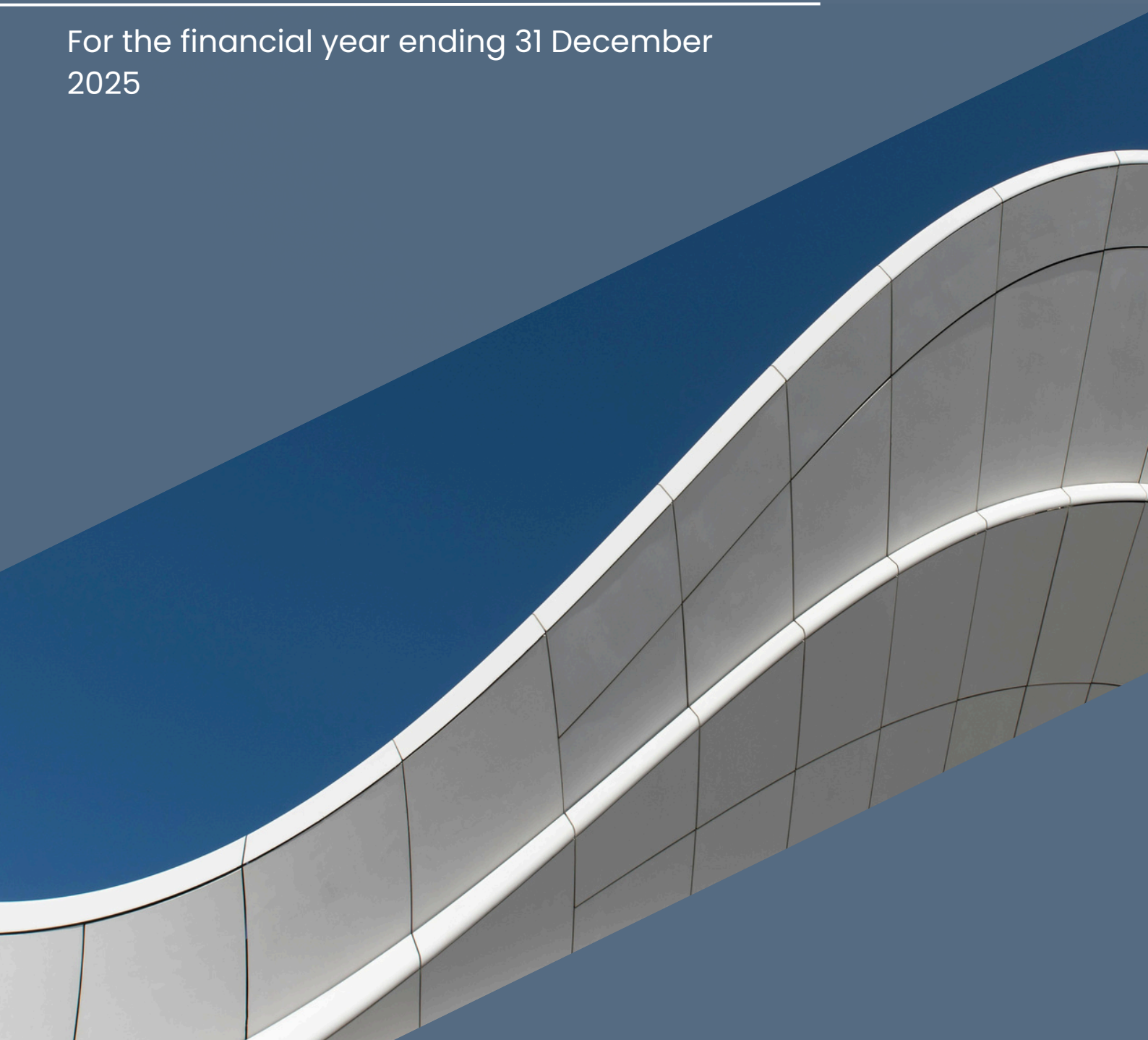


Annual Report & Accounts

Antares at Lloyds – Syndicate 1274

For the financial year ending 31 December
2025



Contents

Directors and Administration	4
Managing Agent's Report	5
Statement of Managing Agent's responsibilities	9
Independent Auditor's Report to the Members of Antares 1274	10
Statement of profit or loss and other comprehensive income	15
Balance sheet – Assets	17
Balance sheet (cont'd) – Liabilities	18
Statement of changes in members' balances	19
Statement of cash flows	20
Notes to the financial statements – (forming part of the financial statements)	21

Directors and Administration

Managing Agent:

Antares Managing Agency Limited

Directors

M C Graham

Ahmed El Tabbakh*

M Van Der Straaten*

M Rajoo-Oakley

H R McKinlay**

R J Camp

R A Keers

B B Secrett**

K M Felisky**

M J Campbell (joined 26 February 2025)

* Non-Executive Director

** Independent Non-Executive Director

Secretary

Amy Rose-McMullen

Managing Agent's Registered Office

21 Lime Street

London, EC3M 7HB

Managing Agent's Registered Number

6646629

Syndicate 1274:

Active Underwriter

M J Campbell

Banker

Lloyds TSB Bank plc

25 Gresham Street

London, EC2V 7HN

Registered Auditor

KPMG LLP

15 Canada Square

London E14 5GL

Managing Agent's Report

The Directors of Antares Managing Agency Limited ('the Managing Agent') present their Report for the year ended 31 December 2025.

Directors

The names of the Directors who served during the year can be found in the Directors and Administration information on page 4.

Directors' Interests

None of the Directors hold any interests in Antares Managing Agency Limited.

The Managing Agent

The Managing Agent is Antares Managing Agency Limited (AMAL), whose registered office is 21 Lime Street, London, EC3M 7HB and registered number is 6646629.

Results and Review of the Business

Syndicate 1274 is a provider of global insurance and reinsurance products. The Syndicate is fully aligned with 100% of its capacity provided by Qatar Insurance Company QSPC ("QIC", formerly Qatar Insurance Company SAQ), a publicly listed composite insurer listed on the Qatar Exchange; and Antares Reinsurance Company Limited (a Bermudian company).

Antares Global Management Limited ("AGML") provides insurance services to the Syndicate under an outsourcing agreement with AMAL.

In line with QIC's strategy, the objective of the Syndicate is to contribute to profitable growth. The Syndicate provides a worldwide, diversified, range of insurance and reinsurance products and is dedicated to providing an efficient and effective service to its clients ensuring quality, security, continuity and a consistent approach to risk transfer.

\$000	2025	2024
Gross Premium Written	682,017	597,810
Net Premium Earned	578,478	530,764
Net Claims Incurred	(313,711)	(295,027)
Net Commission	(159,200)	(137,341)
Net Underwriting Result	105,567	98,396
Operating Expenses	(75,906)	(69,829)
Net Foreign Exchange	(3,789)	(5,369)
Investment Return	60,501	37,643
Net Profit	86,373	60,841
Ratios:		
Claims Ratio	54.23%	55.59%
Commission Ratio	27.52%	25.88%
Expense Ratio	13.12%	13.16%
Combined Ratio	94.87%	94.63%

The above ratios have been calculated using net earned premium.

In 2025, the Syndicate made a profit of \$86m (2024: \$61m).

Premiums

The whole account gross written premium is \$84m above prior year at \$682m (2024: \$598m).

Claims

Net claims incurred were \$314m (2024: \$295m) with the Claims Ratio decreasing from 56% to 54%.

Managing Agent's Report

The decrease in the Claims Ratio is despite the Syndicate being impacted by the California Wildfire losses and a deterioration of the Ukraine war loss.

Commissions

The Syndicate continued to manage commissions resulting in the acquisition ratio 28% (2024: 26%), with the increase on prior year driven by profit commissions payable.

Expenses

Operating expenses increased to \$76m (2024: \$70m) and the expense ratio followed at 13% (2024: 13%) driven by inflation and increased headcount.

Investments

Overall, investments contributed a profit of \$61m to the result (2024: \$38m), representing a 5.6% return (2024: 3.6%).

Investment coupon interest was \$35m while the net gain in unrealised investments contributed \$27m.

Financial Instruments

Details of financial instruments are provided in Note 3 to the accounts.

Going Concern

The Directors of the Managing Agent have assessed the Syndicate's ability to continue as a going concern by considering, amongst other things, the Syndicate's reserve strength, available capital, future business plan and any expected material changes to its operations. Based on this assessment, the Directors have a reasonable expectation that the Syndicate has adequate resources to continue in operational existence for a period of at least twelve months from when the financial statements are authorised for issue.

Post Balance Sheet Events and Future Developments

There are no events that are material to the operations of the Syndicate that have occurred since the reporting date (Note 25). The Directors of the Managing Agent do not anticipate any change to its strategy and will continue to maintain a balanced portfolio for 2026.

Principal Risk and Uncertainties

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

Risk Categories

The Syndicate 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 Syndicate 1274 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 turning out to be 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.

Managing Agent's Report

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.

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 Syndicate 1274's financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which AMAL 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 Syndicate 1274 basic own funds 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 Syndicate 1274'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 the Managing Agency fails to meet the regulatory requirements of the Financial Conduct Authority, the Prudential Regulation Authority and Lloyd's. Lloyd's requirements include those imposed on the Lloyd's market by overseas regulators, particularly in respect of US situs business. Antares Managing Agency Limited has a Compliance department that monitors regulatory developments and assesses the impact on Agency policy.

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 AMAL'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 and/or 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 on an arm's length basis and clearly understood by all parties.

Climate Change Risk and the response to climate change is an evolving risk area which has potential to impact AMAL 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 low carbon economy. Such impacts could be short or long term in nature, and potentially affect our other key risk types described above.

AMAL 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. We continue to monitor developments in this space, including regulatory expectations in this area.

