

Annual Report & Accounts

Antares Reinsurance Company Limited

For the financial year ending 31 December
2025

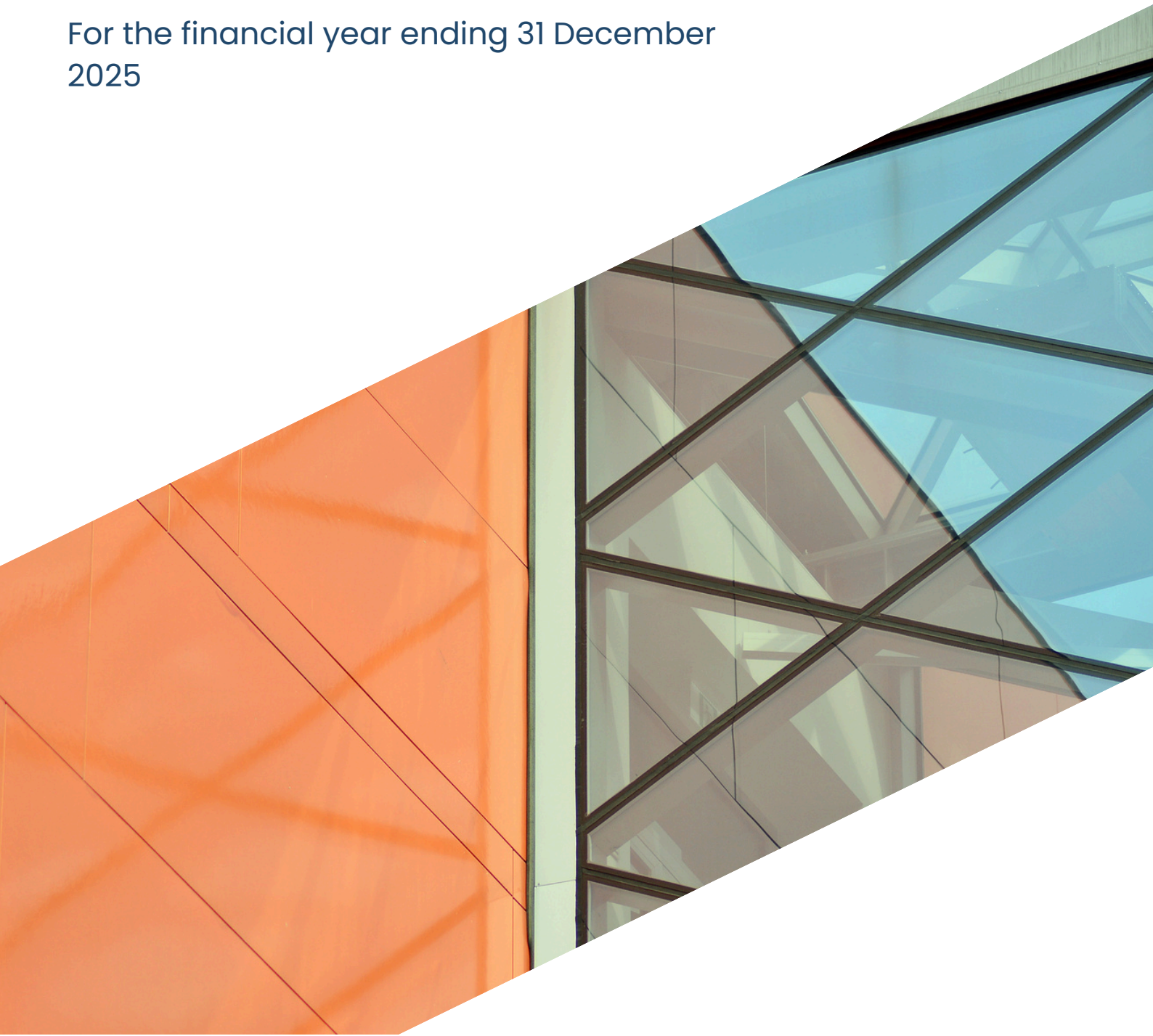


Table of Contents

Company Information	3
Directors' Report	4
Directors' Responsibilities Statement	12
Independent auditor's report to Antares Reinsurance Company Limited	13
Statement of Comprehensive Income	16
Statement of Financial Position - Assets.....	19
Statement of Financial Position – Liabilities	20
Statement of Changes in Equity	21
Notes to the Annual Accounts.....	22

Company Information

Directors

Executive Directors

Michael P. van der Straaten

Philip Smith

Independent Non-Executive Directors

William Malloy

George A. Prescott

Michael Frith

Non-Executive Directors

Mark Graham

Secretary

Danielle Williams

Registered Office

71 Pitts Bay Road
Pembroke HM 08
Bermuda

Registered Number

Bermuda Registrar of Companies - 50896

Registered Auditor

KPMG LLP
15 Canada Square
London, E14 5GL

Directors' Report

The Directors present their annual report, together with the audited financial statements for the year ended 31 December 2025.

Principal Activity

Antares Reinsurance Company Limited (the "Company"), formerly known as Qatar Reinsurance Company Limited, is primarily engaged in the business of reinsurance and was authorised as a Class 4 insurer by the Bermuda Monetary Authority ("BMA") on 24 November 2015.

The Company was originally incorporated on 6 December 2009 in the Qatar Financial Centre ("QFC") in Doha, Qatar under the name of "Q-Re LLC" and with Registration Number 00117. The Company subsequently changed its name to Qatar Reinsurance Company LLC on 18 February 2014. On 24 November 2015, the Company completed the transfer of its seat of incorporation from the QFC to Bermuda and was incorporated in Bermuda under the name of Qatar Reinsurance Company Limited as an exempted company with limited liability and with registration number 50896.

On 26 January 2018 the address of the registered office of the Company changed from Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, to 71 Pitts Bay Road, Pembroke HM 08, Bermuda, which is also the address of the Company's head office.

On 14 October 2022 to unify the Company and its subsidiaries ("collectively "the Group") under a consistent brand that reflects the international nature of the operations, the Company changed its name from Qatar Reinsurance Company Limited to Antares Reinsurance Company Limited.

As at 31 December, the Company remained wholly owned by a single shareholder - QIC Capital LLC ("QICC") – a limited liability holding company incorporated in the QFC. QICC is a wholly owned subsidiary of Qatar Insurance Company Q.S.P.C. ("QIC"), a Qatar Shareholding Company listed on the Qatar Stock Exchange and the ultimate parent of the QIC group of companies. On 1 January 2026 QICC undertook an internal reorganisation to bring all Antares group related companies under common ownership. QIC Antares Holding Limited was incorporated in Bermuda in 2025 and on 1 January 2026, QICC transferred its investment in the Company to this new holding company by way of a capital contribution. This transaction had no impact on the consolidated net assets or results of the Group, as it represented a reorganisation of entities under common control.

The Company operates from its head office in Bermuda and its branch offices established in Switzerland and United Kingdom.

These consolidated financial statements incorporate the financial information of the Company and its subsidiaries, all of which have 31 December as their financial year end.

Subsidiaries

On 25 July 2018, the Company completed the acquisition of 100% of the share capital of the Markerstudy Group's Gibraltar-based insurance companies, namely: Markerstudy Insurance Company Limited ("MICL"); Zenith Insurance PLC; St. Julians Insurance Company Limited ("SJICL") and Ultimate Insurance Company. At the time the Gibraltar-based insurance companies underwrote more than 5% of the UK motor insurance market. SJICL was no longer authorised to enter into new contracts of insurance or renew existing contracts of insurance with effect from 1 January 2018. From the beginning of 2018, SJICL ceased writing all new and renewal business. Ultimate Insurance Company was placed into runoff and has been de-registered with the insurance regulator in Gibraltar. On 23 November 2021, Zenith Insurance PLC changed its name to West Bay Insurance PLC ("West Bay").

In October 2022, the Group had decided to sell the two Gibraltar based subsidiaries West Bay and MICL to an institutional buyer. During 2024, based on agreement between the parties, it was agreed that the sale would not progress.

From the beginning of 2022 MICL ceased writing all new and renewal business and it was formally placed into run-off on 19 August 2022. From the beginning of 2024, West Bay ceased writing all new and renewal business. The Board of West Bay has taken the decision to cease trading and West Bay was put into formal run-off with effect 31 March 2025. The focus for the two subsidiaries, which both underwrote UK motor insurance, is now on settling insurance claims in an orderly manner, as run-off entities.

Directors' Report (continued)

On 1 September 2018, the Company acquired 100% of the share capital of QIC Europe Limited ("QEL"). QEL is a limited liability company incorporated in Malta and is authorised by the Malta Financial Services Authority to conduct insurance and reinsurance business in a number of classes of business. Prior to this acquisition QEL was a wholly owned subsidiary of QIC and as such was considered a related party to the Company through common ownership.

QEL wrote insurance and reinsurance business throughout the European Economic Area (the "EEA"), with a large portion of its book of business written in the United Kingdom (the "UK"). The UK exited the European Union (the "EU") on 31 January 2020. As a result, after 31 December 2020 QEL were no longer able to rely on EU passporting

rights to operate in the UK and were required to obtain a Part 4A permission from the Prudential Regulation Authority (the "PRA") and the Financial Conduct Authority (the "FCA") to continue operating in the UK.

To avoid any disruption to business, the UK regulator implemented a Temporary Permissions Regime ("TPR"), which came into effect on 1 January 2021. This TPR allowed EEA firms currently operating in the UK (such as QEL) to temporarily continue operating and servicing UK contracts with minimal disruption while they apply for and/or wait for the regulators to evaluate and approve their applications for a third country branch.

Following the expiry of the UK TPR on 31 December 2023, QEL was no longer permitted to write any business in the UK. Antares Global group established a new UK insurance company in the UK to underwrite this UK business.

The Company continues to explore a potential sale of the QEL business to a prospective buyer with a credible business plan based on premium growth. Refer to the strategy section of this Directors' report for the future development of QEL.

Results of Business

The Group has presented its results under FRS 102. The Group's results during the year can be summarized as follows:

	2025	2024
	\$'000	\$'000
Profit before tax	3,344	53,326
(Loss) / Profit after tax for the Financial Year	(621)	64,673
Other comprehensive Income / (Loss)	67,114	(13,166)
Total comprehensive Profit for the Financial Year	66,493	51,507

The Group result was a profit before tax of \$3.3m (2024: profit before tax of \$53.3m), and a loss after tax of \$0.6m (2024: profit of \$64.7m). The result for 2025 was largely impacted by the establishment of an impairment provision of USD 18.1m included in the balances due from intermediaries in respect of premium debtors due from a single insured party (see Note 9).

Other comprehensive income for 2025 was \$67.1m (2024: other comprehensive loss of \$13.2m) driven by increases in the fair value of investments under IFRS 9, and foreign currency translation gains on foreign operations. Total comprehensive profit for the year was \$66.5m (2024: profit of \$51.5m). As a result, the equity for the Group has remained strong and has grown from \$1,114.3m at the end of 2024 to \$1,180.8m at the end of 2025.

Dividend

The Directors do not recommend the payment of a dividend for the period ended 31 December 2025 (2024: \$nil).

Directors' Report (continued)

Going Concern

Financial and regulatory aspect

The directors have assessed going concern from both financial and regulatory aspects.

The Board has observed the need for improving underwriting profitability. The Board has also recognised that the Company has the backing of 'A-' rated shareholders with a clear intent of improving the capital position of the Company along with income performance.

The Company's ultimate parent, Qatar Insurance Company QSPC, has confirmed in writing its commitment to continue providing financial support to the Company for at least a period of 12 months from the date of approval of the Company's financial statements so as to enable the Company to meet its liabilities as and when they fall due and to adequately meet the regulatory solvency capital requirement.

As part of the going concern assessment, the Board reviewed the Company's projections for the next three years from the signing of these financial statements, including cash flow forecasts and stress tested these forecasts under a range of scenarios. The stress testing also considered the impact on regulatory capital requirements and solvency.

Forecasts and budgets

Budgets have been prepared for a period of three years following the date of the financial statements. Financial projections and underlying assumptions have been set out in the Company's Group Solvency Self-Assessment (GSSA) document.

A list of assumptions has been developed that underlie the forecasts, with particular emphasis on:

- mix of business;
- premium volume and rate movements;
- expected claims levels;
- administrative costs; and
- working capital requirements.

Key profitability drivers will be the Company's focus on pricing and profitable sourcing of business in the future.

Cash Flow Forecasts

Forecast cash flows have been prepared and analysed in light of available facilities for a period of twelve months in order to ensure that adequate funds are available to meet financial commitments in future as and when they arise.

Approach to risk management

The internal control framework of the Company seeks to mitigate risks, protect policyholders, and limit the likelihood of losses or other adverse outcomes, as well as providing a framework for the overall management and oversight of the business. Key controls are captured within the risk register and assessed as part of the risk and control assessment process.

Conclusion on going concern

After making enquiries of management and considering the actions taken by the Company, the current financial and solvency positions for the Company, and the latest forecasts and in particular those for the three-year period following the date of signing the financial statements, the Board is satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. Moreover, the Company's ultimate parent QIC, has

Directors' Report (continued)

confirmed in writing its commitment to continue providing financial support to the Company for at least 12 months from the date of approval of the financial statements.

For these reasons, the Board continues to adopt the going concern basis in preparing these financial statements.

Solvency and Liquidity

The Group is regulated by the Bermuda Monetary Authority ("BMA") as group supervisor. QEL is regulated by the Malta Financial Services Authority (MFSA) and the Gibraltar companies are regulated by the Gibraltar Financial Services Commission (GFSC).

The Group is required by the BMA to hold available consolidated statutory capital and surplus of an amount that is equal to or exceeds the Enhanced Capital Requirement ("ECR"). The ECR is the higher of the Bermuda Solvency Capital Requirement ("BSCR") (the BMA standard formula capital requirement) and the Minimum Margin of Solvency ("MSM"). The BSCR forms part of the regulatory regime that has achieved equivalence with Europe's Solvency II.

