and sellers, infrequent transactions or low trading volumes may make it difficult for shareholders to sell their Ordinary Shares at the desired time or price.

A shareholder seeking to sell a significant number of Ordinary Shares may be required to accept a lower price, and individual transactions may result in material movements in the prevailing trading price.

Limited liquidity may also reduce price transparency and may increase the difference between prices at which buyers are willing to purchase and sellers are willing to sell the Ordinary Shares.

9.6.3. Main Market Trading and Market Infrastructure Risk

The Company intends to seek admission of the Ordinary Shares to the Main Market of the Ethiopian Securities Exchange following registration of the Ordinary Shares and satisfaction of the applicable admission requirements.

Trading in the Ordinary Shares may depend on the availability and effective operation of trading systems, securities accounts, central securities depository arrangements, licensed market intermediaries, clearing and settlement processes and other capital-market infrastructure.

Technical interruptions, settlement failures, delays in admission, operational difficulties, changes in applicable market requirements or limited market participation may delay or disrupt trading and settlement of transactions in the Ordinary Shares.

Such events may reduce liquidity, may affect price discovery and may adversely affect the ability of shareholders to purchase, sell or transfer their Ordinary Shares at the desired time or price.

10. SECTION TEN – OTHER RELATED MATTERS

10.1. Trading Arrangements

Upon approval of the registration statement by the ECMA, the Company will proceed with the dematerialization of its Ordinary Shares through the CSD and apply for admission of the shares to the Main Board of the Ethiopian Securities Exchange (“ESX”). Admission to trading is subject to approval by the ESX and satisfaction of the applicable listing and admission requirements and does not arise automatically from ECMA registration.

The earliest expected date of admission to trading cannot presently be determined, as the timing will depend on completion of the dematerialization process and the applicable ESX application, review, approval and admission procedures, including satisfaction of any conditions imposed by the ESX. These processes and their completion timelines are not within the Company’s sole control. Accordingly, the Company is unable to specify an earliest admission date or a definitive period for completion at the date of this Prospectus.

10.2. Documents Made Available to the Public

This Prospectus and the accompanying documents listed below are available to the public on the Issuer's website, <https://awashinsurance.com/>

1. A certified copy of the Issuer's Memorandum of Association.
2. A certified copy of the Issuer's Articles of Association.
3. Certified copies of the Issuer’s business licenses, including;
 - i. Commercial registration certificate;
 - ii. license for insurance business
4. Copies of the Issuer’s tax documents, which include;
 - i. Taxpayer registration certificate;
 - ii. Value Added Tax (“VAT”) certificate; and
 - iii. Tax clearance certificate
5. NBE’s “No Objection” letter.
6. Evidence of payment remittance related to the registration as prescribed by the Authority’s Fee Directive;
7. List of branches of the Issuer including contact addresses
8. Written consents of Advisors

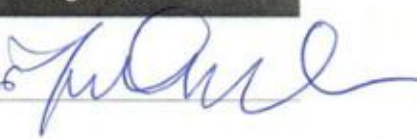
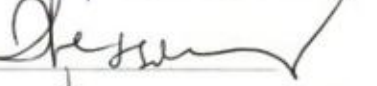
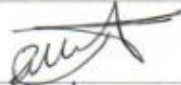
- i. Transaction Advisor;
 - ii. Legal advisor;
 - iii. External Auditors;
- 9. Schedule of pending claims and litigations;
- 10. Schedule of material contracts outside of the ordinary course of business;
- 11. Summaries of agreements with the Transaction Advisor and other professional parties related to the Offer.
- 12. Copies of the Issuer's annual reports for the preceding three financial years, including the audited financial statements.
- 13. Certified copy containing details of the Board;
- 14. Schedule of major expenses of the offer;
- 15. Undertaking of the Transaction Advisor;
- 16. External Independent Legal Opinion
- 17. Approval-in-Principle Letter from the ESX
- 18. Clarification from the External Auditor covering:
 - i. The arithmetic error relating to finance costs in the Statement of Profit or Loss for FY2024/25.
 - ii. The discrepancy in cash and cash equivalents balances.
 - iii. The percentage shareholding in Addis International CEC Investment.