Managing Agent's Report

Risk Governance

The AMAL Board is ultimately responsible for ensuring the effective management and control of risk affecting the Syndicate. The AMAL 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 AMAL Board has, for practical reasons, delegated its day-to-day responsibility for different aspects of the risk management to committees and the senior management.

Refer to Note 3 Risk Management for more information on how the Managing Agent monitors, controls, mitigates and manages the risks described above.

Business Outlook

The Syndicate Business Forecast for the 2026 year of account has been approved by Lloyd's and management are continuing to focus on profitable growth. The stamp capacity for 2026 year of account is \$560m.

Disclosure of Information to the Auditors

The Directors each confirm that:

- so far as they are aware, there is no relevant audit information of which the Syndicate's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Syndicate's auditors are aware of that information.

Auditors

Pursuant to section 14(2) of Schedule 1 of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



Amy Rose-McMullen

Company Secretary

20 February 2026

Statement of Managing Agent's responsibilities

The Directors of the Managing Agent are responsible for preparing the Syndicate annual report and annual accounts in accordance with applicable law and regulations. The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 require the Managing Agent to prepare Syndicate annual accounts as at 31 December each year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland). The annual accounts are required by law to give a true and fair view of the state of affairs of the Syndicate as at that date and of its profit or loss for that year.

Under Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 the Directors of the Managing Agent must not approve the annual accounts unless they are satisfied that they give a true and fair view of the state of the affairs of the Syndicate and of the profit or loss of the Syndicate for that period. In preparing these annual accounts, the Directors of the Managing Agent 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 have been followed, subject to any material departures disclosed and explained in the annual accounts;
- assess the Syndicate's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- prepare the annual accounts on the basis that the Syndicate will continue to write future business unless it is inappropriate to presume that the Syndicate will do so.

The Directors of the Managing Agent are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Syndicate and enable it to ensure that the Syndicate annual accounts comply with the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of the annual accounts 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 Syndicate and to prevent and detect fraud and other irregularities.

The Directors of the Managing Agent are responsible for the preparation and review of the iXBRL tagging that has been applied to the Syndicate Accounts in accordance with the instructions issued by Lloyd's, including designing, implementing and maintaining systems, processes and internal controls to result in tagging that is free from material non-compliance with the instructions issued by Lloyd's, whether due to fraud or error.

The Directors of the Managing Agent is responsible for the maintenance and integrity of the corporate and financial information included on the business' website. Legislation in the United Kingdom governing the preparation and dissemination of annual accounts may differ from legislation in other jurisdictions.

The Directors confirm that to the best of our knowledge the Syndicate accounts, including the iXBRL tagging applied to these accounts, comply with the requirements of the Lloyd's Syndicate Accounts Instructions version 3.1 as modified by the Frequently Asked Questions version 1.1 issues by Lloyd's.



R A Keers
Finance Director
20 February 2026

Independent Auditor's Report to the Members of Antares 1274

Opinion

We have audited the Syndicate annual accounts of Syndicate 1274 ("the Syndicate") for the year ended 31 December 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position – Assets, Statement of Financial Position – Liabilities, Statement of Changes in Members' Balances, Statement of Cash Flows,

and related notes, including the note 2.

In our opinion the Syndicate annual accounts:

- give a true and fair view of the state of the Syndicate's affairs as at 31 December 2025 and of its 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
- have been prepared in accordance with the requirements of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, and Sections 1 and 5 of the Syndicate Accounts Instructions Version 3.1, as modified by the Syndicate Accounts Frequently Asked Questions Version 1.1 dated 13 February 2026, issued by the Council of Lloyd's ("the Syndicate Accounts Instructions").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), applicable law, and, under the terms of our engagement letter dated 5 August 2025 the Syndicate Account Instructions. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Syndicate in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to other entities of public interest. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors of the Managing Agent ("the Directors") have prepared the Syndicate annual accounts on the going concern basis as they do not intend to cease underwriting or to cease its operations, and as they have concluded that the Syndicate'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 its ability to continue as a going concern for at least a year from the date of approval of the Syndicate annual accounts ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Syndicate's business model and analysed how those risks might affect the Syndicate's financial resources or ability to continue operations over the going concern period, including inspecting correspondence with the Council of Lloyd's to assess whether there were any known impediments to establishing a further year of account.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the Syndicate annual accounts 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 Syndicate's ability to continue as a going concern for the going concern period.

Independent Auditor's Report to the Members of Antares 1274

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 Syndicate 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, the audit committee, internal audit, legal, risk and compliance, management and inspection of policy documentation as to the Syndicate and Managing Agent's high-level policies and procedures to prevent and detect fraud including the internal audit function, and the Syndicate and Managing Agent's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board, audit committee, other relevant meeting minutes.
- Considering remuneration incentive schemes and performance targets for management directors.
- 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.

As required by auditing standards, and taking into account possible pressures to meet profit targets 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 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 incurred but not reported insurance loss reserves.
- We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior management and inactive users, journals posted without a user identify, those posted to seldom used accounts, those posted with unusual descriptions; unusual entries posted to cash and revenue.
- 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 Syndicate annual accounts from our general commercial and sector experience, and through discussion with the directors and others management (as

Independent Auditor's Report to the Members of Antares 1274

required by auditing standards), and from inspection of the Syndicate and Managing Agent's regulatory and legal correspondence. We discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Syndicate 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. The potential effect of these laws and regulations on the annual return varies considerably.

Firstly, the Syndicate is subject to laws and regulations that directly affect the annual return including financial reporting legislation (such as the Insurance Accounts Directive, (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, and the Lloyd's Syndicate Accounts Instructions) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Syndicate is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the Annual Return, for instance through the imposition of fines or litigation or the loss of the Syndicate's license to operate.

We identified the following areas as those most likely to have such an effect: regulatory capital and liquidity, conduct and financial crime, health and safety, data protection laws, anti-bribery, employment law, money laundering, foreign corrupt practices, environmental protection legislation, and misrepresentation recognising the financial and regulated nature of the Syndicate's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management 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 annual return, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed noncompliance with laws and regulations is from the events and transactions reflected in the annual return, 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 these 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.

Other information – Report of the Directors of the Managing Agent

The Directors are responsible for the Report of the Directors of the Managing Agent. Our opinion on the Syndicate annual accounts does not cover that report and, accordingly, in this audit report we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of Antares 1274

Our responsibility is to read the Report of the Directors of the Managing Agent and, in doing so, consider whether, based on our Syndicate annual accounts audit work, the

information therein is materially misstated or inconsistent with the Syndicate annual accounts or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Report of the Directors of the Managing Agent;
- in our opinion the information given in the Report of the Directors of the Managing Agent is consistent with the Syndicate annual accounts; and
- in our opinion the Report of the Directors of the Managing Agent has been prepared in accordance with the requirements of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008.

Matters on which we are required to report by exception

Under the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept on behalf of the Syndicate; or
- the Syndicate annual accounts are not in agreement with the accounting records; or
- certain disclosures of Managing Agent's emoluments specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Responsibilities of the Directors of the Managing Agent

As explained more fully in their statement set out on page 9, the Directors of the Managing Agent are responsible for: the preparation of the Syndicate annual accounts in accordance with the requirements of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and the Syndicate Accounts Instructions, 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 Syndicate annual accounts that are free from material misstatement, whether due to fraud or error; assessing the Syndicate'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the Syndicate annual accounts 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 Syndicate annual accounts.

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

The Directors of the Managing Agent are required, under the Syndicate Accounts Instructions, to include these financial statements within a document to which XBRL tagging has been applied. This auditor's report provides no assurance over whether the XBRL tagged document has been prepared in accordance with those requirements.

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Syndicate annual accounts.

Independent Auditor's Report to the Members of Antares 1274

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

This report is made solely to the Syndicate's members, as a body, in accordance with the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and the terms of our engagement letter with the Managing Agent. Our audit work has been undertaken so that we might state to the Syndicate's members those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Managing Agent, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Syndicate and the Syndicate's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Umar Jamil for and on behalf of KPMG LLP, Senior Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
20 February 2026

Statement of profit or loss and other comprehensive income

Technical account – General business

For the year ended 31 December 2025

	Note	2025 \$000	2024 \$000
Gross premiums written	4	682,017	597,810
Outwards reinsurance premiums		(66,323)	(57,521)
Premiums written, net of reinsurance		615,694	540,289
<i>Changes in unearned premium</i>	16		
Change in the gross provision for unearned premiums		(29,723)	(13,116)
Change in the provision for unearned premiums reinsurers' share		(7,493)	3,591
Net change in provisions for unearned premiums		(37,216)	(9,525)
Earned premiums, net of reinsurance		578,478	530,764
Allocated investment return transferred from the non-technical account	8	60,501	37,643
<i>Claims paid</i>	16		
Gross amount		(370,159)	(351,201)
Reinsurers' share		61,983	50,002
Net claims paid		(308,176)	(301,199)
<i>Change in the provision for claims</i>	16		
Gross amount		(12,644)	23,519
Reinsurers' share		7,109	(17,347)
Net change in provisions for claims		(5,535)	6,172
Claims incurred, net of reinsurance		(313,711)	(295,027)
Net operating expenses	5	(235,106)	(207,170)
Balance on the technical account – general business		90,162	66,210

Statement of profit or loss and other comprehensive income (cont.)

Non-technical account – General business

For the year ended 31 December 2025

	Note	2025 \$000	2024 \$000
Balance on the technical account – general business		90,162	66,210
Investment income	8	35,410	35,497
Realised losses on investments	8	(888)	(2,488)
Unrealised gains on investments	8	27,663	6,887
Investment expenses and charges	8	(1,684)	(2,253)
Total investment return		60,501	37,643
Allocated investment return transferred to the general business technical account		(60,501)	(37,643)
(Loss) on foreign exchange		(3,789)	(5,369)
Profit for the financial year		86,373	60,841
Total comprehensive income for the year		86,373	60,841

The Syndicate has no Other comprehensive income other than profit for the year. All operations relate to continuing activities.