The Group maintains a very strong ECR Ratio which stands at approximately 345% at year-end (unaudited) which is well above the 140% tolerance level (see Note 18).

Strategy

The Group's strategic objectives continue to be driven by our firm commitment to our core principles:

- Sustainable growth with focus on Underwriting Excellence and Claims Expertise
- Reduce our Expense Ratio
- Capital Management
- Employee engagement
- Managed Runoff

Antares Reinsurance Company Limited (Antares Re)

Following substantial re-underwriting of the in force book in prior years which focused on contracts containing Catastrophe elements and increasing attachment points in Property, as it moved away from smaller and more volatile programs on regional books to focus on larger national carriers with significantly higher retentions; Antares Re is now following a growth strategy, aiming to identify and grow profitable areas while reducing volatility through diversification and making use of existing structure and capabilities, while continuing to develop underwriting and claims expertise.

Examples of how Antares Re will achieve the growth strategy:

- Target growth to exploit the huge potential from operational gearing:
 - Potential to increase market share as Antares Re is a comparably small business in the Bermuda market
 - Identify and grow profitable areas of the portfolio while reducing volatility through diversification
- Grow the Reinsurance book with the support of third-party capital to:
 - Support opportunities with bigger commitments
 - Generate growth through underwriting
 - Build long term strategic relationships
 - Develop potential to reduce retro spend
- Increase collaboration with QIC regionally to develop new markets
- Reduce expense ratio by removing complexity, improving systems, processes and automation

The change in approach and risk appetite is reflected in the current Underwriting Guidelines and Underwriting Policy, that are reviewed and approved by the Group's Underwriting Committee each year.

Directors' Report (continued)

Antares at Lloyds (AUL)

Antares Re has utilised surplus capital to provide Funds at Lloyds (FAL) for the 2025 year of account to Antares Underwriting Limited ("AUL"), a Lloyd's corporate member who is under common ownership as the Company. The FAL has been provided in return for a 75% quota share ceded from AUL to the Company on the 2025 underwriting year with effect from 1 January 2025. The Company has also provided FAL for the 2026 year of account under similar quota share agreement for 2026 underwriting year and it is expected that this arrangement will continue for the foreseeable future.

QIC Europe Limited (QEL)

QEL currently services EU domiciled business through head office in Malta under the freedom of services framework. QEL has not renewed its ongoing EU cover holder relationships beyond the 2025 underwriting year and continues to administer an orderly run off of existing UK domiciled business written prior to the conclusion of Temporary Permissions Regime.

The Company continues to explore a potential sale of the business to a prospective buyer with a credible business plan based on premium growth. A thorough due diligence exercise is underway with respect to this potential sale. Should the sale not materialize, the Board may decide to pursue an alternative course of action—such as transferring liabilities to another entity within the Group or formally initiating a run-off. Given the long-tail nature of the business and its operation in a regulated environment, any alternative course will extend well beyond twelve months from the reporting date. The Directors will continue to progress the sale of QEL while simultaneously planning for alternative actions, with further clarity on the chosen approach expected during the course of this year.

West Bay Insurance Plc (West Bay), Markerstudy Insurance Company Limited (MICL)

As disclosed above the board of West Bay has taken the decision to cease trading and West Bay was placed into formal run-off on 31 March 2025. From the beginning of 2022 MICL ceased writing all new and renewal business and it was formally placed into run-off on 19 August 2022. West Bay and MICL's focus is now on settling insurance claims in an orderly manner, as run-off entities.

In November 2025, West Bay submitted its Business Plan supported by an ORSA to the Gibraltar regulator. This will form the basis of its strategy going into 2026 and beyond, which is to continue undertaking an orderly and solvent run-off of the liabilities of West Bay. West Bay will focus on meeting its obligations of paying all valid claims as they fall due and treating customers fairly in that process. West Bay will also manage its assets and liabilities to ensure they are matched, while maintaining sufficient liquidity and capital to meet its solvency requirements.

West Bay will continue with the ongoing claims strategy which includes all claims in excess of the MISL delegated authority limit being referred to Antares Global Claims team to review reserves setting, case strategy and lifecycle. In addition, Antares Global Claims team will also undertake a more proactive management approach rather than an oversight position on all claims by introducing settlement drives on aged cases with a view to mitigating reserve deterioration from previous years, reducing claim life cycles and improving certainty, without compromising on customer outcomes.

West Bay continues to also engage with external specialist claims consultants to identify and interrogate certain areas where there is scope for improvement in efficiency and mitigating claims leakage within the claim's life cycle.

There remains a high priority on spurious bodily injury claims and general counter-fraud activity. West Bay maintains rigid controls on leakage costs, with a view to ensuring that claims are settled at appropriate monetary values, closed on time and that recoveries due from third parties are being collected on time.

Directors' Report (continued)

Principal Risk and Uncertainties

The Group's activities expose the business to a number of risks which have the potential to affect the achievement of the business objectives. The Board is responsible for maintaining an appropriate structure for managing these risks and acknowledges that it is not possible to eliminate risk entirely. However, the Board seeks to manage risk in line with risk appetite by maintaining effective systems and controls.

The Group is exposed to risk in the following categories:

Underwriting Risk is defined as the risk that the frequency and severity of insured events exceeds the expectations of the Group at the time of underwriting.

Reserving Risk is defined as the risk of loss due to the previously established reserves for claims reported on previously exposed business being incorrect in terms of quantum or timing.

Claims Management Risk is the risk of loss or regulatory breach due to inappropriate claim management process and/or inadequate governance.

Credit Risk is defined as the risk of loss due to counterparty default or failure to fulfil their obligations. This is the risk of loss or of adverse change in the Group's financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which the Group is exposed, in the form of counterparty default risk, spread risk, or market risk concentrations.

Market Risk is defined as the risk of loss, or of adverse change in the financial situation, resulting directly or indirectly from fluctuations in the volatility of market prices of assets, liabilities and financial instruments. It is the risk that the value of the Group's capital changes unfavourably, due to economic factors such as variations in interest rates.

Liquidity Risk is defined as the risk of loss, or inability to realise investments and other assets, in order to settle financial obligations when they fall due.

Operational Risk is defined as the risk of loss arising from inadequate or failed internal processes, people, and systems or from external events impacting the Group's ability to operate. This risk encompasses all functions rendered in the course of conducting business. This includes legal and regulatory risk but excludes risks arising from strategic and reputational risk.

Regulatory Risk is the risk that each of the companies within the Group fails to meet the regulatory requirements of each of the jurisdictions in which the company resides. During the year, there have been no breaches in laws and regulations noted in the subsidiary entities.

Strategic Risk is defined as: the risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility between the Group's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, the quality of implementation and appropriateness of response to changing business conditions. This includes reputational risk that is recognised as a by-product of inappropriate/inadequate management and mitigation of other risk categories.

Group Risk is the possibility that the operation of one part of the Group adversely affects another. Group risk includes: negative publicity; inadequate communication within the organisation; undue influence from fellow subsidiaries; holding companies or stakeholders; financial pressures to make funds available to the Group; and financial restraint leading to shortcomings in core activities. The overall strategy is to minimise Group risk by ensuring that there are clear lines of authority and communication between related parties, and that any intra-Group agreements are formed objectively and clearly understood by all parties.

Reputational Risk is recognised as a by-product of inappropriate/inadequate management and mitigation of other risk categories.

Directors' Report (continued)

Climate Change Risk

Climate Change, and the response to climate change is an evolving risk area which has potential to impact the Group along with the wider insurance industry. This risk could impact not only the physical environment, but also the liability environments in which we operate. There may also be potential transition risks arising from the transition to a low carbon economy. Such impacts could be short or long term in nature and potentially affect our other key risk types described above.

The Group has a process to monitor the risks arising from climate change on an ongoing basis. This includes the monitoring of qualitative and quantitative considerations across the business (including the utilisation of scenario testing where feasible) Climate change risks are considered as part of our wider ongoing risk management processes, as is the case for the other potential risks impacting the organisation. The Group continues to monitor developments in this space, including regulatory expectations in this area.

Risk Governance

The Board is ultimately responsible for ensuring the effective management and control of risk affecting the Group. The Board is committed to maintaining sound risk management and control systems that are suitable, effective and proportionate to protect the interests of all stakeholders. The Board has, for practical reasons, delegated its day-to-day responsibility for different aspects of the risk management to committees and the senior management. Risk management is further discussed in note 18 in the Notes to the financial statements.

Subsequent events after the Reporting Date

Post year-end, in early 2026, geopolitical tensions in the Middle East escalated significantly following military action involving Israel, the United States and Iran, and subsequent regional escalation. The situation remains fluid, and the potential duration and wider economic implications are uncertain.

Management has considered the Group's potential exposure to this development, including:

- Insurance and reinsurance contracts that may be affected by claims relating to political violence, terrorism, marine and aviation disruption, energy sector risks, and other conflict-related perils.
- Investment holdings that may be subject to increased market volatility or credit risk as a result of geopolitical instability.
- Operational dependencies, including outsourced services that could be indirectly impacted.

Whilst the company has some financial and operational dependency on the wider Group, as at the date the financial statements were approved there was no impact on the company status as a going concern and no conditions existed at 31 December 2025 that would require adjustment to the amounts recognised in these financial statements.

In accordance with FRS 102 Section 32 (Events After the End of the Reporting Period), this event is considered a non-adjusting post balance sheet event. The Group will continue to monitor developments and assess any emerging impact on its underwriting activities, capital position, and risk profile.

Directors' Report (continued)

Directors

The directors who served the Company during the period were as follows:

Executive Directors

Michael P. van der Straaten

Philip Smith

Independent Non-Executive Directors

William Malloy

George A. Prescott

Michael Frith

Non-Executive Directors

Mark Graham

Auditor's

The Company has appointed KPMG LLP as the Company's auditors. KPMG LLP are eligible for re-appointment.

Statement of Disclosure of Information to the Auditor's

Each person who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board of Directors and signed on behalf of the Board.



.....
M van der Straaten
Chief Executive Officer and Director
28 April 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE NON-STATUTORY FINANCIAL STATEMENTS

The directors are responsible for preparing the non-statutory Group financial statements in accordance with applicable law and regulations.

Under that law they have elected to prepare the non-statutory Group financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the Group's profit or loss for that period. In preparing each of the Group financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* have been followed, subject to any material departures disclosed and explained in the non-statutory financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for such internal control as they determine is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of the Board



.....
M van der Straaten
Chief Executive Officer and Director
28 April 2026

Independent auditor's report to Antares Reinsurance Company Limited

Opinion

We have audited the non-statutory financial statements of Antares Reinsurance Company Limited ("the Group") for the year ended 31 December 2025 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the non-statutory financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and the terms of our engagement letter dated 13 December 2022. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the non-statutory financial statements on the going concern basis as they do not intend to liquidate the Group or to cease their operations, and as they have concluded that the Group's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the non-statutory financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the non-statutory financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including review of internal audit findings, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.

Antares Reinsurance Company Limited

- Reading Board, Audit Committee and Risk and Capital Committee meeting minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and underwriters.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to component auditors of relevant fraud risks identified at the Group level.

As required by auditing standards, and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that the management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of claims reserves (gross incurred but not reported reserves ("gross IBNR")). On this audit, we do not believe that there is a fraud risk related to revenue recognition because there is limited opportunity to manipulate revenue, including there being limited judgement or estimation involved.

We also identified a fraud risk related to gross IBNR in response to possible pressures to meet profit targets and given the high degree of estimation uncertainty and complexity, the potential opportunity to manipulate the estimate.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

In order to address the risk of fraud specifically in relation to the valuation of claims reserves (gross IBNR), we involved actuarial specialists to assist in our challenge of the methodology and assumptions adopted by the Group. We assessed and challenged the claims reserving methodology and assumptions by reference to industry practice and our expectations based on market experience. In addition, we calculated our own range for the claims reserves and compared this to the Group's estimate.

We also performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted by senior management, journals posted to seldom-used accounts and journals posted with no descriptions.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the non-statutory financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), from inspection of the Group's regulatory and legal correspondence and discussed with the directors and the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to full-scope component audit teams of relevant laws and regulations identified at the Group level, and a request for full scope component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the non-statutory financial statements varies considerably. Firstly, the Group is subject to laws and regulations that directly affect the non-statutory financial statements including taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the non-statutory financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-money laundering, employment law and regulatory capital and liquidity recognising the financial and regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the non-statutory financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the non-statutory financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' responsibilities

As explained more fully in their statement set out on page 12, the directors are responsible for: the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the non-statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the non-statutory financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the group in accordance with Section 17A of the Insurance Act 1978 and the terms of our engagement with the Antares Reinsurance Company Limited ("the Group"). Our audit work has been undertaken so that we might state to the Group those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group for our audit work, for this report, or for the opinions we have formed.

Antares Reinsurance Company Limited

A handwritten signature in black ink, appearing to read 'Umar Jamil', written in a cursive style.