Hard copies of the accompanying documents will be available for inspection at Awash Insurance S.C.'s office located at Ras Abebe Aregay Street, Awash Towers, Addis Ababa, Ethiopia, on business days, Monday through Friday, from 8:00 a.m. to 5:00 p.m. The documents will remain available for inspection for a period of ten (10) years from the date of this Prospectus.

11. SECTION ELEVEN – APPROVAL OF THE PROSPECTUS

Approval of this Prospectus has been given by the members of the Board of Directors, and the Chief Executive Officer and Chief Finance Officer, on September 29, 2025.

Table 79: Approval of the Prospectus

Name	Position	Date	Signature
Mr. Tadesse Gameda Denta	Chairperson	29/09/2025	
Mr. Daniel Tewodros Limeneh	Vice Chairman		
Dr. Meti Wole Gurmu	Director	29/09/2025	
Mrs. Gifty Yoseph Hailemariam	Director	29/09/2025	
Mr. Desalegn Tolera Jaleta	Director	29/09/2025	
Mr. Tesfaye Gemechu Mideksa	Director	29/09/2025	
Oda S.C. (represented by Gadisa Abera Bedada)	Director	29-09-2025	
Mr. Lencho German Amente	Director	29/09/2025	
Mr. Jibat Alemneh Faji	Chief Executive Officer	29-09-2025	
Mr. Adane Seyoum Haile	Chief Finance Officer	29-09-2025	

ANNEX 1 – BRANCHES

S.N.	Branch / Contact Office	Address / Location	Telephone	Email
1	Bole Premium Branch	Bole Road, Abyssinia Real Estate Building, 1st Floor	+251 97 822 2228; +251 011 661 44 19; +251 011 661 44 20; +251 011 661 44 70	belele_g@awashinsurance.com
2	Addis Ababa Main Branch	Eliana Mall, upper edge of Churchill Road	+251 911 69 05 71; +251 011 126 39 11; +251 011 156 00 97; +251 011 126 28 17	aman_a@awashinsurance.com
3	Finfinnee Premium Branch	Awash Towers	+251 913 06 21 55; +251 11 557 02 81; +251 11 557 02 59; +251 11 557 02 80	melaku_h@awashinsurance.com
4	Gofa Matoria Branch	Gofa Matoria, Nefas Silk Lafto Sub-City, Kebele 09	+251 911 41 66 79; +251 011 466 12 68; +251 011 466 12 67	betelhem_g@awashinsurance.com
5	Hayahulet Matoria Branch	Hayahulet Matoria, Bata Complex Building	+251 912 48 07 48; +251 011 62 57 50; +251 011 662 57 50; +251 011 662 57 51	amenu_t@awashinsurance.com
6	Markato Branch	Center of Merkato, Antsebaraki Kokeb Building	+251 011 277 63 23; +251 011 276 15 77; +251 911 11 26 46	nathnael_w@awashinsurance.com
7	Nifas Silk Branch	Nefas Silk, T/Haimanot Building	+251 911 37 88 93; +251 11 443 12 91; +251 11 442 15 25; +251 11 442 14 08	tewodros_y@awashinsurance.com
8	Wollo Sefer Branch	WolloS efer, Ethio-Chinese Friendship Avenue, Tebaber Berta Building	+251 91 272 9191; +251 (0) 115 52 60 91; +251 (0) 115 52 60 50	zerihun_g@awashinsurance.com
9	Teklehaimanot Branch	Teklehaimanot, Leyla Building	+251 913 00 60 03; +251 11 277 30 82; +251 11 277 30 83	mebuba_h@awashinsurance.com
10	Gerji Branch	Gerji, Mebrat Hail Area, Taxi Terminal	+251 91 140 2845; +251 (0) 116 47 66 46; +251 (0) 116 51 65 90	kalkidan_a@awashinsurance.com
11	Kolfe Branch	Sefere Selam, Rimo Building	+251 910 72 13 92; +251 112 78 41 01; +251 112 78 41 00	sasahulish_h@awashinsurance.com
12	Lideta Main Branch	Awash Bank Balcha Aba Nefso Building	+251 911 69 21 53; +251 011 554 23 99; +251 (0) 115 54 24 00	bethlehem_te@awashinsurance.com
13	Central Markato Branch	Addis Ababa Commercial Center Building, 3rd Floor	+251 (0) 112 13 49 23; +251 (0) 112 75 86 33; +251 0913 10 20 47	chala_a@awashinsurance.com
14	Gotera Branch	Gotera Area, Balcare Building, adjacent to Nations and Nationalities Square	+251 911 47 88 48; +251 114 66 33 37; +251 114 66 33 38	sosina_l@awashinsurance.com
15	Piazza Branch	Wastina Yenigid Maekel Building, 1st Floor	+251 98 048 2725; +251 11 111 8277; +251 111 11 8276	ebise_d@awashinsurance.com
16	Gullale Branch	Around Ras Desta Hospital	+251 933 97 19 62; +251 111 26 33 49; +251 112 78 74 00	midhagsa_d@awashinsurance.com