Balance sheet – Assets

As at 31 December 2025

	Note	2025 \$000	2024 \$000
Financial investments	10	933,664	878,476
Deposits with ceding undertakings		1,500	2,922
Investments		935,164	881,398
Provision for unearned premiums		21,424	28,742
Claims outstanding		195,057	182,182
Reinsurers' share of technical provisions	16	216,481	210,924
Debtors arising out of direct insurance operations	11	237,090	186,068
Debtors arising out of reinsurance operations	12	115,397	121,807
Other debtors	13	1,868	1,515
Debtors		354,355	309,390
Cash at bank and in hand		130,116	107,124
Other		59,500	53,606
Other assets		189,616	160,730
Accrued interest and rent		1	92
Deferred acquisition costs	14	80,302	65,430
Other prepayments and accrued income		547	2,486
Prepayments and accrued income		80,850	68,008
Total assets		1,776,466	1,630,450

Balance sheet (cont'd) – Liabilities

As at 31 December 2025

	Note	2025 \$000	2024 \$000
Members' balances		156,272	135,523
Total capital and reserves		156,272	135,523
Provision for unearned premiums		312,795	273,754
Claims outstanding		1,145,256	1,100,591
Technical provisions	16	1,458,051	1,374,345
Creditors arising out of direct insurance operations	18	66,674	40,208
Creditors arising out of reinsurance operations	19	64,254	49,631
Other creditors including taxation and social security	20	28,448	27,522
Creditors		159,376	117,361
Accruals and deferred income		2,767	3,221
Total liabilities		1,620,194	1,494,927
Total liabilities, capital and reserves		1,776,466	1,630,450

The Syndicate financial statements on pages 15 to 55 were approved by the board of Antares Managing Agency Limited on 19 February 2026 and were signed on its behalf by:



R A Keers
Finance Director
20 February 2026

Statement of changes in members' balances

For the year ended 31 December 2025

	2025 \$000	2024 \$000
Members' balances brought forward at 1 January	135,523	110,873
Total comprehensive income for the year	86,373	60,841
Payments of profit to members' personal reserve funds	(65,624)	(36,191)
Members' balances carried forward at 31 December	156,272	135,523

Statement of cash flows

For the year ended 31 December 2025

	Note	2025 \$000	2024 \$000
Cash flows from operating activities			
Profit for the financial year		86,373	60,841
<i>Adjustments:</i>			
Increase /(decrease) in gross technical provisions		42,367	(10,404)
Increase in reinsurers' share of gross technical provisions		384	13,756
(Decrease) in debtors		(43,845)	(467)
Increase/(decrease) in creditors		41,886	(6,050)
Movement in other assets/liabilities		(1,485)	8,927
Investment return		(60,501)	(37,643)
Foreign exchange		895	2,855
Net cash inflows from operating activities		66,074	31,815
Cash flows from investing activities			
(Purchase) of equity and debt instruments		(266,360)	(241,937)
Sale of equity and debt instruments		257,995	244,899
(Purchase) of derivatives		(57,920)	(478)
Sale of derivatives		61,722	3,325
Investment income received		34,522	33,008
Other		(82)	(2,665)
Net cash inflows from investing activities		29,877	36,152
Cash flows from financing activities			
Distribution of profit		(65,624)	(36,191)
Net cash (outflows) from financing activities		(65,624)	(36,191)
Net increase in cash and cash equivalents		30,327	31,776
Cash and cash equivalents at the beginning of the year		107,820	77,357
Foreign exchange on cash and cash equivalents		(31)	(1,313)
Cash and cash equivalents at the end of the year	21	138,116	107,820

Notes to the financial statements – (forming part of the financial statements)

1. Basis of preparation

The Managing Agent of Syndicate 1274 is Antares Managing Agency Limited (“AMAL”), whose registered office is 21 Lime Street, London, EC3M 7HB and registered number is 6646629. AMAL’s ultimate parent company is Qatar Insurance Company QSPC (“QIC”), Doha, Qatar, P.O. Box 666, Tamin St, West Bay, an insurance group listed on the Qatar Exchange.

Antares Global Management Limited is a service company within the QIC group providing services to fellow subsidiaries including AMAL and Syndicate 1274.

The principal activity of Syndicate 1274 is the transaction of general insurance and reinsurance business in the London Market.

These accounts for the year ended 31 December 2025 were approved by the Antares Managing Agency Board of Directors on 19 February 2026.

These annual accounts have been prepared in accordance with The Insurance Accounts Directive (Lloyd’s Syndicate and Aggregate Accounts) Regulations 2008, and 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 (“FRS103”) and in accordance with the provisions of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations relating to insurance companies and the Lloyds Syndicate Accounts Instructions Version 3.1 as modified by the frequently Asked Questions Version 1.0 issued by Lloyds.

The Directors of the Managing Agent have assessed the Syndicate’s ability to continue as a going concern by considering, amongst other things, the Syndicate’s reserve strength, available capital, future business plan and any expected material changes to its operations. Based on the assessment the Directors have a reasonable expectation that the Syndicate has adequate resources to continue in operational existence for a period of at least twelve months from when the financial statements are authorised for issue.

The accounts have been prepared on a historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below. The Syndicate presents its annual accounts as an individual undertaking.

The Syndicate’s functional currency and presentational currency is US Dollars and the level of rounding used is the nearest thousand.

Notes to the financial statements – (forming part of the financial statements)

2. Accounting policies

(a) Premiums written

Premiums written comprise premiums on contracts incepted during the financial year as well as adjustments made in the year to premiums written in prior accounting periods. Premiums are shown gross of brokerage payable and exclude taxes and duties levied on them. Premiums include estimates for pipeline premiums, representing amounts due to the Syndicate not yet notified.

(b) Unearned premiums

Written premiums are recognised as earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the balance sheet date, calculated on the basis of established earnings patterns or time apportionment as appropriate.

(c) Reinsurance premium ceded

Outwards reinsurance premiums are earned according to the type of policy. For losses occurring during (LOD) contracts the premium is earned on a straight line basis over the period of coverage. For risks attaching during (RAD) contracts the premium is earned in line with the gross premiums earned to which the risks attaching contract relates.

(d) 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 Syndicate's areas of estimation primarily relate to premium estimates, valuation of liabilities in respect of insurance and reinsurance contracts and valuation of investments.

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.

(d) (i) Premium estimates

In the Syndicate, the majority of premium estimation arises within the binders and lineslips where the premium amounts are dependent on the volume of policies that are insured under the binder / lineslip over the coverage period. In these cases underwriters estimate an initial premium income (EPI) volume and then adjust throughout the life of the binder / lineslip as and when new

Notes to the financial statements – (forming part of the financial statements)

information becomes available. The process of determining the 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 year of account 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. For older year of account, this estimation is based on statistical methods, where historical patterns comparing the booked premium against the ultimate over time are used to project the ultimate for those years believed to not yet be fully booked. For the middle year of account, the ultimate premium estimates are based on the combination of statistical methods for the lines of business that are more than 70% developed while others 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.

(d) (ii) Claims provisions and related recoveries

Gross claims incurred comprise the estimated cost of all claims occurring during the year, whether reported or not, including related direct and indirect claims handling costs and adjustments to claims outstanding from previous years.

The provision for claims outstanding is assessed on an individual case basis and is based on the estimated ultimate cost of all claims notified but not settled by the balance sheet date, together with the provision for related claims handling costs. The provision also includes the estimated cost of claims incurred but not reported (“IBNR”) at the balance sheet date based on statistical methods.

These methods generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions. The amount of salvage and subrogation recoveries is separately identified and, where material, reported as an asset.

The reinsurers’ share of provisions for claims is based on the amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to the reinsurance programme in place for the class of business, the claims experience for the year and the current security rating of the reinsurance companies involved. A number of statistical methods are used to assist in making these estimates.

The two most critical assumptions regarding claims provisions are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred.

The Directors consider that the provisions for gross claims and related reinsurance recoveries are fairly stated on the basis of the information currently available to them. However, the ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided.

Notes to the financial statements – (forming part of the financial statements)

Adjustments to the amounts of claims provisions established in prior years are reflected in the annual accounts for the period in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly.

(d) (iii) Financial investments

The Syndicate classifies its investments as financial assets measured at fair value through profit or loss.

The Syndicate investments are initially recorded at fair value. Subsequent to initial recognition, these investments are re-measured at fair value at each reporting date. Fair value adjustments and realised gains and loss are recognised in the Income Statement.

The Syndicate uses the following hierarchy for determining the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Refer to Note 10 Financial Investments for details on the Fair Value Hierarchy and fair value measurement criteria.

The Syndicate measures the fair value of its financial assets based on market data from independent pricing services. The pricing services used obtain the actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of the derivatives are recognised in profit or loss in finance costs as appropriate. The Syndicate does not apply hedge accounting.

(e) 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 agreed before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

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

Notes to the financial statements – (forming part of the financial statements)

(f) Deferred Acquisition Costs

Acquisition costs, comprising commission and underwriters' costs related to the acquisition of new insurance contracts, are deferred to the extent that they are attributable to premiums unearned at year end.

(g) Financial Assets/Liabilities

All financial assets/liabilities are recognised initially at fair value. Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Syndicate currently has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

(h) Foreign Currencies

The Syndicate's functional currency and presentational currency is US Dollars.

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.

(i) 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.

(j) Taxation

Under Schedule 19 of the Finance Act 1993 managing agents are not required to deduct basic-rate income tax from trading income. In addition, all UK basic-rate income tax deducted from syndicate investment income is recoverable by managing agents and consequently the distribution made to members or their members' agents is gross of tax. Capital appreciation falls within trading income and is also distributed gross of tax.