Umar Jamil (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London, E14 5GL

29 April 2026

Statement of Comprehensive Income

For the year ended 31 December 2025

Technical Account – General Business	Notes	2025 \$000	2024 \$000
Earned Premium, Net of Reinsurance			
Gross Premium Written	2	731,973	347,385
Outward Reinsurance Premium		(241,475)	(220,778)
Net Premiums Written		490,498	126,607
Change in the Provision for Unearned Premium			
Gross Amount		(186,540)	246,610
Reinsurers' Share		52,907	(185,950)
Net Change in Provision for Unearned Premium		(133,633)	60,660
Earned Premiums, Net of Reinsurance		356,865	187,267
Allocated Investment Return Transferred from the Non-Technical Account	8	50,432	71,057
Claims Incurred, Net of Reinsurance			
Claims Paid			
Gross Amount		(753,298)	(986,995)
Reinsurers' Share		532,774	709,337
Net Claims Paid		(220,524)	(277,658)
Change in the Provision for Claims			
Gross Amount		468,906	601,971
Reinsurers' Share		(464,773)	(449,445)
Net Change in the Provision for Claims	3	4,133	152,526
Claims Incurred, Net of Reinsurance		(216,391)	(125,132)
Net Operating Income/(Expenses)	4	(67,698)	37,769
Recoverable on Financial guarantee contract	4	6,643	(53,378)
Balance on the Technical Account – General Business		129,851	117,583

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income (continued)**For the year ended 31 December 2025**

Non-Technical Account	Notes	2025 \$000	2024 \$000
Balance on the General Business Technical Account		129,851	117,583
Investment Income	8	54,897	71,841
Unrealised (losses) / gains on Investment	8	(891)	2,958
Investment Expenses and Charges	8	(3,574)	(3,742)
Allocated Investment Return Transferred to General Business Technical Account	8	(50,432)	(71,057)
Interest Expenses		(5,037)	(9,495)
Exchange (loss) / gain		(4,999)	28,210
Other Expenses	5	(116,471)	(82,972)
Profit on ordinary activities before Taxation		3,344	53,326
Taxation on Profit on Ordinary Activities	6	(3,965)	11,347
(Loss) / Profit for the Financial Year		(621)	64,673
Other comprehensive income (OCI)			
Net changes in fair value during the year		27,834	6,833
Foreign currency translation differences foreign operations		39,280	(19,999)
Total other comprehensive Income / (Loss)		67,114	(13,166)
Total comprehensive Profit for the Financial Year		66,493	51,507

The Statement of Comprehensive Income relates to activities for the current and preceding financial years.

The accompanying notes form part of these financial statements.

Statement of Financial Position - Assets

at 31 December 2025

	Notes	2025 \$000	2024 \$000
Fixed Asset			
Property and equipment	15	-	30
Investments			
Financial Investments	7,17,18	890,428	1,025,688
Deposits with Ceding Undertakings			
		229,538	184,115
Reinsurers' Share of Technical Provisions			
Provision for Unearned Premiums	11	103,015	48,467
Claims Outstanding	11,18	1,705,736	2,105,704
Debtors			
Debtors Arising out of Direct Insurance Operations – Intermediaries	9	201,476	276,631
Debtors Arising out of Reinsurance Operations		143,470	126,426
Amounts due from Group Companies	14	418,598	-
Other Debtors	10	254,290	242,982
Other Assets			
Cash at Bank and in Hand	18	127,894	289,461
Prepayments and Accrued Income			
Other Prepayments and Accrued Income		1,723	5,907
Deferred Acquisition Costs	12	72,669	27,512
Total Assets		4,148,837	4,332,923

The accompanying notes form part of these financial statements.

Statement of Financial Position – Liabilities

at 31 December 2025

	Notes	2025 \$000	2024 \$000
Capital and Reserves			
Share capital	19	1,000	1,000
General reserve	20	1,918,167	1,918,167
Fair value reserve		(18,967)	(46,801)
Foreign Currency Translation Reserve		6,428	(32,852)
Retained earnings		(725,841)	(725,220)
Total Equity		1,180,787	1,114,294
Technical Provisions			
Provision for Unearned Premiums	11,18	334,226	141,202
Claims Outstanding	11,18	2,365,135	2,635,276
Creditors			
Creditors Arising out of Direct Insurance Operations – Intermediaries	13	81,433	83,367
Creditors Arising out of Reinsurance Operations	13	124,406	209,456
Amounts due to Group Companies	14	-	17,604
Short term borrowing	18	50,826	109,218
Derivative financial liabilities	16,17	426	5,415
Other Creditors		897	7,703
Accruals and Deferred Income		10,701	9,388
Total Liabilities		2,968,050	3,218,629
Total Equity and Liabilities		4,148,837	4,332,923

The accompanying notes form part of these financial statements.

The annual accounts on pages 17 to 68 were approved by the Board of Directors on 28 April 2026 and signed on its behalf by:

.....
M van der Straaten
Director
28 April 2026

Statement of Changes in Equity

at 31 December 2025

	Share Capital	Contributed Surplus	Fair Value Reserve	Foreign Currency Reserve	Retained Earnings	Total Equity
	\$000	\$000	\$000	\$000	\$000	\$000
At 1 January 2024	1,000	1,918,167	(53,634)	(12,853)	(789,893)	1,062,787
Profit/(Loss) for the Year					64,673	64,673
Net changes in investments at fair value through other comprehensive income ("FVOCI")			6,833			6,833
Foreign currency translation reserve				(19,999)		(19,999)
Total comprehensive income/(loss) for the year	-	-	6,833	(19,999)	64,673	51,507
At 31 December 2024	1,000	1,918,167	(46,801)	(32,852)	(725,220)	1,114,294
Profit/(Loss) for the Year					(621)	(621)
Net changes in investments at fair value through other comprehensive income ("FVOCI")			27,834			27,834
Foreign Currency Translation Reserve				39,280		39,280
Total comprehensive income/(loss) for the year	-	-	27,834	39,280	(621)	66,493
At 31 December 2025	1,000	1,918,167	(18,967)	6,428	(725,841)	1,180,787

The accompanying notes form part of these financial statements.

Notes to the Annual Accounts

at 31 December 2025

1. Accounting Policies

Statement of Compliance

The consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair value at the end of each reporting period, and in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”) and Financial Reporting Standard 103 – “Insurance Contracts” (“FRS 103”).

Under FRS 102, Antares Reinsurance Company Limited has taken advantage of the cash flow exemption available in the financial statements. Group consolidated accounts are prepared by the Ultimate Parent Company QIC and copies of these are available from the registered office at Tamin Street, West Bay, PO Box 666, Doha, Qatar.

Basis of Preparation of Financial Statements

The accompanying consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period. These consolidated financial statements are presented in United States Dollars (USD) and rounded to the nearest thousand (USD ‘000), unless otherwise indicated.

Financial assets and financial liabilities are offset and the net amount reported in these consolidated statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expense are not offset in the consolidated statement of income unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Group.

The consolidated financial statements also provide comparative information in respect of the previous financial year.

The annual accounts of Antares Reinsurance Company Limited were authorised for issue by the Board of Directors on 28 April 2026.

The Company has taken advantage of the following disclosure exemptions available under Section 1.12 of FRS 102:

- a) the requirements of Section 7, Statement of Cash Flows, and the related notes;
- b) the requirements of Section 4, Statement of Financial Position, in relation to reconciliation of the number of shares outstanding at the beginning and end of the year; and
- c) the requirements of Section 33, Related Party Disclosures, in respect of key management personnel compensation and the transactions entered into between the Company and other wholly-owned subsidiaries of Qatar Insurance Company Q.S.P.C. as appropriate.

In March 2024 amendments to FRS 102 were published. The amendments mainly relate to accounting for leases and revenue recognition to align with recent changes to international financial reporting standards. The amendments will be effective for accounting periods beginning on or after 1 January 2026. The Company has not yet assessed whether these amendments will have a material impact on the financial statements.

The Company is included in the publicly available consolidated financial statements of Qatar Insurance Company Q.S.P.C. The copies of these accounts can be obtained from <https://www.qic-group.com> or available from the registered office at Tamin Street, West Bay, PO Box 666, Doha, Qatar.

Notes to the Annual Accounts

at 31 December 2025

1. Accounting Policies (continued)

Going concern

The directors have prepared cash flow forecasts and performed a going concern assessment which indicates that, in both the base case and severe but plausible downsides, the Group will have adequate resources to meet its liabilities as they fall due during the 12 month period ending from the date of approval of the company's financial statements.

In addition, the Company's ultimate parent QIC has provided a continuous Deed of Guarantee to guarantee the obligations of the Group. QIC has confirmed in writing its commitment to continue providing financial support to the Group as and when required to enable the Group to meet its liabilities and the regulatory solvency capital requirement. Such parental support has not been called upon in 2025 and 2024 as no additional capital injections were required and based on the Directors' going concern assessment they do not expect the Company will require parental support in the going concern assessment period.

As discussed in the directors' report and disclosed in note 24 of the financial statements, in assessing the Group's ability to continue as a going concern, the Directors have considered the impact of current geopolitical events, including the conflicts in the Middle East and do not consider these matters to have a significant impact on the Group.

After making enquiries of management and considering the actions taken by the Group, assessing the current financial and solvency positions for the Group, considering the planned results and taking into consideration the parental support provided to the Group by the ultimate parent QIC, the Board has concluded that these financial statements have been prepared on a going concern basis, which assumes that the Group will continue in existence for the foreseeable future.

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and its investees that are considered as subsidiaries as at 31 December 2025 (together referred to as the "Group").

Subsidiaries are investees that the Company has control over. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Basis of Consolidation

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of financial position and the consolidated statement of income from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiary companies are prepared for the same reporting period as the Company, using consistent accounting policies.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Company's ownership interests in a subsidiary that do not result in the Company losing control over the subsidiaries are accounted for as an equity transaction. If the Company loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the statement of income. Any investment retained is recognised at fair value.

The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from company shareholders' equity.

Transactions eliminated on consolidation

Inter-company balances and transactions, and any unrealised gains or losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Business combination

Management uses the following criteria to evaluate whether a business combination has substance:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as non-controlling interests or other third parties;
- whether or not the transaction is conducted at fair value;
- The existing activities of the entities involved in the transactions; whether or not it is bringing entities together into a reporting entity that did not exist before; and
- where a new company is established, whether it is undertaken in connection with an IPO or spin-off or other change in control and significant change in ownership.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred in a business combination, measured at fair value on the date of acquisition and the amount of any non-controlling interest ("NCI") in the acquiree. Total fair value is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

of the acquiree. Acquisition-related costs are recognised and expensed as a part of administrative expenses in the consolidated statement of income.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument is measured at fair value with the changes in fair value recognised in the statement of income.

Goodwill, if any, is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for NCI in the acquiree, over the net identifiable assets acquired and liabilities assumed as at the date of acquisition. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in consolidated statement of income.

Common control transactions

Business combinations involving the transfer of business and net assets in a transaction under common control, are accounted for at the carrying values of the underlying net assets of the transferred business. There are no bargain gain or goodwill on transfer of assets recognised by the Group on common control transactions.

Goodwill

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained. Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (group of cash-generating units) to which goodwill has been allocated, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at cost which is their fair value as at the date of acquisition. Subsequent to initial recognition,

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

- Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of income.
- Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of income when the asset is derecognised.

Insurance and Reinsurance Operations

Gross Premiums Written

Gross written premiums are recognised when written and include an estimate for written premiums receivable at the reporting date. Gross written premiums are comprised of premiums on business inception in the current financial year together with adjustments to estimates of premiums written in prior accounting periods. Gross written premiums include estimates for pipeline premiums, representing amounts due to the Group which have not yet been notified.

Premium on reinsurance contracts are recognised as revenue (earned premiums) proportionally over the period of risk coverage. The portion of premium recognised as written on in-force contracts that relates to unexpired risks at the reporting date are reported as the unearned premium reserve.

Reinsurance Premium Ceded

Reinsurance premiums comprise the total premiums payable for the reinsurance cover provided by retrocession contracts entered into during the year and are recognised on the date on which the policy incepts. Reinsurance premiums also include any adjustments arising in the accounting period in respect of retrocession contracts incepting in prior accounting periods. Unearned reinsurance premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date.

Provision for Unearned Premiums

The provision for unearned premiums represents that portion of premiums received or receivable, after deduction of the reinsurance share, which relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into, and premiums are charged and are brought to account as premium income over the term of the contract in accordance with the nature and type of reinsurance contract written by the Group.

Unexpired Risks Provision

A provision for unexpired risks is made where claims and related expenses arising after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

The provision for unexpired risks is calculated by reference to classes of business which are managed together, after taking into account relevant investment return.

Deferred Acquisition Costs

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts, are deferred to the extent that they are attributable to premiums unearned at the balance sheet date.

Insurance and other Debtor Receivable balances

Insurance and other debtor receivable balances are recognised on business written and measured on initial recognition at the fair value of the consideration received or receivable. The carrying value of the receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the consolidated statement of income. After initial measurement, insurance and other receivables are measured at amortised cost as deemed appropriate.

Insurance receivables are derecognised when the derecognition criteria for financial assets have been met.

Indemnification assets acquired as part of a business combination are initially recognized and measured at fair value as at acquisition date, adjusted for any contractual limitations and credit risk of the indemnifying party. At the end of each subsequent reporting period indemnification asset shall be measured on the same basis as the indemnified liability, subject to any contractual limitations on this amount and, for an indemnification asset that is not subsequently measured at fair value, management's assessment of the collectability of that asset. The indemnification asset shall be derecognized only when it is collected, sold or when the Acquirer otherwise loses the right to it.

Some insurance contracts permit the Company to sell assets acquired in settling a claim (for example, salvage). The Company included estimates of salvage recoveries as an allowance in the measurement of the insurance liability for claims, and salvage asset is recognised in other assets as the liability is settled or established during the year. The allowance is the amount that can reasonably be recovered from the disposal of the salvage asset. Salvage asset is presented as part of Insurance and other receivables in the consolidated statement of financial position.

Reinsurer's Share of Technical Provisions

The Company cedes insurance risk in the normal course of business as part of its businesses model. Reinsurer's Share of Technical Provisions represent balances recoverable from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurers' policies and are in accordance with the related reinsurance contract.

Reinsurance balances are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer. The impairment loss is recorded in the statement of income.

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

Provision for Claims Outstanding

Provision for claims outstanding is recognised at the date the claims are known and covers the liability for losses and loss adjustment expenses based on loss reports from independent loss adjusters and management's best estimate.

Claims provision also includes liability for claims incurred but not reported as at the reporting date. The liability is calculated at the reporting date using a range of historic trends, empirical data and standard actuarial claim projection techniques. The current assumptions may include a margin for adverse deviations. The liability is not discounted for the time value of money. Salvage assets are generally netted against the gross provision.