17	Kazanchis Branch	Kazanchis Area, premises of Ellily Hotel	+251 922 82 33 15; +251 11 550 98 65; +251 11 558 51 86	taye_t@awashinsurance.com
18	Dil Gebeya Branch	In front of Adot Complex, Bistrate Gebriel / Victory Shop Area	+251 922 43 14 33; +251 113 20 41 84; +251 113 20 41 83	nahili_t@awashinsurance.com
19	Shagar Branch	Bole Medhanealem Area, Helzer Tower, in front of Sheger Building	+251 915 55 90 65; +251 11 667 00 27; +251 11 667 00 26	lidya_a@awashinsurance.com
20	Sebategna Akababi Branch	Alula Aba Nega Tower, around Abinet Roundabout	+251 910 03 16 62; +251 11 276 01 72; +251 11 276 00 41	tewoderos_s@awashinsurance.com
21	Kaliti Branch	Kality, in front of Kality Revenue & Customs Authority, Selam Building	+251 9 20 58 32 67; +251 11 442 20 23; +251 11 442 20 13	sisay_b@awashinsurance.com
22	Sarbet Branch	Gidey Gebrehiwot Building, opposite International Evangelical Church	+251 11 320 04 02; +251 912 19 55 42	mekasha_b@awashinsurance.com
23	Birbirs Branch	Addisu Gebeya	+251 911 52 57 53; +251 111 26 46 11; +251 111 26 46 09	lamesa_b@awashinsurance.com
24	Megenagna Branch	Yeka Sub-City, Woreda 08, Zefmesh Grand Mall	+251 911 40 35 27; +251 11 667 45 33; +251 11 667 45 16	kassa_b@awashinsurance.com
25	CMC Branch	Bole Sub-City, Woreda 08, Setit Building	+251 911 46 39 13; +251 11 667 63 22; +251 11 667 61 26	mahlet_l@awashinsurance.com
26	Oda Branch	Urael Area, Awash Insurance Life Building	+251 913 72 16 07; +251 11 554 86 86; +251 11 554 20 41	meron_b@awashinsurance.com
27	Lebu Branch	Lebu Area	+251 910 08 15 39; +251 114 71 35 37; +251 114 71 33 58	obsinan_m@awashinsurance.com
28	Debela Gutema Branch	Gulale M/Alem High School Area	+251 917 08 23 75; +251 112 73 73 42; +251 112 73 70 58	bekan_t@awashinsurance.com
29	Agamsaa Branch	In front of Jabulani Building	+251 926 84 57 18; +251 112 73 56 75; +251 112 73 55 26	misrak_m@awashinsurance.com
30	Life and Health Grand Main Branch	Urael Area, Awash Insurance Life Building	+251 911 30 32 04; +251 115 57 02 42; +251 115 57 02 66	biniam_g@awashinsurance.com
31	Bethel Branch	Addis Ababa, Bethel Area	+251 921 01 85 89; +251 113 69 73 66; +251 113 69 76 65	melese_d@awashinsurance.com
32	DAfriq Branch	Addis Ababa, Mexico, Tadesse Tefera Building	+251 932 855 991; +251 11 558 80 32; +251 11 558 79 80	alemnesh_t@awashinsurance.com
33	Tsegaye Kems Branch	Lemi Kura Sub-City, Woreda 08, Awash Insurance Building	+251 912 05 50 74; +251 11 668 80 25; +251 11 668 85 08	mekdelawit_g@awashinsurance.com