Notes to the financial statements – (forming part of the financial statements)

No provision has been made for any United States Federal Income Tax payable on underwriting results or investment earnings. Any payments on account made by the Syndicate are included in the balance sheet under the heading “other debtors”.

No provision has been made for any overseas tax payable by members on underwriting results.

(k) Pension Costs

Antares Global Management Limited operates a defined contribution scheme for staff working on behalf of Antares Syndicate 1274. Pension contributions relating to these members of staff are charged to the Syndicate and included within net operating expenses.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in fair value and are used by the Syndicate in the management of its short-term commitments.

3. Risk and capital management

Risk management framework

Principal Risk and Uncertainties

The Syndicate’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 Syndicate is exposed to risk in the following categories:

A. Insurance risk

Insurance Risk: Underwriting Risk is defined as: “The risk that the frequency and severity of insured events exceeds the expectations of Syndicate 1274 at the time of underwriting”.

Reinsurance is an important risk mitigation tool employed by the Syndicate to reduce its exposure to Underwriting Risk. Reinsurance strategy is developed as part of the Three Year Business Plan and the Annual Business Plan, with reference to the overall risk appetite of the Syndicate, historical and projected future reinsurance costs, and potential sources of capital. The reinsurance strategy is approved by the AMAL Board and implemented by senior management.

The other risk mitigation techniques/tools in respect of the Underwriting Risk include: increasing diversification; altering limits and attachment points; and changing product mix (including classes of business and territories).

Underwriting Risk is managed through underwriting authorities, and both peer and independent expert review procedures. Pricing is determined through the use of bespoke pricing models. Underwriting authorities are monitored through systems which report adherence to individual underwriter limits (including contract limits and jurisdiction restrictions). Any delegated underwriting authorities are subject to due diligence review, and regular audit.

Notes to the financial statements – (forming part of the financial statements)

Exposure limits, including model based and Realistic Disaster Scenario (RDS) methodologies are set to limit the exposure to underwriting risk. Aggregate and Class of Business exposures are assessed and monitored, in line with the Exposure Management Framework, to control the risk from the underwriting activities.

Detailed underwriting management information is prepared regularly, including metrics for the main components of risk. These include pricing, loss ratio selection, experience variations, cycle management, reinsurance protection and catastrophe modelling through proprietary software.

Insurance Risk: 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”.

The Reserving Policy is approved by the AMAL Board and Technical Provisions Framework is approved by the Finance Committee. These set out the detailed principles, methodologies, practice and governance arrangements for the estimation of reserves and technical provisions.

The reserving policy seeks to ensure consistency in reserving from year to year, and the equitable treatment of capital providers on closure of a Syndicate Year of Account.

When setting reserves, the Syndicate’s actuarial function undertakes a process that includes data validation, ensuring the data used for estimating reserves is complete, accurate and understood; use of traditional actuarial methods; consideration of claims watch-lists; and engagement with underwriting, reinsurance and claims business functions to discuss actuarial findings and validate views.

Peer review within the actuarial function is completed prior to presentation of the proposed reserves to the Reserving Committee for challenge. The Reserving Committee comprises knowledgeable stakeholders from across the business, allowing for broad discussion of the drivers of premium and claim estimates.

Reserving risk is monitored by the robust application of actuarial methodologies, sign-off procedures, quarterly tracking of projected ultimate loss ratios, reassessment of methodologies where appropriate and monitoring of actual versus expected losses.

Specific areas of uncertainty within reserving include, but are not limited to future economic and social inflation, which is more material due to the ongoing heightened inflation environment; and ongoing conflicts and political tensions that require detailed monitoring of potential exposures and for which claims reporting may be delayed.

Notes to the financial statements – (forming part of the financial statements)

Sensitivity to insurance risk

The following table presents the sensitivity of the value of insurance liabilities disclosed in the accounts to potential movements in the assumptions applied within the technical provisions. Given the nature of the business underwritten by the Syndicate, the approach to calculating the technical provisions for each class can vary and as a result the sensitivity performed is to apply a beneficial and adverse risk margin to the total insurance liability.

General insurance business sensitivities as at 31 December 2025	Sensitivity	
	+5.0% \$000	-5.0% \$000
Claims outstanding – gross of reinsurance	57,263	(57,263)
Claims outstanding – net of reinsurance	47,510	(47,510)

General insurance business sensitivities as at 31 December 2024	Sensitivity	
	+5.0% \$000	-5.0% \$000
Claims outstanding – gross of reinsurance	55,030	(55,030)
Claims outstanding – net of reinsurance	45,920	(45,920)

Notes to the financial statements – (forming part of the financial statements)

B. Financial risk

a. Credit Risk

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 Syndicate’s financial position, resulting from fluctuations in the credit standing of issuers of securities, counterparties and any debtors to which the Syndicate is exposed, in the form of counterparty default risk, spread risk, or market risk concentrations.

Syndicate Investment Guidelines are approved by the AMAL Board and include details of permitted securities (including limits), minimum credit ratings and maximum concentrations, to mitigate credit and counterparty default risk exposures in respect of the investment portfolio. Adherence to these guidelines is monitored on a monthly basis.

The Syndicate deals primarily with brokers that are registered with Lloyd’s and with which it has a current, signed Terms of Business Agreement (TOBA). The financial standing of the brokers, their payment performance and adherence to approved procedures is monitored and all exceptions are escalated to the Finance Committee, which recommends a bad and doubtful debt provision to be applied against amounts due from brokers.

The Security Committee sets reinsurer exposure thresholds based on credit ratings. This is supported by placing limits on exposure to a single reinsurer in respect of the largest Realistic Disaster Scenario exposures. Reinsurer exposures are monitored on a regular basis and reported to the Security Committee, which considers the ongoing appropriateness of the thresholds and agrees strategies for reducing exposure in respect of any breaches. The Finance Committee monitors the payment performance of approved reinsurers and sets out bad debt write-off provisions. All Outward commutation agreements are approved by the Security Committee and if required by the board.

The Syndicate’s maximum exposure to counterparty credit risk analysed by credit quality is detailed below.

Notes to the financial statements – (forming part of the financial statements)

Year 2025	AAA \$000	AA \$000	A \$000	BBB \$000	Other \$000	Not rated \$000	Total \$000
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-	34,099	34,099
Debt securities and other fixed income securities	810	299,686	265,193	248,511	-	468	814,668
Participation in investment pools	-	83,507	-	-	-	294	83,801
Derivative assets	-	-	-	-	-	1,096	1,096
Syndicate loans to central fund	-	-	-	-	-	-	-
Other investments	-	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	1,500	-	-	-	1,500
Reinsurers' share of claims outstanding	-	67,893	119,960	-	-	7,204	195,057
Debtors arising out of direct insurance operations	-	-	-	-	215,373	-	215,373
Debtors arising out of reinsurance operations	-	35,435	61,934	-	-	3,683	101,052
Cash at bank and in hand	62,606	21,170	46,340	-	-	-	130,116
Other assets	72	45,413	-	14,015	-	-	59,500
Other debtors and accrued interest	-	-	-	-	-	2,416	2,416
Total	63,488	553,104	494,927	262,526	215,373	49,260	1,638,678

Year 2024	AAA \$000	AA \$000	A \$000	BBB \$000	Other \$000	Not rated \$000	Total \$000
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-	33,550	33,550
Debt securities and other fixed income securities	767	248,980	234,846	283,046	152	3,238	771,029
Participation in investment pools	28,791	38,157	-	-	-	421	67,369
Derivative assets	-	-	-	-	-	297	297
Syndicate loans to central fund	-	-	-	-	-	6,231	6,231
Other investments	-	-	-	-	-	-	-
Deposits with ceding undertakings	-	-	2,922	-	-	-	2,922
Reinsurers' share of claims outstanding	-	63,412	112,042	-	-	6,728	182,182
Debtors arising out of direct insurance operations	-	-	-	-	176,651	-	176,651
Debtors arising out of reinsurance operations	-	40,715	71,939	-	-	4,320	116,974
Cash at bank and in hand	50,119	-	56,900	-	105	-	107,124
Other assets	25,303	19,965	-	8,338	-	-	53,606
Other debtors and accrued interest	-	-	-	-	-	4,093	4,093
Total	104,980	411,229	478,649	291,384	176,908	58,878	1,522,028

Notes to the financial statements – (forming part of the financial statements)

Financial assets that are past due or impaired

The Syndicate has debtors arising from direct insurance and reinsurance operations that are past due but not impaired at the reporting date.