Reinsurance and other Creditor Payable balances

Reinsurance and other creditor payables are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequently, reinsurance and other creditor payables are measured at amortised cost, as deemed appropriate.

Gross Claims Paid

Gross claims paid include all claims paid during the year and the related external claims handling costs that are directly related to the processing and settlement of claims.

Commission earned and Paid

Commissions earned and paid are recognised at the time the policies are underwritten or deferred and amortised over the same period over which the corresponding premiums are recognised in accordance with the earning pattern of the underlying reinsurance contract.

Financial Guarantee Contract

West Bay have entered into a financial guarantee contract with QIC as the ultimate parent, which guarantees the indebtedness of a third party in case of any default against indemnity debtors. West Bay have assessed this guarantee to be non-integral to the arrangement with the third party and, accordingly, has accounted for the guarantee under the financial guarantee contract as a separate reimbursement right by analogy to UK GAAP to the extent of default of the receivable. No consideration was paid by West Bay for the guarantee and the arm's length price determined at inception to be immaterial.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with FRS 102 and 103 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. The estimates and associated assumptions are based on historical experience and other factors as deemed reasonable and appropriate. The results of these factors allow judgements to be made in respect of the carrying values of assets and liabilities that are not readily apparent from other sources. The nature of estimation means that actual outcomes could differ from those estimates. Uncertainties exist where current valuations are dependent on estimates of future results.

The estimates and assumptions are reviewed on an ongoing basis. To the extent that a change in an accounting estimate gives rise to changes in assets and liabilities, or relates to an item of equity, it shall be recognised by adjusting the carrying amount of the related assets, liability or equity item in the period of change.

Notes to the Annual Accounts

at 31 December 2025

1. Accounting Policies (continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Premium estimates

The majority of the estimation arises within the insurance binder estimates where the premium amounts are dependent on the volume of policies that are insured under the binder over the coverage period, and within the reinsurance contracts where premium amounts are also dependent on the volume of policies attaching to the reinsurance contracts. In these cases, underwriters estimate an initial premium volume and then adjust throughout the life of the coverage period as and when new information becomes available. The process of determining the estimated premium income ("EPI") is based on a number of factors, which can include:

- coverholder business plan documents supplied prior to binding;
- historical trends of business written;
- current and expected market conditions for this line of business; and
- life to date bordereaux submissions versus expectation.

As the contract period matures, the premium estimates are moved to ultimate premium. At a class of business level, ultimate premium is the total premium expected for all business. The ultimate premium estimates are based on the combination of statistical methods, on underwriter information provided, with validations performed by internal actuaries using the statistical methods and by way of discussion with the underwriting teams for each class of business. For those classes of business where inwards reinstatement premiums are likely to be material to the ultimate premium estimate, these are explicitly modelled as a function of the ultimate claims for a year of account. Reinsurance premiums are estimated by reinsurance type: proportional and non-proportional.

Judgements, estimates, and assumptions are employed in the assessment of the adequacy of provisions for unearned premium. Judgement is also required in determining whether the pattern of insurance service provided by a contract requires amortisation of unearned premium on a basis other than time apportionment and particularly in determining the carrying amount of the indemnity receivable for 2023 year of account for West Bay (note 10).

Claims Provisions and Related Recoveries

Claims and loss adjustment expenses are charged to the consolidated statement of income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the Company and management estimations for the claims incurred but not reported. The method for making such estimates and for establishing the resulting liability is continually reviewed. Any difference between the actual claims paid and the provisions made are included in the consolidated statement of income in the year of settlement.

For certain lines of business (non-life), in order to estimate the liabilities, the expected loss ratios are calculated for all underlying insurance contracts. The amounts estimated as the difference between the current estimated losses and the reported losses are set aside as the incurred but not reported reserve for the losses that have been incurred but which are not yet known or have still to be reported.

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

General

Financial Investments

The Company has elected under FRS 102 the option to continue to recognise financial assets and liabilities under IFRS 9 after the accounting framework changed from IFRS to UK GAAP.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost (AC), fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows.

IFRS 9 does not require bifurcation of an embedded derivative from an asset host contract. However, entities must separate derivatives embedded in financial liabilities where they are not closely related to the host contract.

i) Initial recognition

Financial assets and liabilities are initially recognised on the trade date. The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from the amount. Trade receivables are measured at the transaction price. The Day 1 gain or loss is recognised when the fair value of financial instruments at initial recognition differs from the transaction price.

ii) Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

Financial instruments – initial recognition

iii) Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); or
- Fair value through profit or loss (FVTPL)

The Group classifies and measures its derivative and trading portfolio at FVTPL. The Group may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities are measured at amortised cost.

The details of these conditions are outlined below.

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

i) Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

ii) The SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de-minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

iii) Debt instruments at FVOCI

The Group classifies debt instruments at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to the statement of income.

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

iv) Equity instruments at FVOCI

Upon initial recognition, the Group occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as investment income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

During 2025 and 2024 there have been no equity instruments at FVOCI.

v) Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis.

The liabilities are part of a group of financial liabilities which are managed, and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or

The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in the statement of income loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Group's own credit risk. Such changes in fair value are recorded in the own credit reserve through OCI and do not get recycled to the statement of income. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate. Dividend income from equity instruments measured at FVTPL is recorded in the statement of income as other operating income when the right to the payment has been established.

Derivative Financial Instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at a future date.

The Group enters into derivative transactions with various counterparties. The Group uses derivative financial instruments for economic hedging purposes such as forward currency contracts and interest rate swaps to hedge its foreign currency risks interest rate risks and equity price risk, respectively. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The changes in the fair value of derivatives are included in net trading income unless hedge accounting is applied.

As previously mentioned, IFRS 9 does not require bifurcation of an embedded derivative from an asset host contract. However, entities must separate derivatives embedded in financial liabilities where they are not closely related to the host contract. Derivatives that are embedded in these host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of income.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of FVTPL category. However, as an exception to above, a policyholder's option to surrender an insurance contract for a fixed amount (or for an amount based on a fixed amount and an interest rate) is not separated and measured at fair value even if the exercise price differs from the carrying amount of the host insurance liability.

Embedded derivatives that meet the definition of insurance contracts are treated and measured as insurance contracts.

Any gains or losses arising from changes in fair value on derivatives are taken directly to the statement of income, except for the effective portion of cash flow hedges, which are recognised in OCI and later reclassified to the statement of income when the hedged item affects profit or loss. However, there were no cash flow hedges used during the year.

Financial Assets/Liabilities

All financial assets and liabilities are recognised initially at fair value.

Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and in hand, as well as other short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes as per the FRS 102 standard. The cash equivalents include selected balances of holdings in collective investment schemes meeting the cash equivalent criteria.

Short Term Borrowings

Short term borrowings are recognised initially at fair value, net of transaction costs incurred and it is subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of income over the period of the borrowings using the effective interest method.

Notes to the Annual Accounts **at 31 December 2025**

1. Accounting Policies (continued)

Investment Properties

Investment properties are properties held for capital appreciation. Investment properties are measured initially at cost. Subsequent to initial acquisition, investment properties are then marked to a fair value. The fair values of investment properties are estimated by the Management's external valuer, by reference to market evidence of recent transactions for similar properties. Any change in value is recognised in the consolidated statement of income.

Property and Equipment

Property and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses. Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are charged to the consolidated statement of income during the financial period they are incurred.

The assets' residual values, useful lives and method of depreciation applied are reviewed and adjusted, if appropriate, at each financial year end and adjusted prospectively, if appropriate. Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognised in the consolidated statement of income as an expense.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected.

From its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the consolidated statement of income in the year the asset is derecognised.

Depreciation

Depreciation is provided on a straight line basis on all property and equipment and investment properties, other than freehold land which is determined to have an indefinite life. The rates of depreciation for furniture & fixtures are based on a 2 to 5 year estimated useful life. Depreciation methods, useful lives and residual values are reviewed and adjusted if appropriate at each financial year end.

Impairment of Non-Financial Assets

An assessment is made at each reporting date to determine whether there is objective evidence that an asset or group of assets is impaired. If such evidence exists, the estimated recoverable amount of that asset is determined, and an impairment loss is recognised for the difference between the recoverable amount and the carrying amount. Impairment losses are recognised in the consolidated statement of income.

Provisions

The Group recognises provisions in the consolidated financial statements when the Group has a legal or constructive obligation (as a result of a past event) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is created by charging the consolidated statement of income for any obligations as per the calculated value of these obligations and the expectation of their realisation at the reporting date.

Notes to the Annual Accounts

at 31 December 2025

1. Accounting Policies (continued)

Employees' end of service benefits

Provision is made for amounts payable in respect of employees' end of service benefits based on contractual obligations or respective local labour laws of the Group entities, whichever is higher, and is calculated using the employee's salary and period of service at the reporting date.

Taxation

Income Tax

Current tax is provided at amounts expected to be paid (or recoverable) using tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date. Provision is made for all taxation expected to be payable on the taxable profits of the year.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed at the Statement of Financial Position date.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Insurance premium tax

Insurance Premium Tax ("IPT") is a government levy on general insurance premiums. The tax is recognised and charged in the consolidated statement of income when the associated premium is recognised as written.

Value-added tax

Value-added tax ("VAT") is a form of consumption tax, that is a tax applied to purchases of goods or services and other 'taxable supplies' in the respective jurisdiction. The tax is recognised in the consolidated statement of income at the time that the associated good is purchased or the cost of the service is recognised.

Withholding tax

Withholding tax is a tax levied by an overseas government on dividends or income received by non-residents. The withholding tax is recognised in the consolidated statement of income upon recognition of the associated income.

Foreign Currencies

Foreign operations

The individual financial statements of the Group entities are presented in the currency of the primary economic environment in which they operate (functional currency). For the purpose of these consolidated financial statements, the results and financial position of the subsidiary is expressed in the presentation currency of the Company.

The assets and liabilities of foreign operations are translated to United States Dollars using exchange rates prevailing at the reporting date. Income and expenses are also translated to United States Dollars at the exchange rates prevailing at the reporting date, which do not significantly vary from the average exchange rates for the year. A foreign currency translation reserve is included separately under equity. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the respective functional

Notes to the Annual Accounts at 31 December 2025

1. Accounting Policies (continued)

currencies at the rate of exchange prevailing at the yearend. The resultant exchange differences are included in the consolidated statement of income.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences are recognised in other comprehensive income.

Foreign currency transactions are recorded in the functional currency using the exchange rates prevailing at the date of the transactions, or at the average rate for the period when this is a reasonable approximation. Monetary assets and liabilities (which include all assets and liabilities arising from insurance contracts including unearned premiums and deferred acquisition costs) denominated in foreign currencies are translated at period end exchange rates.

Non-monetary assets and liabilities carried at historical cost denominated in a foreign currency are translated at historic rates. Non-monetary assets and liabilities carried at estimated fair value denominated in a foreign currency are translated at the exchange rate at the date the estimated fair value was determined.

Exchange differences are recorded in the non-technical account.

Investment Return

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses, charges and interest.

Realised gains and losses on investments are calculated as the difference between sale proceeds and purchase price. Unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date and their valuation at the previous balance sheet date, or purchase price, if acquired during the year, together with the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account. Investment return has been wholly allocated to the technical account as all investments relate to the technical account.

2. Segmental Analysis

For management reporting purposes, the Group is organised into business segments based on their products and structure. The reportable operating segments are comprised of Property, Casualty and Other Segments. These segments are the basis on which the Company reports its operating segment information. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. No inter-segment transactions occurred in 2025 and 2024.

The Property Segment includes business written under the lines of business that includes Property Catastrophe, North America and International Property, Energy, Aviation, Marine, Agriculture and Engineering.

The Casualty Segment includes all Casualty lines and the Motor lines of business.

Other Segment includes business recognised by the Company as Credit and Surety, Residual Value Insurance, and Structured Finance.

An analysis of the underwriting results before investment return for 2025 and 2024 are set out below:

Notes to the Annual Accounts

at 31 December 2025

2. Segmental Analysis (continued)

	Gross Written Premiums \$000	Gross Premiums Earned \$000	Gross Claims Incurred \$000	Gross Operating Expenses \$000	Reinsurance Balance \$000	Total \$000
2025						
Property	123,501	82,268	(38,583)	(8,428)	(11,420)	23,837
Casualty	443,331	357,789	(208,648)	(80,097)	(32,294)	36,750
Other	165,141	105,376	(37,161)	(17,335)	(32,049)	18,831
Total Insurance	731,973	545,433	(284,392)	(105,860)	(75,763)	79,418

	Gross Written Premiums \$000	Gross Premiums Earned \$000	Gross Claims Incurred \$000	Gross Operating Expenses \$000	Reinsurance Balance \$000	Total \$000
2024						
Property	109,103	151,853	(71,157)	(38,865)	(6,863)	34,968
Casualty	226,776	426,478	(328,350)	(119,205)	25,536	4,459
Other	11,506	15,663	14,483	(3,754)	(19,293)	7,099
Total Insurance	347,385	593,994	(385,024)	(161,824)	(620)	46,526

The above segmental analysis is broken down into the divisional structure by which management views the business.