34	Adama Branch	Adama Town	+251 912 93 92 49; +251 (0) 221 12 12 82; +251 (0) 221 11 12 15	retta_j@awashinsurance.com
35	Dire Dawa Branch	Dire Dawa Town	+251 923 18 46 83; +251 251 11 81 65	abdi_y@awashinsurance.com
36	Nakamte Branch	Nakamte Town	+251 910 00 56 48; +251 (0) 576 61 85 13; +251 (0) 576 61 32 03	diriba_b@awashinsurance.com
37	Shashamane Branch	Shashamane Town	+251 920 07 08 23; +251 461 10 36 78; +251 461 10 36 79	tahir_a@awashinsurance.com
38	Dilla Branch	Dilla Town	+251 916 17 01 55; +251 (0) 463 31 09 10; +251 (0) 463 31 24 50	amanuel_h@awashinsurance.com
39	Ghimbie Branch	Ghimbie Town	+251 924 99 69 16; +251 577 71 10 22; +251 577 71 06 57	dawit_m@awashinsurance.com
40	Jimma Branch	Jimma Town	+251 934 07 48 98; +251 (0) 471 11 94 12; +251 (0) 471 11 21 96	gemechu_s@awashinsurance.com
41	Mekelle Branch	Mekelle Town	+251 914 01 25 88; +251 (0) 344 40 27 69; +251 (0) 344 40 27 61	kidane_a@awashinsurance.com
42	Bishoftu Branch	Bishoftu Town	+251 911 73 54 83; +251 (0) 114 33 62 63; +251 (0) 114 33 62 62	alemtsehay_g@awashinsurance.com
43	Ambo Branch	Ambo Town	+251 912 89 19 65; +251 (0) 112 36 25 58; +251 (0) 112 36 27 58	gabisa_l@awashinsurance.com
44	Hawassa Branch	Hawassa Town	+251 916 86 31 11; +251 (0) 462 21 42 18; +251 (0) 462 21 20 28	teshome_d@awashinsurance.com
45	Bahir Dar Branch	Bahir Dar Town	+251 918 70 32 72; +251 582 20 81 97; +251 582 20 82 24	adebabay_m@awashinsurance.com
46	Dessie Branch	Dessie Town	+251 935 44 51 44; +251 (0) 333 12 50 54; +251 (0) 333 12 70 73	abdu_m@awashinsurance.com
47	Alemgena Branch	Alemgena Town	+251 911 99 69 10; +251 (0) 113 679137; +251 (0) 113 679094	negaso_d@awashinsurance.com
48	Walisoo Branch	Walisoo Town	+251 923 38 88 18; +251 (0) 113 66 45 05; +251 (0) 113 66 44 35	ararsa_t@awashinsurance.com
49	Bule Hora Branch	Bule Hora Town	+251 913 44 12 21; +251 (0) 464 43 10 52; +251 (0) 464 43 10 53	jemal_a@awashinsurance.com
50	Arba Minch Branch	Arba Minch Town	+251 913 18 73 32; +251 (0) 461 81 97 10; +251 (0) 461 81 48 76	asmamaw_d@awashinsurance.com
51	Chiro Branch	Chiro Town	+251 943 78 29 65; +251 25 551 3010; +251 25 551 3621	getahun_t@awashinsurance.com
52	Bale Robe Branch	Bale Robe Town	+251 932 14 15 93; +251 222 44 37 47; +251 222 44 69 24	gutema_t@awashinsurance.com
53	Laga Tafo Branch	Laga Tafo Town	+251 936 72 79 99; +251 011 668 21 47; +251 011 668 21 48	ayeley_a@awashinsurance.com
54	Debre Birhan Branch	Debre Birhan Town	+251 902 517 171; +251 116 37 64 18; +251 11 637 65 04	simon_g@awashinsurance.com
55	Gafarsa Nonno Branch	Shaqqa Mall, Burayu	+251 911 76 10 27; +251 011 232 02 10; +251 011 232 00 29	hawi_d@awashinsurance.com
56	Garba Guracha Branch	Garba Guracha Town	+251 92 681 0976; +251 (0) 111 31 19 89; +251 (0) 111 31 19 56	moges_f@awashinsurance.com
57	Assela Branch	Asella Town	+251 921 33 63 91; +251 (0) 223 31 81 47; +251 (0) 118 78 75 74	abebe_n@awashinsurance.com
58	Jigjiga Branch	Jigjiga Town	+251 913 527 453; +251 0252 78 57 12; +251 0252 78 57 80	remedan_m@awashinsurance.com