An analysis of the carrying amounts of past due or impaired debtors is presented in the table below:

	Neither past due nor impaired assets	Past due but not impaired assets	Gross value of impaired assets	Impairment allowance	Total
2025	\$000	\$000	\$000	\$000	\$000
Shares and other variable yield securities and units in unit trusts	34,099	-	-	-	34,099
Debt securities and other fixed income securities	814,668	-	-	-	814,668
Participation in investment pools	83,801	-	-	-	83,801
Derivative assets	1,096	-	-	-	1,096
Syndicate loans to central fund	-	-	-	-	-
Other investments	-	-	-	-	-
Deposits with ceding undertakings	1,500	-	-	-	1,500
Reinsurers' share of claims outstanding	195,057	-	-	-	195,057
Debtors arising out of direct insurance operations	215,373	21,717	-	-	237,090
Debtors arising out of reinsurance operations	101,052	14,345	-	-	115,397
Other assets	59,500	-	-	-	59,500
Other debtors and accrued interest	2,416	-	-	-	2,416
Cash at bank and in hand	130,116	-	-	-	130,116
Total	1,638,678	36,062	-	-	1,674,740

Notes to the financial statements – (forming part of the financial statements)

	Neither past due nor impaired assets	Past due but not impaired assets	Gross value of impaired assets	Impairment allowance	Total
2024	\$000	\$000	\$000	\$000	\$000
Shares and other variable yield securities and units in unit trusts	33,550	-	-	-	33,550
Debt securities and other fixed income securities	771,029	-	-	-	771,029
Participation in investment pools	67,369	-	-	-	67,369
Derivative assets	297	-	-	-	297
Syndicate loans to central fund	6,231	-	-	-	6,231
Other investments	-	-	-	-	-
Deposits with ceding undertakings	2,922	-	-	-	2,922
Reinsurers' share of claims outstanding	182,182	-	-	-	182,182
Debtors arising out of direct insurance operations	176,651	9,417	-	-	186,068
Debtors arising out of reinsurance operations	116,974	4,833	-	-	121,807
Other assets	53,606	-	-	-	53,606
Other debtors and accrued interest	4,093	-	-	-	4,093
Cash at bank and in hand	107,124	-	-	-	107,124
Total	1,522,028	14,250	-	-	1,536,278

The table below sets out the age analysis of financial assets that are past due but not impaired at the balance sheet date:

	Past due but not impaired				Total
	0-3 months past due	3-6 months past due	6-12 months past due	Greater than 1 year past due	
2025	\$000	\$000	\$000	\$000	\$000
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-
Debt securities and other fixed income securities	-	-	-	-	-
Participation in investment pools	-	-	-	-	-
Derivative assets	-	-	-	-	-
Syndicate loans to central fund	-	-	-	-	-
Other investments	-	-	-	-	-
Deposits with ceding undertakings	-	-	-	-	-
Reinsurers' share of claims outstanding	-	-	-	-	-
Debtors arising out of direct insurance operations	7,709	3,497	5,900	4,611	21,717
Debtors arising out of reinsurance operations	2,815	9,146	2,384	-	14,345
Other debtors and accrued interest	-	-	-	-	-
Other assets	-	-	-	-	-
Cash at bank and in hand	-	-	-	-	-
Total	10,524	12,643	8,284	4,611	36,062

Notes to the financial statements – (forming part of the financial statements)

	Past due but not impaired				Total
	0-3 months past due	3-6 months past due	6-12 months past due	Greater than 1 year past due	
2024	\$000	\$000	\$000	\$000	\$000
Shares and other variable yield securities and units in unit trusts	-	-	-	-	-
Debt securities and other fixed income securities	-	-	-	-	-
Participation in investment pools	-	-	-	-	-
Derivative assets	-	-	-	-	-
Syndicate loans to central fund	-	-	-	-	-
Other investments	-	-	-	-	-
Deposits with ceding undertakings	-	-	-	-	-
Reinsurers' share of claims outstanding	-	-	-	-	-
Debtors arising out of direct insurance operations	7,296	312	119	1,690	9,417
Debtors arising out of reinsurance operations	2,374	288	2,171	-	4,833
Other debtors and accrued interest	-	-	-	-	-
Other assets	-	-	-	-	-
Cash at bank and in hand	-	-	-	-	-
Total	9,670	600	2,290	1,690	14,250

b. Liquidity risk

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."

Liquidity policy includes a specific requirement to hold sufficient funds in working capital to meet the following quarter's estimated claims liabilities and this position is reviewed by the Finance Committee on a quarterly basis. Additionally, an annual stress test is performed to ensure that sufficient liquidity is maintained in order to meet a Realistic Disaster Scenario ("RDS") event without unnecessary cost to AMAL. Rolling 12-month cash flow projections, in each of the underlying main operating currencies, are prepared quarterly, reviewed against available liquid funds and used in the quarterly balance sheet asset liability matching exercise. The review recognises the restrictions placed on funds committed to meet Lloyd's overseas trust fund requirements. Liquidity requirements for all accounts and respective currency amounts are determined periodically via a process of analysis of historic daily settlements.

Notes to the financial statements – (forming part of the financial statements)

A table showing the undiscounted expected timing of future cash flows is as follows (insurance contract liabilities and reinsurance contract assets have been analysed based on actuarial cash flow estimates):

Provisions, reinsurance and other payables include \$0.4m of derivatives liabilities (2024: \$6.1m). Derivative liabilities are included in Other Creditors in the balance sheet.

	Undiscounted net cash flows					
Year 2025	No maturity stated \$000	0-1 yrs \$000	1-3 yrs \$000	3-5 yrs \$000	>5 yrs \$000	Total \$000
Claims outstanding	-	440,391	518,491	106,859	79,515	1,145,256
Derivative liabilities	-	391	-	-	-	391
Creditors	-	150,137	6,636	1,947	265	158,985
Other credit balances	-	-	-	-	-	-
Total	-	590,919	525,127	108,806	79,780	1,304,632

	Undiscounted net cash flows					
Year 2024	No maturity stated \$000	0-1 yrs \$000	1-3 yrs \$000	3-5 yrs \$000	>5 yrs \$000	Total \$000
Claims outstanding	-	422,734	529,475	96,905	51,477	1,100,591
Derivative liabilities	-	6,102	-	-	-	6,102
Creditors	-	103,715	5,658	1,660	226	111,259
Other credit balances	-	-	-	-	-	-
Total	-	532,551	535,133	98,565	51,703	1,217,952

c. Market risk

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”. Market risk is driven by interest rate risk, spread risk, and currency risk as follows:

Interest Risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the term structure of interest rates, or in the volatility of interest rates.

Interest rate risk is the risk that the value and/or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The Syndicate’s exposure to interest rate risk is spread across the Syndicate’s investment portfolio, and cash and cash equivalents.

In managing interest rate risk, the Syndicate currently invests in short duration financial investments, cash and cash equivalents. Interest rate risk is controlled by imposing maximum duration limits to the

Notes to the financial statements – (forming part of the financial statements)

conventional fixed income assets, as defined in the investment guidelines provided to investment managers.

Duration is a commonly used measure of risk and gives an indication of the likely sensitivity of the Syndicate's portfolio of fixed interest securities to changes in interest rates. The average duration for investment assets is 3.76 years (2024: 4.02 years). These are unaudited figures.

The Syndicate's financial assets comprise a portfolio of fixed income securities, UCITS funds and bank deposits. The portfolio of fixed income securities is managed by professional fund managers, under a segregated investment mandate, and in accordance with guidelines approved by the AMAL Board. The guidelines permit investment in a range of fixed income investment products, including government securities, corporate bonds and asset backed securities, as well as a modest allocation to equities and other alternative investments.

Spread Risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the level or in the volatility of credit spreads over the risk-free interest rate term structure.

Volatility (spread risk) is controlled by imposing Value at Risk (VaR) limits, at a specified confidence level and time period, to the overall investment funds. This is reviewed on a quarterly basis by the Investment Committee.

Currency Risk: the sensitivity of the values of assets, liabilities and financial instruments to changes in the level, or in the volatility of, currency exchange rates.

The Syndicate underwrites a significant proportion of business in currencies other than US Dollars, which gives rise to a potential exposure to currency risk. In addition, the Syndicate has a natural currency mismatch, as a higher proportion of its expenses are incurred in Sterling.

The most significant non-US Dollar currency exposure relates to Sterling and Euro.

Currency risk is controlled through an Asset Liability Matching (ALM) process. The ALM process is performed on a quarterly basis to achieve alignment of assets and liabilities in currency, to address any mismatch between currency premiums and claims, and the natural mismatch between US Dollar income and Sterling expenses. The income and expenditure process is performed on an annual basis and, in particular, endeavours to align the currency mix of outward reinsurance premiums paid with that of related inwards premium received. Benchmarks are broadly in line with average liabilities on the main trust fund assets, and deliberate mismatching, within limits, is viewed as a valid strategy to limit any losses arising from interest rate risk and, where possible, to enhance returns.

Notes to the financial statements – (forming part of the financial statements)

If the Sterling and the Euro were to weaken against the US Dollar by 10%, with all other variables constant, loss and receivable from members would be higher by an estimated \$7.3m (2024: higher \$4.6m). This analysis is based on the current information available and the assumptions in making this assessment are:

- There is no active hedging of currency during the period
- The analysis includes an estimate of the impact on foreign borrowings
- The impact of foreign exchange movements on non-monetary items is assumed to be nil

The table below summarises the carrying value of the Syndicate's assets and liabilities, at the reporting date:

	Sterling	US dollar	Euro	Canadian dollar	Australian dollar	Japanese Yen	Other	Total
2025	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Investments	111,852	666,377	83,692	62,016	11,700	-	(473)	935,164
Reinsurers' share of technical provisions	57,219	141,581	5,324	5,607	4,401	126	2,223	216,481
Debtors	48,809	220,817	54,672	5,864	7,552	2,643	13,998	354,355
Other assets	35,453	100,068	1,074	25,633	23,745	292	3,351	189,616
Prepayments and accrued income	4,438	49,177	10,977	2,180	2,363	698	11,017	80,850
Total assets	257,771	1,178,020	155,739	101,300	49,761	3,759	30,116	1,776,466
Technical provisions	(202,565)	(958,186)	(143,950)	(46,278)	(48,022)	(12,141)	(46,909)	(1,458,051)
Creditors	(96,899)	33,479	(54,234)	(2,486)	(19,662)	(6,253)	(13,321)	(159,376)
Accruals and deferred income	(1,579)	(885)	(286)	-	(4)	(7)	(6)	(2,767)
Total liabilities	(301,043)	(925,592)	(198,470)	(48,764)	(67,688)	(18,401)	(60,236)	(1,620,194)
Total capital and reserves	43,272	(252,428)	42,731	(52,536)	17,927	14,642	30,120	(156,272)

Notes to the financial statements – (forming part of the financial statements)