The geographical split of gross written premiums on continued operations based on the location of the customer is as follows:

	2025 \$000	2024 \$000
Gross Written Premium by Regions		
Africa	9,866	1,156
Americas	286,214	71,599
Asia	37,200	(389)
Europe	378,091	272,836
Oceania	20,602	2,183
Total	731,973	347,385

3. Change in Net Provision for Claims

The change in net provision for claims is made up of the following:

	2025 \$000	2024 \$000
Outstanding Claims	3,938	3,466
Claims Incurred but not Reported	195	149,060
Change in Net Provision for Claims	4,133	152,526

Notes to the Annual Accounts

at 31 December 2025

4. Net Operating (Expenses) / Income

Net Operating (Expenses) / Income on technical results is made up of the following charges:

	2025	2024
	\$000	\$000
Commission income	44,804	146,215
Commission expense	(112,502)	(108,446)
Net Operating (Expenses) / Income	(67,698)	37,769

	2025	2024
	\$000	\$000
Recoverable on Financial guarantee contract	6,643	(53,378)

5. Other Expenses and Charges

Other expenses and charges are made up of the following:

	2025	2024
	\$000	\$000
General and administrative expenses	97,539	76,102
Provision for doubtful debts	18,132	5,897
BOD Remuneration	799	966
Depreciation of property and equipment	1	7
Total	116,471	82,972

Included in General and administrative expenses are auditor expenses as follows:

	2025	2024
	\$000	\$000
Auditors' Remuneration		
Audit of the Financial Statements	2,486	6,003
Total	2,486	6,003

Notes to the Annual Accounts

at 31 December 2025

6. Taxation

Total tax charges are derived from Antares Reinsurance Company Limited, QEL, WestBay and MICL and are comprised as follow:

	2025	2024
	\$000	\$000
Current Tax		
Tax expense for the year	2,429	3,063
Adjustment in respect of prior years	1,277	(410)
Total current tax charge	3,706	2,653
Deferred Tax		
Tax expense for the year	259	-
Adjustment in respect of prior years	-	(14,000)
Effect of rate change	-	-
Total deferred tax	259	(14,000)
Total tax charge / (credit) to the income statement	3,965	(11,347)

The Group generates the majority of its profit / losses in Bermuda (15% tax rate), Gibraltar (15% tax rate), the UK (25% tax rate), Switzerland (20% tax rate) and Malta (35% tax rate). The weighted average of statutory tax rates based on the profits / (losses) earned in each country in which the Group operates is 22%, whereas the tax charged for the year ending 31 December 2025 as a percentage of profit before tax is 119%. The reasons for the difference are explained below:

	2025	2024
	\$000	\$000
Profit before tax	3,344	53,326
Income tax at entity's statutory income tax rate - charge	2,825	5,611
<i>Income tax effect of:</i>		
- Income subject to tax in a prior period	(1,618)	-
- Expenses not deductible for tax purposes	(166)	(42)
- Movement in unrecognised deferred tax	3,111	(2,506)
- Impact of difference in accounting basis	(1,464)	-
- Adjustments to prior period deferred tax	-	(14,000)
- Adjustments to prior period corporate taxes	1,277	(410)
Tax charge / (credit) for the period	3,965	(11,347)

Notes to the Annual Accounts

at 31 December 2025

6. Taxation (continued)

Deferred tax assets are recognised to the extent that realising the related tax benefit through future taxable profits is probable. It is anticipated that sufficient taxable profits will be available within the Group in 2025 and subsequent years to utilise the deferred tax assets recognised when the underlying temporary differences reverse, and the tax losses carried forward. The table below reconciles the movements within the net deferred tax asset.

	2025	2024
	\$000	\$000
Opening Asset as at 1 January	14,275	547
Deferred tax charge for the period	(259)	-
Adjustments in respect of prior years	-	14,000
Deferred tax charge for the period via OCI	(218)	(272)
Closing Asset as at 31 December	13,798	14,275

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15% (2024: 15%) for Bermuda and 35% (2024: 35%) for Malta.

Unrecognised deferred tax assets

Trading losses:

As at 31 December 2025, the consolidated accounts of the Company include trading losses carried forward in a number of jurisdictions on which no deferred tax asset has been recognised. These can be summarised as follows:

In Switzerland, a deferred tax asset has not been recognised on trading losses recognised for tax purposes by Antares Reinsurance Swiss Branch of USD 44.8m (2024: USD 50.5m)

In Malta, a deferred tax asset has not been recognised on trading losses recognised for tax purposes by QEL of USD 14.8m (2024: 3.8m)

In Gibraltar, a deferred tax asset has not been recognised on trading losses recognised for tax purposes by:

- Markestudy of USD 204m (2024: USD 196.4m)
- WestBay of USD 513.7m (2024: USD 478m)
- St Julians of USD 13.9m (2024: USD 13.5m)

In Bermuda, a deferred tax asset has not been recognised on trading losses of USD 8.1m (2024: USD 6.4m)

This is in line with each entities assessment on the recoverability of this amount from future trading profits at the time of signing the consolidated financial statements.

Other:

As at 31 December 2025, there is an unrecognised deferred tax asset of USD nil (2024: USD 18.6m) due to IFRS 17 to UK GAAP reporting timing differences.

Notes to the Annual Accounts at 31 December 2025

6. Taxation (continued)

Antares Reinsurance Company Limited - Bermuda corporate income tax

Legislation was passed in Bermuda on 27 December 2023 to implement a corporate income tax (CIT) regime effective from 1 January 2025. The regime introduces a 15% CIT applicable to Bermuda businesses that are part of multinational enterprise groups with consolidated annual revenue of €750 million or more. The Bermuda CIT regime will supersede the previously granted tax assurances, which provided an exemption from corporate income taxes until 31 March 2035 for the Company.

The Company has assessed the impact of the new legislation and concluded that it is within the scope of the Bermuda CIT regime. Accordingly, for the year ended 31 December 2025, the Company has recognised a total tax charge of USD 1.3m based on IFRS standalone profits.

The Company utilised USD 9.2m of its brought-forward deferred tax asset relating to net operating losses against IFRS profits, leaving a closing deferred tax asset of USD 4.8m. This remaining balance is expected to be available for offset against future taxable profits.

The company has recognised a deferred tax asset of USD 8.9m in respect of IFRS to UK GAAP reporting timing differences.

The Company incurs income tax on business written in its Zurich and London offices. The total income tax charge amounts to USD 0.8m (2024: USD 4.2m)

OECD global minimum tax (Pillar Two)

The Group is within scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in England on 11 July 2023 and in Switzerland on 22 December 2023 and came into effect from 1 January 2024 in both jurisdictions, impacting the Antares Reinsurance UK and Swiss branches. Malta has elected for the delayed application of up to 6 years of the IIR and UTPR in terms of Article 50 of the EU Minimum Tax Directive. The Gibraltar Government enacted the Global Minimum Tax Act 2024 on 18 December 2024. Finally, Bermuda enacted the CIT regime effective from 1 January 2025, as set out above.

Since the Pillar Two legislation was not effective in Malta at the reporting date, QEL has no related current tax exposure in this jurisdiction. The entity has assessed its potential exposure for the UK branches and TCSH is expected to apply. The Swiss branch's effective tax rate is expected to be above 15% and therefore, no Pillar Two tax exposure is expected.

To the extent the Bermuda CIT results in an effective tax rate of less than 15%, the shortfall in tax will be collected by applying the Pillar Two income inclusion rule by its parent company in Qatar. There are no pillar two liabilities anticipated for Gibraltar.

As appropriate, the group will apply the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to Section 29 issued by the Financial Reporting Council (FRC) in July 2023.

Notes to the Annual Accounts at 31 December 2025

7. Financial Investments

	2025	2024
	\$000	\$000
Financial investments at fair value through profit or loss (FVTPL)		
Derivative financial investments	483	826
Bonds	51,760	16,085
Internationally quoted shares	11,247	12,275
Unquoted shares and private equity	12,450	14,683
Financial investments at fair value through other comprehensive income (FVOCI)		
Derivative financial investments	3,461	4,969
Bonds	811,027	976,850
Total	890,428	1,025,688

8. Investment Income and Expenses

	2025	2024
	\$000	\$000
Interest income on FVTPL	1,399	1,367
Interest income under effective interest method	54,476	64,656
Dividend income	43	68
Net realised (loss) / gain on sale of investments	(822)	3,445
Recycled from other comprehensive income	(1,234)	1,349
Unrealised (loss) gain on investments	(891)	2,958
Reversal of Impairment on investments	169	599
Other income and net gains	866	357
Total Investment Income	54,006	74,799
Investment Expenses and Charges		
Advisory fee	(3,574)	(3,742)
Finance costs	(5,037)	(9,495)
Net Investment Income	45,395	61,562

9. Debtors Arising out of Direct Insurance Operations

	2025	2024
	\$000	\$000
Due from Intermediaries	201,476	276,631
Total	201,476	276,631

Notes to the Annual Accounts

at 31 December 2025

9. Debtors Arising out of Direct Insurance Operations (continued)

Debtors arising out of direct insurance operations represent amounts due from policyholders in respect of insurance and reinsurance contracts written during the year. Premium debtors are initially recognised at the amount invoiced and are subsequently measured at remaining cost less any provision for impairment.

In accordance with FRS 102 Section 11, the Group assesses at each reporting date whether there is objective evidence that a premium debtor is impaired. Indicators of impairment include:

- Significant financial difficulty of the insured party
- Default or delinquency in payments
- Adverse changes in economic or market conditions affecting the debtor
- Any other information suggesting that amounts due may not be fully recoverable

Where such evidence exists, the carrying amount of the premium debtor is reduced to its estimated recoverable amount, and an impairment loss is recognised in the profit and loss account.

During the year, the Group has recognised an impairment provision of USD 18.1m included in the above balance due from intermediaries in respect of premium debtors due from a single insured party. This provision was established following concerns regarding the recoverability of the outstanding balance. Management has assessed the recoverable amount based on the latest available financial information and considers the provision to be appropriate at the reporting date. The Company continues to monitor these outstanding balances and will revise the provision as necessary should further information become available.

Included within the balance due from intermediaries above, is an indemnity debtor balance related to West Bay of USD 107.7m (2024: USD 93.9m) due from a third party. An estimated impairment provision of USD 107.7m has been recognised against this balance. The remaining balance primarily represents direct premiums due on QEL and West Bay.

The ultimate parent of West Bay, QIC has issued a financial guarantee in full in respect of this balance. The Group has deemed it appropriate to recognise the guarantee in full and an amount of USD 93.9m has, therefore, been recognised within Other Debtors as due from group undertakings.

10. Other Debtors

	2025	2024
	\$000	\$000
Indemnification asset	131,574	131,574
Indemnification asset due from group undertakings (note 9)	107,661	93,883
Deferred Tax Asset	13,798	14,275
Other receivables	1,257	3,250
Total	254,290	242,982

Included in the Other Debtors balance above, the Group has recorded an indemnification asset for uncertainties about the settlement amounts of certain insurance liabilities acquired. Nil fair value was first assigned to the indemnification asset as at the acquisition-date and as subsequently re-measured for the purposes of disclosure in the Group's consolidated financial statements for the year ended 31 December 2018. During 2021 it was agreed that the indemnification asset would be capped at the equivalent of GBP 100m. An amount of USD 131.6m (2024: USD 131.6m) has been assigned for each of the years ended 31 December 2025 and 2024.

Any default on the future settlement of the amount of this indemnification asset to the Group has itself been indemnified by the Group's ultimate parent, QIC.

Notes to the Annual Accounts at 31 December 2025

11. Insurance Contracts and Reinsurance Contracts

	2025			2024		
	Insurance Contract Liabilities	Reinsurance Contract Assets	Net	Insurance Contract Liabilities	Reinsurance Contract Assets	Net
	\$000	\$000	\$000	\$000	\$000	\$000
Claims Outstanding	2,365,135	1,705,736	659,399	2,635,276	2,105,704	529,572
Provision for Unearned Premiums	334,226	103,015	231,211	141,202	48,467	92,735
Total	2,699,361	1,808,751	890,610	2,776,478	2,154,171	622,307
Contracts due no more than 12 months after the reporting date	912,384	533,155	379,229	1,901,085	1,445,932	455,153
Contracts due more than 12 months after the reporting date	1,786,977	1,275,596	511,381	875,393	708,239	167,154
Total	2,699,361	1,808,751	890,610	2,776,478	2,154,171	622,307

(a) Movement in Claims Outstanding

	2025			2024		
	Insurance Contract Liabilities	Reinsurance Contract Assets	Net	Insurance Contract Liabilities	Reinsurance Contract Assets	Net
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January	2,635,276	2,105,704	529,572	3,269,741	2,592,074	677,667
Claims incurred during the year	284,392	68,001	216,391	385,024	259,892	125,132
Claims paid during the year	(753,298)	(532,774)	(220,524)	(986,995)	(709,337)	(277,658)
Effect of Portfolio transfer & Foreign exchange	198,765	89,596	109,169	(32,494)	(36,925)	4,431
OIC Quota Share change 2019 UWY & Prior	-	(24,791)	24,791	-	-	-
Balance at 31 December	2,365,135	1,705,736	659,399	2,635,276	2,105,704	529,572

(b) Movement in Unearned Premium

	2025			2024		
	Insurance Contract Liabilities	Reinsurance Contract Assets	Net	Insurance Contract Liabilities	Reinsurance Contract Assets	Net
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 January	141,202	48,467	92,735	389,148	242,654	146,494
Premium written in the year	731,973	241,475	490,498	347,385	220,778	126,607
Premium earned during the year	(545,432)	(188,568)	(356,864)	(593,995)	(406,727)	(187,268)
Effect of Portfolio transfer & Foreign exchange	6,483	1,641	4,842	(1,336)	(8,238)	6,902
OIC Quota Share change 2019 UWY & Prior	-	-	-	-	-	-
Balance at 31 December	334,226	103,015	231,211	141,202	48,467	92,735

12. Deferred Acquisition Costs

	2025	2024
	\$000	\$000
Balance as 1 January	27,512	23,216
Commission Expense	(112,502)	(108,446)
Commission deferred during the year	157,659	112,742
Deferred Acquisitions Costs	72,669	27,512

13. Creditors Arising out of Direct Insurance and Reinsurance Operations

	2025	2024
	\$000	\$000
Due to Intermediaries	205,839	292,823

Notes to the Annual Accounts

at 31 December 2025

14. Related Parties

During the year, the Company entered into transactions in the ordinary course of business with other group companies. The overwhelming majority of these transactions have been with QIC. The Corporate section in the Statement of Financial Position includes transactions entered into during the year and trading balances outstanding at 31 December 2025 as follows:

	2025	2024
	Qatar Insurance Company	Qatar Insurance Company
	\$000	\$000
Reinsurance Written Premium	(16,942)	(181,957)
Reinsurance Recoveries	106,689	201,218
Reinsurance Claims Outstanding	(97,751)	(63,726)
Net commission	2,723	64,698
Total	(5,281)	20,233

	2025	2024
	\$000	\$000
Amounts from / (due to) related parties	418,598	(17,604)
Total	418,598	(17,604)

15. Property and Equipment

	Furniture and fixtures	Computer	Total
	\$000	\$000	\$000
Cost:			
At 1 January 2024	3,374	1,369	4,743
Disposals during the year	(3,293)	(1,292)	(4,585)
At 31 December 2024	81	77	158
Disposals during the year	(81)	(77)	(158)
At December 2025	-	-	-
Accumulated Depreciation:			
At 1 January 2024	3,299	1,342	4,641
Charge during the year	7	-	7
Disposals during the year	(3,255)	(1,265)	(4,520)
At 31 December 2024	51	77	128
Charge during the year	1	-	1
Disposals during the year	(52)	(77)	(129)
At December 2025	-	-	-
Net book value:			
At 31 December 2025	-	-	-
At 31 December 2024	30	-	30

Notes to the Annual Accounts

at 31 December 2025

16. Derivatives

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instrument, reference rate or index. Derivative financial instruments include forward contracts, swaps and equity options structures.