59	Mettu Branch	Mettu Town	+251 91 792 1064; +251 047 141 63 61; +251 047 141 76 4	muluken_w@awashinsurance.com
60	Ayer Tena Branch	Addis Ababa, Zewuditu Building, next to Sami Cafe & Restaurant	+251 911 78 62 92; +251 (0) 113 69 44 87; +251 (0) 113 69 44 85	anchale_b@awashinsurance.com
61	Sallo Gora Branch	Addis Ababa, Salo Gora Akababi	+251 913 69 56 15; +251 011 471 5600; +251 011 471 54 35	abebe_k@awashinsurance.com
62	Modjo Branch	Modjo Town	+251 920 07 40 20; +251 022 236 93 42; +251 022 236 21 69	belay_m@awashinsurance.com
63	Harar Branch	Harar Town	+251 901 35 76 23; +251 025 659 03 56; +251 025 659 05 25	selam_t@awashinsurance.com
64	Furi Branch	Shagar City	+251 90 111 34 55; +251 11 380 37 00; +251 11 380 34 42	gemechis_d@awashinshurance.com
65	Wolaita Sodo Branch	Wolaita Sodo	+251 941 07 90 21; +251 46 180 79 85; +251 46 180 95 27	eshetu_e@awashinsurance.com
66	Arat Kilo Branch	Addis Ababa	+251 91 218 5569; +251 11 126 46 32; +251 11 126 48 02	fikremariam_y@awashinsurance.com
67	Bole Bulbula Contact Office	Addis Ababa	+251 912 048 159	dawi_s@awashinsurance.com
68	MizanTeferi Branch	MizanTeferi	+251 471 358 206; +251 917 153 703	asmare_h@awashinsurance.com
69	Hossana Branch	Hossana	+251 222 369 342; +251 930 186 709	henok_n@awashinsurance.com
70	Finfinne Life and Health Branch	Awash Towers	+25 1115570250; +251 920 569 576	melat_a@awashinsurance.com
71	Semera Branch	Semera	+251 91 777 0324	-
72	Bokkuu Contact Office	Adama	+251 910 26 55 38	girma_a@awashinsurance.com
73	Lemi Kura Contact Office	Addis Ababa City, Lemi Kura Sub-City	+251 929 215 503	tadesa_k@awashinsurance.com
74	Asosa Branch	Asosa	+251 919 544 222	gamachu_d@awashinsurance.com



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