	Sterling	US dollar	Euro	Canadian dollar	Australian dollar	Japanese Yen	Other	Total
2024	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Investments	74,334	719,475	41,708	46,344	2	-	(465)	881,398
Reinsurers' share of technical provisions	53,032	133,570	9,947	6,077	5,189	156	2,953	210,924
Debtors	51,067	187,117	43,659	2,838	9,437	3,007	12,265	309,390
Other assets	26,413	76,406	1,428	30,794	25,557	126	6	160,730
Prepayments and accrued income	12,223	40,023	8,304	1,776	2,567	680	2,435	68,008
Total assets	217,069	1,156,591	105,046	87,829	42,752	3,969	17,194	1,630,450
Technical provisions	(199,777)	(893,527)	(128,660)	(44,803)	(49,828)	(15,225)	(42,525)	(1,374,345)
Creditors	(35,101)	(52,841)	(11,755)	(1,369)	(3,459)	(1,647)	(11,189)	(117,361)
Accruals and deferred income	(1,718)	(1,503)	-	-	-	-	-	(3,221)
Total liabilities	(236,596)	(947,871)	(140,415)	(46,172)	(53,287)	(16,872)	(53,714)	(1,494,927)
Total capital and reserves	19,527	(208,720)	35,369	(41,657)	10,535	12,903	36,520	(135,523)

Sensitivity analysis to market risks

The analysis below is performed for reasonably possible movements in market indices on financial instruments with all other variables held constant, showing the impact on the result before tax due to changes in fair value of financial assets and liabilities (whose fair values are recorded in the profit and loss account) and members' balances.

	2025 Impact on results before tax \$000	2025 Impact on members' balances \$000	2024 Impact on results before tax \$000	2024 Impact on members' balances \$000
Interest rate risk				
+ 50 basis points shift in yield curves	(15,346)	(15,346)	(15,116)	(15,116)
- 50 basis points shift in yield curves	15,660	15,660	15,215	15,215

Notes to the financial statements – (forming part of the financial statements)

C. Capital management

i. Capital framework at Lloyd's

The Society of Lloyd's (Lloyd's) is a regulated undertaking and subject to supervision by the Prudential Regulatory Authority (PRA) under the Financial Services and Markets Act 2000, and in accordance with the Solvency UK Framework.

Within this supervisory framework, Lloyd's applies capital requirements at member level and centrally to ensure that Lloyd's would comply with the Solvency UK requirements, and beyond that to meet its own financial strength, licence and ratings objectives.

Although, as described below, Lloyd's capital setting processes use a capital requirement set at syndicate level as a starting point, the requirement to meet Solvency UK and Lloyd's capital requirements apply at overall and member level only respectively, not at syndicate level. Accordingly, the capital requirement in respect of Antares 1274 is not disclosed in these financial statements.

Lloyd's capital setting process

In order to meet Lloyd's requirements, each syndicate is required to calculate its Solvency Capital Requirement (SCR) for the prospective underwriting year. This amount must be sufficient to cover a 1 in 200 year loss, reflecting uncertainty in the ultimate run-off of underwriting liabilities (SCR 'to ultimate'). The Syndicate must also calculate its SCR at the same confidence level but reflecting uncertainty over a one year time horizon (one year SCR) for Lloyd's to use in meeting Solvency UK requirements. The SCRs of each syndicate are subject to review by Lloyd's and approval by the Lloyd's Capital and Planning Group.

A syndicate may be comprised of one or more underwriting members of Lloyd's. Each member is liable for its own share of underwriting liabilities on the syndicates on which it is participating but not other members' shares. Accordingly, the capital requirements that Lloyd's sets for each member operates on a similar basis.

Each member's SCR shall thus be determined by the sum of the member's share of the Syndicate SCR 'to ultimate'. Where a member participates on more than one syndicate, a credit for diversification is provided to reflect the spread of risk, but consistent with determining an SCR which reflects the capital requirement to cover a 1 in 200 loss 'to ultimate' for that member. Over and above this, Lloyd's applies a capital uplift to the member's capital requirement, known as the Economic Capital Assessment (ECA). The purpose of this uplift, which is a Lloyd's not a Solvency UK requirement, is to meet Lloyd's financial strength, licence and ratings objectives. The capital uplift applied for 2025 was 35% (2024: 35%) of the member's SCR 'to ultimate'. This is an unaudited percentage.

Provision of capital by members

Each member may provide capital to meet its ECA either by assets held in trust by Lloyd's specifically for that member (FAL), assets held and managed within a syndicate (FIS), or as the member's share of the members' balances on each syndicate on which it participates.

Accordingly, all of the assets less liabilities of the Syndicate, as represented in the members' balances reported on the balance sheet on page 18, represent resources available to meet members' and Lloyd's capital requirements.

Notes to the financial statements – (forming part of the financial statements)

4. Analysis of underwriting result

An analysis of the underwriting result before investment return is presented in the table below:

2025	Gross premiums written \$000	Gross premiums earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Underwriting result \$000
<i>Direct insurance</i>						
Accident and health	25,330	25,474	(11,242)	(12,089)	(1,113)	1,030
Motor (third party liability)	-	-	(256)	-	233	(23)
Motor (other classes)	(1)	388	(857)	(41)	534	24
Marine, aviation, and transport	144,131	144,451	(64,367)	(49,753)	2,856	33,187
Fire and other damage to property	109,700	50,564	(62,088)	(24,907)	30,011	(6,420)
Third party liability	175,446	169,392	(106,552)	(67,200)	(6,202)	(10,562)
Credit and suretyship	14,989	14,262	(3,367)	(4,444)	(1,692)	4,759
Legal expenses	1,411	1,555	(383)	(708)	737	1,201
Miscellaneous	10,470	47,065	(12,024)	(14,001)	(1,288)	19,752
Total direct insurance	481,476	453,151	(261,136)	(173,143)	24,076	42,948
Reinsurance acceptances	200,541	199,143	(121,667)	(61,963)	(28,800)	(13,287)
Total	682,017	652,294	(382,803)	(235,106)	(4,724)	29,661

2025	Gross premiums written \$000	Gross premiums earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Underwriting result \$000
Additional analysis						
<i>Fire and damage to property of which is:</i>						
Specialities	8,650	8,255	(4,061)	(2,875)	(242)	1,077
Energy	217	175	(34)	(77)	(29)	35
<i>Third party liability of which is:</i>						
Energy	(5)	35	63	(30)	(14)	54

Notes to the financial statements – (forming part of the financial statements)

2024	Gross premiums written \$000	Gross premiums earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Underwriting result \$000
<i>Direct insurance</i>						
Accident and health	17,581	13,514	(4,474)	(5,952)	(647)	2,441
Motor (third party liability)	(2)	(2)	169	43	(220)	(10)
Motor (other classes)	(1)	(1)	1,937	-	(1,645)	291
Marine, aviation, and transport	150,787	148,591	(77,129)	(48,903)	(7,355)	15,204
Fire and other damage to property	67,006	51,116	(30,363)	(18,044)	(3,264)	(555)
Third party liability	150,299	147,210	(117,874)	(62,535)	24,473	(8,726)
Credit and suretyship	15,507	13,234	(2,739)	(2,798)	(2,632)	5,065
Legal expenses	2,447	2,732	(855)	(636)	687	1,928
Miscellaneous	13,355	24,634	(8,343)	(11,097)	(765)	4,429
Total direct insurance	416,979	401,028	(239,671)	(149,922)	8,632	20,067
Reinsurance acceptances	180,831	183,666	(88,011)	(57,248)	(29,907)	8,500
Total	597,810	584,694	(327,682)	(207,170)	(21,275)	28,567

2024	Gross premiums written \$000	Gross premiums earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Underwriting result \$000
Additional analysis						
<i>Fire and damage to property of which is:</i>						
Specialities	9,534	5,491	(4,848)	(1,630)	1,271	284
Energy	219	888	(203)	(166)	(67)	452
<i>Third party liability of which is:</i>						
Energy	175	725	(291)	(132)	(45)	257

The gross premiums written for direct insurance by underwriting location of risk is presented in the table below:

	2025 \$000	2024 \$000
United Kingdom	37,898	33,072
European Union Member States	58,881	62,065
US	313,992	269,083
Rest of the world	70,705	52,759
Total gross premiums written	481,476	416,979

Notes to the financial statements – (forming part of the financial statements)

5. Net operating expenses

	2025 \$000	2024 \$000
Acquisition costs	182,938	151,505
Change in deferred acquisition costs	(12,338)	(5,353)
Administrative expenses	66,999	61,230
Reinsurance commissions and profit participation	(2,493)	(212)
Net operating expenses	235,106	207,170

Total commissions for direct insurance business for the year amounted to:

	2025 \$000	2024 \$000
Total commission for direct insurance business	133,692	107,387

Administrative expenses include:

	2025 \$000	2024 \$000
Auditors' remuneration:		
fees payable to the Syndicate's auditor for the audit of these financial statements	685	958
fees payable to the Syndicate's auditor and its associates in respect of other services pursuant to legislation	327	109

Notes to the financial statements – (forming part of the financial statements)

6. Key management personnel compensation

The Directors of Antares Managing Agency Limited received the following aggregate remuneration charged to the Syndicate and included within net operating expenses:

	2025 \$000	2024 \$000
Directors' emoluments	4,621	4,133

The active underwriter received the following aggregate remuneration charged to the Syndicate.

	2025 \$000	2024 \$000
Emoluments	601	674

7. Staff costs

The Syndicate and Managing Agent have no employees. Staff are employed by Antares Global Management Limited and costs are recharged to the Managing Agent who in turn recharges to the Syndicate.