The Company employs various derivative option strategies which are intended for hedging currency exposure, managing interest rate and insurance risk, and for income enhancement. The derivative financial instruments held by the Company include forward contracts, swaps and equity options structures.

The Group has purchased interest rate swap contracts to match the expected liability duration of insurance contracts, to swap floating rates of the backing assets, to fixed rates over the main duration of the related insurance contracts. The Group also manages exchange rate risk on the Group's net currency exposure by using forward exchange contracts. Both of these strategies are considered as economic hedges, but do not meet the hedge accounting criteria.

Derivative products valued using a valuation technique with market observable inputs (Level 2) are mainly interest rate swaps, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.

The table below shows the notional amounts analysed by the term to maturity. The notional amount is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year end and are neither indicative of the market risk nor credit risk.

At 31 December 2025	Notional amount \$000	Derivative asset \$000	Derivative liability \$000	Within 3 months \$000	3-12 months \$000
Over the Counter Derivatives:					
Credit and interest rate derivatives	34,430	2,299	(94)	21,400	13,030
Foreign exchange derivatives	229,117	1,645	(332)	5,191	223,926
Total	263,547	3,944	(426)	26,591	236,956

At 31 December 2024	Notional amount \$000	Derivative asset \$000	Derivative liability \$000	Within 3 months \$000	3-12 months \$000
Over the Counter Derivatives:					
Credit and interest rate derivatives	65,174	4,969	(353)	-	65,174
Foreign exchange derivatives	183,416	826	(5,062)	316	183,101
Total	248,590	5,795	(5,415)	316	248,275

Notes to the Annual Accounts at 31 December 2025

16. Derivatives (continued)

Various option strategies are employed for hedging, risk management and income enhancement. All calls sold are on assets held by the Group.

Credit and interest rate derivatives

Credit and interest rate derivatives include swap contracts to exchange one set of cash flows for another, generally fixed and floating interest payments in a single currency without exchanging principal. In the case of credit default swaps the counterparties agree to make payments with respect to defined credit events based on specified notional amounts. The forward exchange derivative contracts are over-the-counter contracts transacted in the over-the-counter market and changes in contract values are settled daily.

Equity derivatives

Equity derivatives include options and swaps and are contractual agreements in relation to a specified equity instrument at a specified price and date in the future. The equity derivative contracts are over-the-counter contracts transacted in the over-the-counter market and changes in contract values are settled daily.

Foreign Exchange derivatives

Foreign exchange derivatives include forwards and options and are contractual agreements in relation to a specified currency at a specified price and date in the future. The options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, to either buy or sell at fixed future date or at any time during a specified period, a specified amount of a currency, at a pre-determined price. The interest rate and credit derivative contracts are over-the-counter contracts transacted in the over-the-counter market and changes in contract values are settled daily.

Notes to the Annual Accounts

at 31 December 2025

17. Determination of Fair Value and Fair Value Hierarchy of Investments

Determination of Fair Value and Fair value hierarchy

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels 1, 2 and 3 in either direction in 2025 or 2024.

The tables below summarise the fair value hierarchy for the Group:

At 31 December 2025	Level 1	Level 2	Level 3	Total
	\$000	\$000	\$000	\$000
Derivative assets	-	3,944	-	3,944
Investment securities	752,035	122,000	12,449	886,484
Derivative liabilities	-	(426)	-	(426)

Notes to the Annual Accounts

at 31 December 2025

17. Determination of Fair Value and Fair Value Hierarchy of Investments (continued)

At 31 December 2024	Level 1	Level 2	Level 3	Total
	\$000	\$000	\$000	\$000
Derivative assets	-	5,795	-	5,795
Investment securities	908,112	97,098	14,683	1,019,893
Derivative liabilities	-	(5,415)	-	(5,415)

Valuation techniques

Listed investment in equity securities and debt securities.

When fair values of publicly traded equity securities and debt securities are based on quoted market prices, or binding dealer price quotations, in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy.

Managed funds

In the absence of a quoted price in an active market, they are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, the Group categorises these investments as Level 2.

Over-the-counter derivatives

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued using valuation techniques with market observable inputs are mainly options contracts.

Unlisted equity investments

Unquoted equity investments are recorded at fair values adopting market approach and applying price to book value multiple to arrive at the value of investment. There are no active markets for these investments.

Unlisted managed funds

The Group invests in managed funds, including private equity funds, which are not quoted in an active market, and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets. The Group's investment managers consider the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Group classifies these funds as Level 3.

Notes to the Annual Accounts at 31 December 2025

18. Risk Management

Governance Framework

The Group has established a sound and effective Corporate Governance framework that is appropriate to the size, nature, complexity and risk profile of the Group. The governance framework supports the sound and prudent management of the Company and its subsidiaries' activities to ensure the protection of policyholders and other applicable stakeholders.

A risk management function has been established with clear terms of reference from the board of directors, its committees and the associated executive management committees, across the Group. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. Lastly, a Group policy framework which sets out the risk profiles for the Group, risk management, control and business conduct standards for the Group's operations has been put in place. Each policy has a member of senior management charged with overseeing compliance with the policy throughout the Group.

The Board of Directors approves the Group's risk appetite and risk management policies, and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the Group's identification of risk and its interpretation, limits its structure to ensure the appropriate quality and diversification of assets, align underwriting and reinsurance strategy to the corporate goals, and specify reporting requirements.

Capital Management Framework (Unaudited)

The Group is regulated by the Bermuda Monetary Authority ("BMA") as group supervisor. The Group is required by the BMA to hold available consolidated statutory capital and surplus of an amount that is equal to or exceeds the Enhanced Capital Requirement ("ECR"). The ECR is the higher of the Bermuda Solvency Capital Requirement ("BSCR") (the BMA standard formula capital requirement) and the Minimum Margin of Solvency ("MSM"). The BSCR forms part of the regulatory regime that has achieved equivalence with Europe's Solvency II.

Capital adequacy is maintained with reference to risk appetite and tolerance statements, which are defined in terms of the Group's regulatory and internal model solvency ratios. The Group's risk appetite defines what it seeks to achieve based on normal commercial situations. At any given time, the capital management policy is to maintain a strong capital base to enable the Group to support the business plan based on its own view of the capital required, while meeting regulatory capital requirements on an ongoing basis.

The Risk Management Framework is embedded in strategic planning, decision making and budgeting. As part of this framework, the level of capital is assessed to maintain solvency at the thresholds targeted within the risk appetite and tolerance statements, given the Group's risk profile. The Group Solvency Self-Assessment ("GSSA") processes enable the Group to identify, assess, monitor, manage and report on the current and emerging risks that the Group faces, and to determine the capital necessary to ensure that overall solvency needs are met at all times.

The Capital Management Action Plan identifies the various thresholds below which available capital may be depleted, and the actions that will be adopted to maintain capital adequacy in line with the risk appetite and tolerance statements. The capital position can be managed by either increasing the amount of available capital or by taking action which reduces the required capital. The approach taken depends on the specific circumstances of the event giving rise to the depletion of available capital.

The BMA have introduced a three-tiered capital system, which is designed to assess the quality of insurers' capital resources eligible to satisfy their regulatory capital requirement. The tiered capital system (Tiers 1, 2 and 3) classifies capital instruments into a given tier based on their loss absorbency characteristics. The highest-quality capital is eligible for Tier 1, which is able to absorb losses under all circumstances, including as a going-concern, during run-off, wind-up and insolvency. Tier 2, while providing full protection to policyholders in a wind-up or insolvency, has

Notes to the Annual Accounts at 31 December 2025

18. Risk Management (continued)

moderate loss absorbency on a going-concern basis. Tier 3 meets, on a limited basis, some of the characteristics exhibited in Tiers 1 and 2.

Eligibility limits are applied to each tier in determining the amounts eligible to cover regulatory capital requirement levels. Only Tier 1 and Tier 2 capital are eligible to cover the MSM (a minimum of 80% Tier 1 capital and a maximum of 20% of Tier 2 capital). A minimum of 60% of Tier 1 capital and a maximum of 15% of Tier 3 capital must be available to cover the ECR. Eligible capital consists of paid-in share capital and retained earnings.

The BMA require audited financial statements and a signed loss reserve specialist opinion to be filed on an annual basis. However, the BMA do not require that the Capital and Solvency Return (CSR) be audited.

The Unaudited balances and ratios included in the CSR at the end of 2024 which have been filed with the BMA indicate the requirements and compliance for 2025.

The unaudited available capital and surplus at the end of 2024 was USD 1,089.8 million (USD 974.2 million at the end of 2023). The Group ECR and BSCR coverage ratios at the end of 2024 was 341% (186% at the end of 2023)

At the end of the year the BSCR coverage ratio for the Company is expected to be approximately 345%. The companies within the Group are each expected to remain compliant with regulatory capital requirements. The unaudited Solvency Capital Requirement ("SCR") ratios for the subsidiaries are expected to be as follows:

	2025 Unaudited Ratios
QEL	287%
MICL	383%
West Bay	238%
SJICL	664%

Notes to the Annual Accounts at 31 December 2025

18. Risk Management (continued)

Risk Management Framework

The Group has established a risk management framework by which risks are identified, measured, mitigated and managed. The Group has established a framework of internal controls which seeks to mitigate risks and limit the probability of losses or other adverse outcomes during the implementation of the strategic objectives and business plan, as well as providing a framework for the overall management and oversight of the business. The controls are rated according to their effectiveness of both design and performance, with independent challenge provided by the risk management function. Internal audit also provides independent assurance. The framework provides a basis for understanding the risks that the Group is exposed to and its ability to identify, assess, control and mitigate these risks.

Risk Monitoring and Controls

Risk management processes are based on risk identification; assessment and quantification; response; and monitoring and reporting. All risk categories are identified in the risk register. Supporting controls mitigate the inherent impact of the risks to a residual level that is within the approved risk appetite and tolerance levels. All risk categories and related controls are assigned risk owners and control owners that are responsible for managing the risks.

The risk register is maintained through regular review by the Risk Department and through the monthly self-certification process by the risk and control owners. The Risk Department provides regular reports on key risk issues and actions required to the Board and its Committees.

Principal Risk and Uncertainties

The Group in the normal course of its business derives its revenue mainly from assuming and managing insurance risks for profit while also benefiting from the investment return on its invested asset base. The Group is mainly exposed to the following risks;

- Insurance risk,
- Credit Risk
- Market, investment, liquidity and concentration risk
- Operational and systems risk
- Group risk,
- Strategic risk and
- Reputational

The primary objective of the Group's risk and financial management framework is to protect the Group's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. In order to achieve this, it is of critical importance to have efficient and effective risk management systems in place.

a) Insurance Risk:

The principal risk the Group faces under insurance contracts is that the actual claims or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, and subsequent development of long-tail claims.

The Group manages the insurance risk through the careful selection and implementation of its underwriting strategy and guidelines together with the adequate reinsurance arrangements and proactive management of claims. The concentration of insurance risk exposure is mitigated by careful selection and implementation of the underwriting strategy of the Group. Underwriting limits are in place to enforce risk selection criteria, and an

Notes to the Annual Accounts at 31 December 2025

18. Risk Management (continued)

exposure management framework monitors and limits exposure to peak peril zones within the context of defined risk appetite.

Insurance risk can be broken down into underwriting (including catastrophe risk) and reserve risk. Underwriting risk relates to the unexpired risk on business already incepted or bound and reflects the risk that premiums are not sufficient to cover future losses. The Group manages underwriting risk through various governance and control mechanisms under the oversight of the Underwriting and Portfolio Management Committee ("UPMC"), which comprises senior representatives from the underwriting, risk, claims and actuarial functions.

Detailed policies and guidelines exist relating to:

- Underwriting authorities;
- Pricing methodologies; and
- Risk accumulations.

In relation to catastrophe risk pricing utilises proprietary pricing tools blended with internal analysis. Aggregate catastrophe risk is subject to defined limits which are monitored using an internally developed exposure management tool.

The Group purchases both treaty and facultative reinsurance to manage insurance risk in the context of the defined risk appetite, to protect the capital base and manage volatility.

The Group actively manages claims in order to identify, measure and manage losses while delivering on obligations to policyholders.

The reserve risk element of insurance risk arises from the inherent uncertainty surrounding the adequacy of the reserves or technical provisions set aside to cover the insurance liabilities. The risk is that the current reserves, including those incurred but not yet reported, are not sufficient to cover the run-off of the claims which have already occurred.

Reserve risk exposure is managed within the actuarial function and through defined reserving practices which are overseen and approved by the Reserving Committee, which comprises various members of the executive management team. The Reserving Committee ultimately determines the management best estimate or reserves based on advice from the reserving actuaries and consultation with underwriters, exposure management and claims. If there were any disagreement between the Reserving Committee and the loss

reserve specialist (a role defined under Bermuda regulatory requirements), these would be escalated to the Board for resolution.

Key assumptions

The principal assumption underlying the liability estimates is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgments are used to assess the extent to which past trends may not apply in the future, for example one-off occurrence changes in market factors such as public attitude to claiming, economic conditions, as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimated. Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

Sensitivities

The general insurance claims provisions are sensitive to the key assumptions shown below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

	Change in assumptions	Impact on liabilities \$000	Impact on net profit \$000	Impact on equity \$000
At 31 December 2025				
Net incurred claims cost	10%	21,639	(21,639)	(21,639)
Net incurred claims cost	-10%	(21,639)	21,639	21,639
At 31 December 2024				
Net incurred claims cost	10%	12,513	(12,513)	(12,513)
Net incurred claims cost	-10%	(12,513)	12,513	12,513

The table below sets out the concentration of Insurance contract liabilities by division:

	2025			2024		
	Insurance Contract Liabilities \$000	Reinsurance Claims Outstanding \$000	Net \$000	Insurance Contract Liabilities \$000	Reinsurance Claims Outstanding \$000	Net \$000
Property	201,352	134,919	66,433	281,755	218,603	63,152
Casualty	2,401,420	1,609,111	792,309	2,403,944	1,865,136	538,808
Other	96,589	64,721	31,868	90,779	70,432	20,347
Total	2,699,361	1,808,751	890,610	2,776,478	2,154,171	622,307

The table below sets out the concentration of Insurance contract liabilities by geographic area:

	2025			2024		
	Insurance Contract Liabilities \$000	Reinsurance Claims Outstanding \$000	Net \$000	Insurance Contract Liabilities \$000	Reinsurance Claims Outstanding \$000	Net \$000
Africa	1,561	1,046	515	1,954	1,516	438
Americas	205,246	137,529	67,717	260,961	202,470	58,491
Asia	56,521	37,873	18,648	53,112	41,207	11,905
Europe	2,433,220	1,630,418	802,802	2,458,613	1,907,552	551,061
Oceania	2,813	1,885	928	1,838	1,426	412
Total	2,699,361	1,808,751	890,610	2,776,478	2,154,171	622,307

Notes to the Annual Accounts at 31 December 2025

18. Risk Management (continued)

b) Claims Management Risk

Claims Management Risk is the risk of loss or regulatory breach due to inappropriate claim management process and/or inadequate governance.

Claims related risks are managed through a number of control activities and Key Performance Indicators that range from claim authority and claims processing time to potential significant loss event reporting and outstanding case reserve monitoring.

Claims Development Table

The Group maintains reserves in respect of its insurance business in order to protect against adverse future claims experience and developments. The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. The top half of each table below illustrates how the Group's estimate of total claims outstanding for each accident year has changed at successive year-ends. The bottom half of the table reconciles the cumulative claims to the amount appearing in the consolidated statement of financial position.

With the exception of the proportional and non-proportional reinsurance business, an accident-year basis is considered to be most appropriate for the business written by the Group. Given the nature of reinsurance claims and the difficulties in identifying an accident year for each reported claim, these claims are reported separately and aggregated by reporting year (reporting year basis) – that is, with reference to the year in which the Group was notified of the claims. This presentation is different from the basis used for the claims development tables for the other insurance claims and entities of the Group, where the reference is to the actual date of the event that caused the claim (accident-year basis).

The following table represents the claims development on gross claims on continued operations. The impact of ceded reinsurance has not been taken into consideration.

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

Whole Account Underwriting Year	Before 2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Gross Claims												
At end of underwriting year		1,095,401	1,432,515	1,507,520	1,181,883	1,189,111	681,285	876,387	765,339	348,744	191,935	
One year later		1,382,635	1,558,717	1,796,942	1,650,639	1,940,451	1,734,342	1,330,958	975,546	438,120		
Two years later		1,433,999	1,600,501	1,927,754	1,752,097	1,988,855	1,734,558	1,290,532	1,074,991			
Three years later		1,498,431	1,691,277	1,989,317	1,681,252	1,944,996	1,763,951	1,516,248				
Four years later		1,520,640	1,712,123	1,956,355	1,583,124	1,944,630	1,812,016					
Five years later		1,540,465	1,668,313	2,061,811	1,565,561	2,013,538						
Sixth years later		1,520,767	1,584,423	2,004,164	1,587,163							
Seventh years later		1,609,632	1,589,200	2,025,203								
Eighth years later		1,580,552	1,614,776									
Nine years later		1,631,900										
Ten years later												
Estimate of Ultimate Gross Claims	4,566,291	1,631,900	1,614,776	2,025,203	1,587,163	2,013,538	1,812,016	1,516,248	1,074,991	438,120	191,935	18,472,182
Claims Paid in Same Year												
One year later		363,213	248,683	345,426	239,126	297,484	422,876	404,866	500,311	81,958	109,611	
Two years later		983,685	971,615	1,259,081	799,534	875,533	1,022,064	855,295	743,288	99,444		
Three years later		1,152,492	1,041,413	1,517,315	1,040,918	1,125,254	1,213,601	995,873	820,738			
Four years later		1,247,789	1,249,369	1,655,374	1,141,131	1,199,159	1,373,340	1,111,731				
Five years later		1,319,587	1,331,308	1,712,515	1,211,814	1,285,069	1,542,295					
Sixth years later		1,384,140	1,452,453	1,855,062	1,320,054	1,488,261						
Seventh years later		1,455,505	1,477,811	1,907,043	1,449,947							
Eighth years later		1,486,318	1,514,717	1,975,574								
Nine years later		1,511,595	1,565,577									
Ten years later		1,575,751										
Paid Claims Position	4,368,118	1,575,751	1,565,577	1,975,574	1,449,947	1,488,261	1,542,295	1,111,731	820,738	99,444	109,611	16,107,047
Gross claims reserve	198,173	56,149	49,199	49,629	137,216	525,277	269,721	404,517	254,253	338,676	82,325	2,365,135

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

Whole Account Underwriting Year	Before 2016	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Net Claims												
At end of underwriting year		561,229	686,900	731,725	601,727	558,765	470,561	572,080	428,987	185,328	152,732	
One year later		627,574	651,241	830,990	765,709	805,004	637,287	558,030	524,035	302,295		
Two years later		635,807	674,304	883,715	674,233	796,760	578,696	485,382	568,434			
Three years later		667,854	676,620	736,761	649,019	630,747	597,550	638,489				
Four years later		639,680	570,873	738,665	558,590	636,957	587,932					
Five years later		527,766	565,456	705,106	566,879	699,376						
Sixth years later		552,865	499,849	697,765	565,732							
Seventh years later		543,641	486,931	694,792								
Eighth years later		539,010	496,916									
Nine years later		496,520										
Ten years later												
Estimate of Ultimate Net Claims	2,665,816	496,520	496,916	694,792	565,732	699,376	587,932	638,489	568,434	302,295	152,732	7,869,034
Claims Paid in Same Year												
One year later		197,859	143,976	183,249	135,461	136,297	247,427	241,677	314,627	57,496	75,995	
Two years later		470,708	385,811	600,367	432,102	475,073	417,264	391,974	437,907	69,104		
Three years later		609,251	476,793	712,522	500,468	538,809	472,876	466,545	461,447			
Four years later		581,771	512,089	665,022	547,590	554,509	512,376	479,940				
Five years later		585,623	474,723	692,640	556,528	572,607	522,583					
Six years later		542,012	496,190	678,821	564,615	690,396						
Seven years later		554,871	480,173	671,544	564,578							
Eighth years later		532,334	467,323	693,341								
Nine years later		527,451	495,750									
Ten years later		492,595										
Net Paid Claims Position	2,663,906	492,595	495,750	693,341	564,578	690,396	522,583	479,940	461,447	69,104	75,995	7,209,635
Net claims reserve	1,910	3,925	1,166	1,451	1,154	8,980	65,349	158,549	106,987	233,191	76,737	659,399

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

c) Credit Risk

Credit risk arises from both the underwriting and investment activities of the Group. This represents the risk of counterparties defaulting and not being able to make payments resulting in losses to the Company. A credit risk event can occur due to the failure of reinsurers to settle claims in full, failure of a broker to pass on premiums or failure of a bank or invested party to return cash.

To monitor the Group's credit risk, the outwards reinsurance team actively monitors exposure to single reinsurance counterparties. The technical accounting department prepare and monitor aged debt reports, establishing provisions for amounts which are not expected to be recovered due to default. Exposure to brokers is captured within a dashboard by the underwriting department. The security rating of all banking and custodian counterparties is actively monitored. For all classes of financial assets held by the Group, other than those relating to reinsurance contracts, the maximum credit risk exposure to the Group is the carrying value as disclosed in the consolidated financial statements at the reporting date.

To minimise our exposure to significant losses from reinsurer insolvencies, the Company evaluates the financial condition of its reinsurers. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy, ascertaining suitable allowance for impairment. Minimum security ratings or collateral requirements are in place for reinsurance counterparties. An approval process is in place for accepting all new reinsurers and banking counterparties, with minimum security ratings also in place for all banking and investment counterparties. All brokers are subject to due diligence procedures.

The Company's maximum exposure to counterparty credit risk analysed by credit quality is detailed below.

At 31 December 2025	AAA	AA	A	BBB & Below	Unrated	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Financial Investment	6,327	107,331	326,571	418,650	31,549	890,428
Cash and Cash Equivalents	21,481	14,969	46,709	-	44,735	127,894
Insurance and Other Receivables	-	2,028	1,145,615	25,642	148,479	1,321,764
Reinsurance Claims Outstanding	-	25,503	1,671,359	1,628	7,246	1,705,736
Total	27,808	149,831	3,190,254	445,920	232,009	4,045,822

At 31 December 2024	AAA	AA	A	BBB & Below	Unrated	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Financial Investment	6,221	91,531	376,919	514,159	36,858	1,025,688
Cash and Cash Equivalents	86,260	70,941	70,690	-	61,570	289,461
Insurance and Other Receivables	-	9,120	610,222	-	244,232	863,574
Reinsurance Claims Outstanding	-	18,566	2,077,876	-	9,262	2,105,704
Total	92,481	190,158	3,135,707	514,159	351,922	4,284,427

Notes to the Annual Accounts at 31 December 2025

18. Risk Management (continued)

In addition to the above, debtors arising out of insurance operations and debtors arising out of reinsurance operations in respect of inward business which are considered as unrated are linked to the claim liabilities. The credit risk can be mitigated by way of payments being withheld in the event the premiums are not received by the Company.

Debtor Aging Analysis is as below:

Debtor Aging Analysis	Net Balance	Not Due	Due	<= 30 Days	31-90 Days	91-180 Days	181-365 Days	>= 366 Days
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At 31 December 2025	720,912	613,961	106,951	4,805	5,457	9,210	9,326	78,153
At 31 December 2024	710,894	563,631	147,263	11,427	10,313	6,350	3,794	115,379

Impaired financial assets

At 31 December 2025 there are impaired insurance receivables of USD 5.5m included in the above (2024: USD 5.5m). For assets to be classified as “past-due and impaired” contractual payments must be in arrears for more than 90 days. No collateral is held as security for any past due or impaired assets.

d) Market Risk

Market risk can cause the Group to suffer losses due to unfavourable developments in the financial markets. Market risk arises as a result of our currency exposures, interest rate and default risk on the fixed income portfolio, and equity price risk as a result of the equities that the Group holds within the investment portfolio.

The Group limits market risk by maintaining a diversified portfolio and by continuous monitoring of developments in equity and bond markets. In addition, The Group actively monitors the key factors that affect stock and bond market movements, including analysis of the operational and financial performance of investees. The Group’s investment guidelines and associated mandates are intended to limit its exposures to market risk and volatility, and the adherence to these guidelines and their continued suitability are overseen by the Investment Committee of the Board. In particular the Group limits its exposure to assets such as fixed income securities, cash deposits, private equity, hedge funds and other (non-fixed income/non-equity) managed funds.

However, the investment portfolio is heavily weighted towards the fixed income securities and cash deposits. The allocation to other investments such as equities and alternatives is approximately 2% (2024: 2%) of the overall invested assets.

e) Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument (asset or liability) will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk to the extent that its assets are denominated in different currencies to its liabilities. Certain currency risk is managed through hedging.

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

The table below summarises the Group's exposure to foreign currency exchange rate risk at reporting date by categorising financial assets and liabilities by major currencies.

	<i>USD and Others*</i>	<i>QAR</i>	<i>EURO</i>	<i>GBP</i>	<i>Total USD</i>
31 December 2025	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	69,339	31,315	(2,439)	29,679	127,894
Insurance and other receivables	679,462	-	14,139	628,163	1,321,764
Reinsurance contract assets	362,793	-	97,541	1,348,417	1,808,751
Financial Investment	694,105	-	21,482	174,841	890,428
Total Assets	1,805,699	31,315	130,723	2,181,100	4,148,837
Reinsurance contract liabilities	682,001	-	160,720	1,856,640	2,699,361
Provisions, reinsurance and other payables	13,073	-	5,906	198,884	217,863
Short term borrowings	50,826	-	-	-	50,826
Total Liabilities	745,900	-	166,626	2,055,524	2,968,050

	<i>USD and Others*</i>	<i>QAR</i>	<i>EURO</i>	<i>GBP</i>	<i>Total USD</i>
31 December 2024	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	73,105	114,295	2,675	99,386	289,461
Insurance and other receivables	279,629	-	76,522	507,422	863,573
Reinsurance contract assets	572,971	-	108,204	1,472,996	2,154,171
Financial Investment	1,020,545	-	4,795	348	1,025,688
Total Assets	1,946,250	114,295	192,196	2,080,152	4,332,893
Reinsurance contract liabilities	451,373	-	171,493	2,153,612	2,776,478
Provisions, reinsurance and other payables	107,982	-	39,127	168,220	315,329
Short term borrowings	109,218	-	-	-	109,218
Total Liabilities	668,573	-	210,620	2,321,832	3,201,025

*Others mainly represents exposure in minor currencies with immaterial currency risk.