The following amounts were recharged by the managing agency to the Syndicate in respect of payroll costs:

	2025 \$000	2024 \$000
Wages and salaries	31,365	34,053
Social security costs	4,675	4,760
Other pension costs	2,710	2,732
Other short term incentive costs	3,831	5,379
Total	42,581	46,924

Notes to the financial statements – (forming part of the financial statements)

8. Investment return

	2025 \$000	2024 \$000
Interest and similar income		
<i>From financial instruments designated at fair value through profit or loss</i>		
Interest and similar income	35,410	35,497
Other income from investments		
<i>From financial instruments designated at fair value through profit or loss</i>		
Gains on the realisation of investments	6,751	6,041
Losses on the realisation of investments	(7,639)	(8,529)
Unrealised gains on investments	26,351	21,561
Unrealised losses on the investments	1,312	(14,674)
Investment management expenses	(1,684)	(2,253)
Total investment return	60,501	37,643
Transferred to the technical account from the non-technical account	60,501	37,643

9. Distribution and open years of account

A distribution to members of \$115m will be proposed in relation to the closing year of account (2023) (2024: \$65.6m distribution in relation to the closing year of account (2022)).

10. Financial investments

	Carrying value		Cost	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Shares and other variable yield securities and units in unit trusts	34,099	33,550	34,281	34,199
Debt securities and other fixed income securities	814,668	771,029	765,263	792,446
Participation in investment pools	83,801	67,369	83,748	67,692
Derivative assets	1,096	297	1,096	297
Syndicate loans to central fund	-	6,231	-	6,231
Total financial investments	933,664	878,476	884,388	900,865

The table below presents an analysis of financial investments by their measurement classification:

	2025 \$000	2024 \$000
Financial assets measured at fair value through profit or loss	933,664	878,476
Total financial investments	933,664	878,476

Notes to the financial statements – (forming part of the financial statements)

The table below analysis the derivative assets and liabilities by type:

	2025 Notional amount \$000	2025 Fair value \$000	2024 Notional amount \$000	2024 Fair value \$000
Foreign exchange forward contracts	164,210	705	138,572	(5,805)
Total	164,210	705	138,572	(5,805)

Fair value hierarchy

- Level 1 – Fair values are measured using quoted prices (unadjusted) in active markets for identical instruments.
- Level 2 – When quoted prices are unavailable, fair values are measured using the price of a recent transaction for an identical instrument. The price can be adjusted if it can be demonstrated that the last transaction price is not a good estimate of fair value.
- Level 3 – Fair values measured using valuation techniques. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

The Syndicate measures the fair value of its financial assets based on prices provided by investment managers (who obtain market data from independent pricing services). These are reviewed by the finance team. The pricing services used by the investment manager obtain the actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

The table below analyses financial instruments held at fair value in the Syndicate's balance sheet at the reporting date by its level in the fair value hierarchy:

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Assets held at amortised cost	Total \$000
2025					
Shares and other variable yield securities and units in unit trusts	-	17,323	16,776	-	34,099
Debt securities and other fixed income securities	765,788	48,880	-	-	814,668
Participation in investment pools	293	83,508	-	-	83,801
Derivative assets	-	-	1,096	-	1,096
Syndicate loans to central fund	-	-	-	-	-
Total financial investments	766,081	149,711	17,872	-	933,664
Derivative liabilities	-	-	(391)	-	(391)
Total	766,081	149,711	17,481	-	933,273

Notes to the financial statements – (forming part of the financial statements)

2024	Level 1 \$000	Level 2 \$000	Level 3 \$000	Assets held at amortised cost	Total \$000
Shares and other variable yield securities and units in unit trusts	-	15,073	18,477	-	33,550
Debt securities and other fixed income securities	736,399	34,630	-	-	771,029
Participation in investment pools	421	66,948	-	-	67,369
Derivative assets	-	-	297	-	297
Syndicate loans to central fund	-	-	6,231	-	6,231
Total financial investments	736,820	116,651	25,005	-	878,476
Derivative liabilities	-	-	(6,102)	-	(6,102)
Total	736,820	116,651	18,903	-	872,374

Level 1 of the hierarchy includes all government bonds/bills and corporate bonds only which are measured based on prices representing actual and regularly occurring market transactions. Level 2 of the hierarchy includes all other financial assets except those included in Level 3.

Debt securities that are not listed on a recognised exchange or traded in an established over-the-counter market are classified as level 1 where the external investment manager is comfortable that there is an active market. An active market is defined as a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Management recognises that there can be judgement in the selection of methodologies relating to pricing models used. The factors considered where judgment arises in respect to the fair value of securities, amongst others, are the volume of trading of a security with a market to deem such a market to be active for that instrument; consideration of the bid-ask spreads particularly for corporate bonds; the number of executable quotes considered in determining fair value.

The Syndicate asset portfolio in respect of the level 3 investments primarily consists of Private Equity instruments and Syndicate loan. The Syndicate has valued Private Equity instruments based on the latest available audited statements/financial statements provided by investment managers as of 30 September 2025 and accounted for any subsequent contributions/distributions after the September NAV's during the last quarter of 2025. In addition, management has assessed the movement in a range of broader market indices which, although not directly comparable, maybe used as an indicative benchmark to determine if the NAV's reported by fund managers would be significantly different as of 31 December 2025. Based on this assessment Management has concluded the NAV's reported by investment managers would fairly represent their current fair value as of 31 December 2025.

There were transfers between Level 1 and Level 2 in 2025, however there have been no transfers between Level 1 and Level 2 in 2024.

Notes to the financial statements – (forming part of the financial statements)

11. Debtors arising out of direct insurance operations

	2025 \$000	2024 \$000
Due within one year	237,090	186,068
Total	237,090	186,068

12. Debtors arising out of reinsurance operations

	2025 \$000	2024 \$000
Due within one year	115,397	121,807
Total	115,397	121,807

13. Other debtors

	2025 \$000	2024 \$000
Other	1,868	1,515
Total	1,868	1,515

14. Deferred acquisition costs

The table below shows changes in deferred acquisition costs assets from the beginning of the period to the end of the period:

	2025			2024		
	Gross \$000	Reinsurance \$000	Net \$000	Gross \$000	Reinsurance \$000	Net \$000
Balance at 1 January	65,430	(1,503)	63,927	61,354	(2,031)	59,323
Incurring deferred acquisition costs	12,338	180	12,518	5,353	528	5,881
Foreign exchange movements	2,534	-	2,534	(1,277)	-	(1,277)
Balance at 31 December	80,302	(1,323)	78,979	65,430	(1,503)	63,927

Notes to the financial statements – (forming part of the financial statements)

15. Claims development

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 tables are shown on an underwriting year basis; these set out the development of claims over time on a gross and net of reinsurance basis (without any adjustment for any impact from changes to projected premiums). These claims are shown on an earned basis for each successive development year. Balances have been translated at exchange rates prevailing at 31 December 2025 in all cases.

Gross:

Pure underwriting year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Estimate of gross claims											
at end of underwriting year	114,100	209,390	163,461	152,182	145,973	126,698	182,688	128,460	169,403	126,222	
one year later	268,868	384,655	368,924	353,183	283,273	242,513	310,735	238,051	329,448		
two years later	557,939	440,751	413,063	376,606	265,308	275,711	273,022	224,549			
three years later	498,364	471,069	419,666	382,261	249,503	270,274	289,742				
four years later	530,191	490,857	450,598	383,144	262,703	333,893					
five years later	531,045	492,254	478,606	400,466	263,048						
six years later	519,513	516,808	509,186	424,204							
seven years later	533,710	543,193	514,253								
eight years later	539,201	541,668									
nine years later	547,227										
Estimate of gross claims reserve	547,227	541,668	514,253	424,204	263,048	333,893	289,742	224,549	329,448	126,222	3,594,254
Provision in respect of prior years											60,682
Less gross claims paid	(469,902)	(484,650)	(431,561)	(351,092)	(182,370)	(218,157)	(162,957)	(93,222)	(100,913)	(14,856)	(2,509,680)
Gross claims reserve	77,325	57,018	82,692	73,112	80,678	115,736	126,785	131,327	228,535	111,366	1,145,256

Notes to the financial statements – (forming part of the financial statements)

Net:

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Pure underwriting year	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Estimate of net claims											
at end of underwriting year	104,632	148,536	150,041	130,286	121,006	114,152	173,950	126,643	161,241	122,289	
one year later	245,636	300,377	322,455	293,033	244,710	218,847	273,008	235,561	314,851		
two years later	279,372	342,421	370,894	304,098	238,031	244,669	252,824	222,852			
three years later	270,273	360,948	368,678	307,627	232,313	243,038	269,768				
four years later	288,360	382,233	403,060	305,752	240,781	265,653					
five years later	296,385	386,916	418,657	316,370	232,401						
six years later	300,027	402,135	434,647	333,931							
seven years later	306,862	412,911	435,710								
eight years later	308,630	413,824									
nine years later	313,339										
Estimate of net claims reserves	313,339	413,824	435,710	333,931	232,401	265,653	269,768	222,852	314,851	122,289	2,924,618
Provision in respect of prior years											51,947
Less net claims paid	(293,178)	(377,098)	(377,575)	(280,806)	(168,009)	(175,006)	(152,153)	(93,022)	(94,663)	(14,856)	(2,026,366)
Net claims reserve	20,161	36,726	58,135	53,125	64,392	90,647	117,615	129,830	220,188	107,433	950,199

16. Technical provisions

The table below shows changes in the insurance contract liabilities and assets from the beginning of the period to the end of the period.