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

The analysis that follows is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity due to changes in the fair value of currency sensitive monetary assets and liabilities including insurance contract claim liabilities. The correlation of variables will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variables, it is necessary to change the variables on an individual basis.

	<i>Change in variables</i>	<i>Impact of profit or loss</i>	
		<i>31 December 2025</i>	<i>31 December 2024</i>
		\$000	\$000
Currency			
Euro	10%	(3,589)	(1,842)
GBP	10%	23,745	(24,168)
Total		20,156	(26,010)
<hr/>			
Euro	-10%	3,589	1,842
GBP	-10%	(23,745)	24,168
Total		(20,156)	26,010

f) Interest Risk

Interest rate risk is the risk of changes in market interest rates which may reduce the overall return of interest-bearing securities or reduce the fair market value of the fixed income security. The Group invests in fixed income securities and holds cash deposits that are subject to interest rate risk.

The Group's interest risk policy requires managing interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and interest bearing financial liabilities.

The Group manages and limits its interest rate risk by monitoring changes in interest rates in the currencies in which its cash and investments are denominated and reacting to these changes in a timely and efficient manner. The Group diversifies its portfolio such that it has no significant concentration of interest rate risk.

The sensitivity of the Group's investment portfolio to interest rate movements is detailed below, assuming linear movements in interest rates:

	Impact of profit and loss	Impact on Equity
	\$000	\$000
At 31 December 2025		
+ 50 basis points	(810)	(18,560)
-50 basis points	810	18,560
At 31 December 2024		
+ 50 basis points	(546)	(22,110)
-50 basis points	546	22,110

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

The Group's interest rate risk based on contractual arrangements is as follows:

	< 1 year	1-5 years	> 5 years	Total	Effective interest rate
	\$000	\$000	\$000	\$000	%
At 31 December 2025					
Debt securities	109,582	367,584	385,621	862,787	5.04%
Cash at Bank and in Hand	127,894			127,894	4.31%
At 31 December 2024					
Debt securities	145,251	428,832	418,853	992,936	4.55%
Cash at Bank and in Hand	289,461			289,461	5.35%

Price risk is the risk that the fair value of or income from a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Group's equity price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices. The Group's risk appetite and tolerance statements, and Investment Mandate limit the exposures to equity price risk.

The analysis below is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit or loss and equity.

	Change in variables	Impact of profit and loss	Impact on Equity
		\$000	\$000
At 31 December 2025			
Qatar Market	+10%	-	-
International Markets	+10%	1,125	1,125
Qatar Market	-10%	-	-
International Markets	-10%	(1,125)	(1,125)

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

	Change in variables	Impact of profit and loss \$000	Impact on Equity \$000
At 31 December 2024			
Qatar Market	+10%	-	-
International Markets	+10%	1,227	1,227
Qatar Market	-10%	-	-
International Markets	-10%	(1,227)	(1,227)

The method used for deriving sensitivity information and significant variables did not change from the previous year.

g) Investment risk

Investment risk can arise as a result of implementing an inappropriate investment strategy. The Group's investment strategy is tailored to meet the Group's business needs, objectives and regulatory requirements.

The Investment Committee of the Board approves and monitors the implementation of the Investment Mandate by the investment advisors, taking into consideration these objectives and requirements. An update on the investment portfolio is included in the Investment Committee meeting materials. Asset allocations are compared to minimum and maximum allocations and constraints per the investment mandate and, risk appetite and, tolerance statements to ensure compliance.

h) Liquidity Risk

Liquidity risk arises when the Group is unable to meet its payment obligations as and when they fall due. The Group measures this risk by assessing the appropriateness of the controls in place to monitor and manage liquidity risk exposure and supplement this with cash flow analysis arising from stress testing exercises such as those conducted as part of the Exposure Management Framework.

Liquidity risk is managed through the Group's overall investment strategy which is focused on allocations to more liquid instruments and wider monitoring of the overall liquidity profile of the investment portfolio. At an operational level, liquidity requirements are monitored on a regular basis, and management ensures that sufficient funds are available to meet any commitments as they arise. The actuarial team provide information to the investment managers on a quarterly basis relating to the maturity profile of the insurance liabilities in order to facilitate appropriate asset allocations. The Group risk appetite statements in relation to liquidity require that the average duration of assets is no longer than the average duration of liabilities.

Notes to the Annual Accounts

at 31 December 2025

18. Risk Management (continued)

Maturity profiles

At 31 December 2025	< 1 year \$000	1-5 years \$000	> 5 years \$000	Total \$000
Financial assets: Non derivatives				
Financial investments at fair value through profit or loss (FVTPL)	25,388	8,820	41,248	75,456
Financial investments at fair value through other comprehensive income (FVOCI)	84,194	358,764	368,070	811,028
Cash at Bank and in Hand	127,894			127,894
Insurance and Other Receivables	771,592	131,574		903,166
Due from related parties	418,598			418,598
Reinsurers' Share of Claims Provisions	449,828	318,331	937,577	1,705,736
Total Financial Assets	1,877,494	817,489	1,346,895	4,041,878
Financial liabilities: Non derivatives				
Insurance and Other Payables	217,863			217,863
Short term borrowings	50,826			50,826
Claims Provision	180,115	1,279,949	905,071	2,365,135
Total Financial Liabilities	448,804	1,279,949	905,071	2,633,824
At 31 December 2024	< 1 year \$000	1-3 years \$000	> 5 years \$000	Total \$000
Financial assets: Non derivatives				
Financial investments at fair value through profit or loss (FVTPL)	26,958	2,157	13,928	43,043
Financial investments at fair value through other comprehensive income (FVOCI)	145,251	426,675	404,924	976,850
Cash at Bank and in Hand	289,461			289,461
Insurance and Other Receivables	732,000	131,574		863,574
Reinsurers' Share of Claims Provisions	699,312	468,166	938,226	2,105,704
Total Financial Assets	1,892,982	1,028,572	1,357,078	4,278,632
Financial liabilities: Non derivatives				
Insurance and Other Payables	190,250	125,078		315,328
Short term borrowings	109,218			109,218
Due to related parties	17,604			17,604
Claims Provision	357,574	1,189,663	1,088,039	2,635,276
Total Financial Liabilities	674,646	1,314,741	1,088,039	3,077,426

Notes to the Annual Accounts at 31 December 2025

18. Risk Management (continued)

i) Concentration risk

Concentration risk can arise when the investment portfolio is not appropriately diversified across counterparties, geographical regions and industries. Concentration risk is measured with reference to the Group's risk appetite and tolerance statements, which limit the concentration of asset holdings on a regional, country and counterparty level, ensuring the investment portfolio is appropriately diversified.

j) Operational and systems risk

Operational risk arises from the failure of or inadequate processes, people or systems or from external events that impact the operational capability of the Group. The Group monitors operational risk exposures through its risk register and emerging risk processes which are overseen by the Risk & Capital Committee of the Board. This risk register and emerging risk process also cover strategic risks, reputational risks and legal and litigation risks.

The Group seeks to manage operational risk exposure through the implementation of a robust internal control framework and an effective governance framework. The Group has detailed systems and procedures manuals with effective segregation of duties, access controls, authorisation and reconciliation procedures, staff training and assessment processes etc. with a compliance and internal audit framework. Business risks such as changes in environment, technology and the industry are monitored through the Group's strategic planning and budgeting process. The Group has established business continuity and disaster recovery plans.

k) Group risk

Group risk represents the risk arising as a result of being part of an insurance group, including exposures resulting from intra-group transactions. It arises from the relationship that the Group has with the parent group, including the reinsurance cover provided by QIC and the dependence on the QIC group credit rating and parental guarantee. Operational dependency is limited to only one material intra-group outsourcing contract relating to investment advisory services.

l) Strategic risk

The Group has identified a number of strategic risks within the risk register, covering risks to the planning, communication and execution of the business plan, and risks associated with the management and availability of capital. The risk of business strategy failure is mitigated through the review and sign off of the Group's business plan by the Board and alignment of the business plan, risk appetite, capital requirements and underwriting guidelines. Stress and scenario testing help to identify and assess the risks to the business plan.

All Board members and Officers of the Group are subject to requirements to confirm that they are fit and proper to discharge their responsibilities, which includes providing the necessary strategic direction.

m) Reputational risk

Reputational risk arises as a result of adverse publicity regarding business practices or associations. The risk is mitigated through the Group's corporate governance framework and Board oversight of its strategies, policies and risk appetite. The Group is committed to complying with sound business practices and compliance with applicable laws and regulations.

Notes to the Annual Accounts

at 31 December 2025

19. Share Capital

	2025		2024	
	No of Shares	USD	No of Shares	USD
Authorised				
Ordinary shares of USD 1 each	1,200,000	1,200,000	1,200,000	1,200,000
Issued and fully paid up				
Ordinary shares of USD 1 each	1,000,000	1,000,000	1,000,000	1,000,000

There has been no movement in the authorised or issued and fully paid share capital of the Company during 2024.

20. Contributed Surplus

	2025	2024
	\$000	\$000
(i) On cancellation of shares after change in legal domicile	251,651	251,651
(ii) On merger of Antares Re business as on 31 December 2015	243,717	243,717
(iii) Contribution from Parent Company during 2016	200,000	200,000
(iv) Contribution from Parent Company during 2020	202,569	202,569
(v) Contribution from Parent Company during 2021	201,260	201,260
(vi) Contribution from Parent Company during 2022	595,276	595,276
(vii) Contribution from Parent Company during 2023	223,694	223,694
Total	1,918,167	1,918,167

21. Directors' Remuneration

In accordance with the By-Laws of the Company, the Board of Directors' remuneration and expenses for the year 2025 has been proposed at USD 799k (2024: USD 996k).

22. Ultimate Parent Company

The Immediate Parent Company is QIC Capital LLC, a Company incorporated and registered in the State of Qatar, which has a 100% shareholding. The Ultimate Parent Company is Qatar Insurance Company QSPC, an insurance group incorporated in the State of Qatar and listed on the Qatar Stock Exchange. Consolidated accounts are prepared by Qatar Insurance Company QSPC and copies of these are available from the registered office at Tamin Street, West Bay, PO Box 666, Doha, Qatar.

23. Contingencies, Guarantees and Other Off-Balance Sheet Items

The Company has not been party to any arrangement, which is not reflected in the balance sheet, where material risks and benefits arise for the Company.

The Group, like most other insurance and reinsurance companies, is continuously involved in legal proceedings, claims and litigation in the normal course of business. As at 31 December 2025 there are no additional contingent liabilities to establish in relation to any of these legal proceedings.

Notes to the Annual Accounts at 31 December 2025

23. Contingencies, Guarantees and Other Off-Balance Sheet Items (continued)

The Group is also subject to insurance solvency regulations in all of the territories in which it issues insurance contracts. There are no contingencies associated with the Group's compliance or lack of compliance with these regulations.

Letters of Credit:

The Company provides letters of credit to clients as additional security for outstanding recoverable from the Company. The majority of these clients represent U.S. insurance companies. As the Company is not an admitted reinsurer in the U.S., the terms of certain U.S. reinsurance contracts require Qatar Re to provide letters of credit or other terms of collateral to clients in order that such clients may include any recoverable balances from Qatar Re as an admitted asset in their U.S. statutory financial statements. The Company has in place unsecured letter of credit facilities with various highly rated banking institutions that are for the provision of a letter of credit mostly in favour of U.S. ceding companies, as well as ceding companies from other jurisdictions. These banking institutions are all included on the NAIC List of Qualified U.S. Financial Institutions.

Guarantee:

The Company has provided a guarantee to QEL as a subsidiary, whereby the Company guarantees certain amounts payable to QEL by specified third parties. The intent of the guarantee is to transfer credit risk to the Company as a part of a capital management strategy.

The Company also provides a parental guarantee to its subsidiaries.

24. Events After the Reporting Period

Middle East Conflict:

Post year-end, in early 2026, geopolitical tensions in the Middle East escalated significantly following military action involving Israel, the United States and Iran, which has led to subsequent regional escalation. The situation remains fluid, and the potential duration and wider economic implications are uncertain.

Management has considered the Group's potential exposure to this development, including:

- Insurance and reinsurance contracts that may be affected by claims relating to political violence, terrorism, marine and aviation disruption, energy sector risks, and other conflict-related perils.
- Investment holdings that may be subject to increased market volatility or credit risk as a result of geopolitical instability.
- Operational dependencies, including outsourced services that could be indirectly impacted.

Whilst the Company has some financial and operational dependency on the wider Group, as at the date the financial statements were approved there was no impact on the Company status as a going concern and no conditions existed at 31 December 2025 that would require adjustment to the amounts recognised in these financial statements.

In accordance with FRS 102 Section 32 (Events After the End of the Reporting Period), this event is considered a non-adjusting post balance sheet event. The Group will continue to monitor developments and assess any emerging impact on its underwriting activities, capital position, and risk profile.

Notes to the Annual Accounts at 31 December 2025

24. Events After the Reporting Period (continued)

From a group perspective, the parent company has not identified any impact on solvency or liquidity.

The Group remains well-positioned with strong capital, liquidity, and operational resilience. However, the ongoing uncertainty may lead to market volatility, fluctuations in interest rates, and potential effects on the insurance industry.

Re-Organisation:

On 1 January 2026 QICC undertook an internal reorganisation to bring all Antares group related companies under common ownership. QIC Antares Holding Limited was incorporated in Bermuda in 2025 and on 1 January 2026, QICC transferred its investment in the Company to this new holding company by way of a capital contribution. This transaction had no impact on the consolidated net assets or results of the Group, as it represented a reorganisation of entities under common control.

Antares Managing Agency Limited
London
21 Lime Street
EC3M 7HB

Singapore
138 Market Street
#04-04 CapitaGreen
048946