		2025			2024		
	Gross provisions \$000	Reinsurance Assets \$000	Net \$000	Gross provisions \$000	Reinsurance Assets \$000	Net \$000	
Claims outstanding							
Balance at 1 January	1,100,591	(182,182)	918,409	1,141,380	(201,621)	939,759	
Claims paid during the year	(370,159)	61,983	(308,176)	(351,201)	50,002	(301,199)	
Expected cost of current year claims	382,803	(69,092)	313,711	327,682	(32,655)	295,027	
Foreign exchange movements	32,021	(5,766)	26,255	(17,270)	2,092	(15,178)	
Balance at 31 December	1,145,256	(195,057)	950,199	1,100,591	(182,182)	918,409	

Notes to the financial statements – (forming part of the financial statements)

	2025			2024		
	Gross provisions \$000	Reinsurance Assets \$000	Net \$000	Gross provisions \$000	Reinsurance Assets \$000	Net \$000
Unearned premiums						
Balance at 1 January	273,754	(28,742)	245,012	265,855	(25,247)	240,608
Premiums written during the year	682,017	(66,323)	615,694	597,810	(57,521)	540,289
Premiums earned during the year	(652,294)	73,816	(578,478)	(584,694)	53,930	(530,764)
Foreign exchange movements	9,318	(175)	9,143	(5,217)	96	(5,121)
Balance at 31 December	312,795	(21,424)	291,371	273,754	(28,742)	245,012

17. Discounted Claims

Discounting may be applied to claims provisions where there are individual claims with structured settlements that have annuity-like characteristics, or for books of business with mean term payment greater than four years from the accounting date.

The claims have been discounted as follows:

	Average discounted rates		Average mean term of liabilities	
	2025	2024	2025	2024
Class of business				
Accident and health	-	-	-	-
Motor (third party liability)	-	-	-	-
Motor (other classes)	3	3	31.1	31.8
Marine, aviation, and transport	-	-	-	-
Fire and other damage to property	-	-	-	-
Third party liability	-	-	-	-
Miscellaneous	-	-	-	-

The period that will elapse before claims are settled is determined using impaired life mortality tables. The claims provision before and after discounting are as follows:

	Undiscounted claims		Effect of discounting		After discounting	
	2025 \$000	2024 \$000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Gross claims provisions	88,369	82,870	52,825	45,874	35,544	36,996
Reinsurers share of total claims	77,423	72,237	46,273	39,945	31,150	32,292
Net claims provisions	165,792	155,107	99,098	85,819	66,694	69,288

Notes to the financial statements – (forming part of the financial statements)

18. Creditors arising out of direct insurance operations

	2025 \$000	2024 \$000
Due within one year	66,674	40,208
Total	66,674	40,208

19. Creditors arising out of reinsurance operations

	2025 \$000	2024 \$000
Due within one year	55,406	42,085
Due after one year	8,848	7,546
Total	64,254	49,631

20. Other creditors

	2025 \$000	2024 \$000
Other related party balances (non-syndicates)	27,921	21,163
Derivative liabilities	391	6,102
Other liabilities	136	257
Total	28,448	27,522

21. Cash and cash equivalents

	2025 \$000	2024 \$000
Cash at bank and in hand	130,116	107,124
Short term debt instruments presented within other financial investments	8,000	696
Total cash and cash equivalents	138,116	107,820

Notes to the financial statements – (forming part of the financial statements)

22. Analysis of net debt

	At 1 January 2025	Cash flows	Acquired	Fair value and exchange movements	Non-cash changes	At 31 December 2025
Cash and cash equivalents	107,820	57,095	-	864	(27,663)	138,116
Total	107,820	57,095	-	864	(27,663)	138,116

23. Related parties

During the year the Syndicate entered into transactions in the ordinary course of business with Qatar Insurance Company QSPC (QIC) as well as Antares Reinsurance Company Limited (ARE), a subsidiary of QIC. QIC is the ultimate parent of Antares Underwriting Limited, the single corporate member that supports the capacity of Syndicate 1274.

These disclosure requirements are in addition to the requirement to disclose key management personnel compensation. This disclosure is given in Note 7.

	Qatar Reinsurance Company	Antares Reinsurance Company Limited	Total
2025	\$000	\$000	\$000
Gross Written Premium	326	(1,204)	(878)
Reinsurance Written Premium	1,516	6,599	8,115
Gross Claims Paid	25	11	36
Reinsurance Recoveries	1,132	350	1,482
Gross Claims Outstanding	20,391	7,304	27,695
Reinsurance Claims Outstanding	11,196	14,063	25,259
Due from Related Party	820	(31)	789
Due to Related Party	368	-	368
Total	35,774	27,092	62,866

Notes to the financial statements – (forming part of the financial statements)

	Qatar Reinsurance Company	Antares Reinsurance Company Limited	Total
2024	\$000	\$000	\$000
Gross Written Premium	238	(7)	231
Reinsurance Written Premium	972	10,346	11,318
Gross Claims Paid	100	2	102
Reinsurance Recoveries	4,241	1,049	5,290
Gross Claims Outstanding	5,741	387	6,128
Reinsurance Claims Outstanding	7,916	14,895	22,811
Due from Related Party	819	(410)	409
Due to Related Party	178	-	178
Total	20,205	26,262	46,467

The Syndicate has relationships with fellow London market groups on which boards certain NEDS have been appointed. During 2025, Related Party premiums of \$0.5m, and Outwards Reinsurance Premiums of \$1m went through the Statement of Profit and Loss and there were Reinsurance Debtors of \$0.5m with these other London market groups.

24. Off-balance sheet items

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

25. Post balance sheet events

There are no events that are material to the operations of the Syndicate that have occurred since the reporting date.

26. Contingencies and Commitments

The Syndicate has no contingencies or commitments.

Notes to the financial statements – (forming part of the financial statements)

27. Foreign exchange rates

The following currency exchange rates have been used for principal foreign currency transactions:

	2025			2024		
	Start of period rate	End of period rate	Average rate	Start of period rate	End of period rate	Average rate
Sterling	0.80	0.74	0.76	0.79	0.80	0.78
Euro	0.97	0.85	0.89	0.91	0.97	0.92
US dollar	1.00	1.00	1.00	1.00	1.00	1.00
Canadian dollar	1.44	1.37	1.39	1.32	1.44	1.37
Australian dollar	1.62	1.50	1.55	1.47	1.62	1.51
Japanese Yen	157.21	156.61	149.45	141.05	157.21	150.86

28. Funds at Lloyd's

Every member at Lloyd's is required to hold capital which is held in trust and known as Funds at Lloyd's (FAL). These funds are intended primarily to cover circumstances where syndicate assets prove insufficient to meet participating members' underwriting liabilities. The level of FAL that Lloyd's requires a member to maintain is determined by Lloyd's based on FCA/PRA requirements and resource criteria. The amount of FAL has regard to a number of factors including the nature and amount of risk to be underwritten by the member and the assessment of the reserving risk in respect of business that has been underwritten. Since FAL is not under the management of the Managing Agent, no amount has been shown in these annual accounts by way of such capital resources. However, the Managing Agent is able to make a call on the members' FAL to meet liquidity requirements or to settle losses.

29. Management of Other Risks

In addition to Insurance and Market risk detailed in note 3, other risks are as follows;

Operational Risk is defined as: "The risk of loss arising from inadequate or failed internal processes, people, systems or from external events impacting the Syndicate'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".

AMAL has formally documented policies and procedures for all key aspects of the business that define the end-to-end business processes, provide guidelines, put in place appropriate governance structures and include control activities to ensure the robustness of the business operations. Internal Audit provides independent assurance over the robustness of the business operations and compliance with the internal policies/procedures.

Regulatory Risk is the risk that the Managing Agency fails to meet the regulatory requirements of the PRA, FCA and Lloyd's. Lloyd's requirements include those imposed on the Lloyd's market by overseas regulators, particularly in respect of US situs business. AMAL has a Compliance department that monitors regulatory developments, ensures adherence to regulatory requirements and assesses the impact on agency policy.

Notes to the financial statements – (forming part of the financial statements)

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”.

The Syndicate mitigates this risk through a variety of planning techniques including robust business planning, stress and scenario testing and capital contingency planning.

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 on an arm’s length basis and clearly understood by all parties.

Risk Governance

The AMAL Board is ultimately responsible for ensuring the effective management and control of risk affecting the Syndicate. The AMAL Board is committed to maintaining sound risk management and control systems that are suitable, effective and proportionate to protect the interests of all stakeholders, including those of its capital providers and policyholders. The AMAL Board has, for practical reasons, delegated its day-to-day responsibility for different aspects of the risk management to committees and the senior management.

The AMAL Board utilises a “Three Lines of Defence” model for risk governance.

First Line: Those individuals undertaking any activity or making decisions on behalf of Antares are responsible for managing the risk that is attached to that activity. They are the ‘first risk managers’.

Second Line: Those functions and executive level committees responsible for the provision of the risk management framework and policies within which the First Line is expected to operate and who are responsible for providing assurance to the Board of adherence to that framework.

Third Line: Oversight of the above by the Board, Audit Committee together with Internal Audit. The majority of risk reporting is through the Risk, Actuarial and Exposure Management Departments, that routinely engage individual business units and report to the Board and its Committees.

Risk Appetite

Risk Appetite is the amount of risk that the AMAL Board is prepared to take in pursuit of its objectives. Although set by the AMAL Board, Risk Appetite is driven by key stakeholders and includes both qualitative and quantitative statements.

The Risk Appetite Statement covers all material risk categories (Underwriting, Reserve, Credit, Market, Liquidity and Operational Risk). In addition, it details the approved Risk Appetite and Risk Tolerances based upon the extent to which the risks could impact the business.

Notes to the financial statements – (forming part of the financial statements)

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 Function and through the monthly self-certification process by the risk and control owners. The Risk Function provides regular reports on key risk issues and actions required to the AMAL Board and its Committees.



Antares Managing Agency Limited
London
21 Lime Street
EC3M 7HB

Singapore
138 Market Street
#04-04 CapitaGreen
048946
