



UK P&I Club N.V.

Solvency and Financial Condition Report

For the year ended 20 February 2026

UK P&I CLUB
IS MANAGED
BY **THOMAS
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Summary

This document is the Solvency and Financial Condition Report (“SFCR”) of UK P&I Club N.V (hereafter “UKNV” or “the Company”). It explains the Company’s performance during the financial year ended 20 February 2026 (year 2025/2026). This document covers UKNV’s business and performance, its system of governance, risk profile, valuation for solvency purposes and capital management. The Management Board has installed various governance and control functions to monitor and manage the business.

Profitability and continuity

The result for the financial year 2025/2026 is driven by the investment return. UKNV benefited from the increased interest rates. Over the course of the year, the UKNV portfolio, consisting of U.S. Treasury Bonds and money market funds, returned 5.40%, resulting in a positive investment return of US\$ 3.3m. UKNV’s investment strategy is and will remain prudent and risk averse.

The technical result for the financial year is zero due to the 100% reinsurance agreements in place.

UKNV is adequately capitalised. Given the current available capital levels, UKNV even exceeds the SCR ratio bandwidth (150% – 200%) of its risk appetite at year end (220%). During the year a dividend of US\$ 31.5 million was paid to the parent company and sole shareholder. UKNV’s rating from Standard & Poor’s is equal to that of the parent UKC and has remained stable during the year at A- (A minus stable).

UKNV has a low-risk appetite and manages its business in a prudent manner.

Management Boards’ Statement

We acknowledge our responsibility for preparing the SFCR in all material respects in accordance with the DNB Rules and the Solvency II Regulations. We are satisfied that:

- a) throughout the financial year in question, UKNV has complied in all material respects with the requirements of the DNB Rules and the Solvency II Regulations as applicable to the insurer; and
- b) it is reasonable to believe that UKNV has continued so to comply subsequently and will continue so to comply in future.

For and on behalf of UK P&I Club N.V.

29 May 2026

A. Business Model and Strategy

A.1. Business and Performance

Corporate information

UK P&I Club N.V. (“UKNV” or “the Company”) is a Dutch insurance company, regulated and supervised by De Nederlandsche Bank (DNB) for prudential purposes and by Autoriteit Financiële Markten (AFM) for conduct purposes.

UKNV is 100% subsidiary of the United Kingdom Mutual Steam Ship Assurance Association Limited (“UK Club” or “UKC”), which is incorporated in the United Kingdom as a company limited by guarantee without share capital.

Regulators

In the Netherlands UKNV is regulated by De Nederlandsche Bank (DNB) for prudential purposes and by Autoriteit Financiële Markten (AFM) for conduct purposes. The UK Club as a whole is regulated by the UK Prudential Regulation Authority (PRA). UKC’s entities are regulated by various other authorities, as shown in the table below.

Table 1: Regulatory authorities

Entity	Regulator
UKC	Prudential Regulation Authority Financial Conduct Authority
Hong Kong	Hong Kong Insurance Authority
Japan	Japan Financial Services Agency
Singapore	Monetary Authority of Singapore
UKB	Bermuda Monetary Authority Isle of Man Financial Services Authority
UKL	Prudential Regulation Authority Financial Conduct Authority
Hydra	Bermuda Monetary Authority
UKNV	De Nederlandsche Bank Autoriteit Financiële Markten

The Group as a whole operates as a single business, which means that all policies of insurance issued by the Group are written by UKC and UKNV.

The external auditor of UKNV is Deloitte Accountants B.V., based in the Netherlands. The external auditor’s engagement does not cover an audit on the information disclosed in this report other than the QRTs disclosed in the Annex to this Report.

Business activities

The principal activity of the UKNV is the insurance and reinsurance of risks on behalf of the Fronted Clubs. UKNV has provided the following products for EEA based risks during the last financial year:

- Protection and Indemnity (P&I) cover for ship owners and charterers. These are generally large risks with relatively high premium volumes per member (P&I mutual and P&I fixed premium).
- Protection of ships and P&I risks against loss of or malicious damage caused by a third party in case of war risks (UK War Risks).
- Professional indemnity insurance to patent and trademark attorneys in private practice (PAMIA).
- Transport Liability for ports and terminals as well as freight forwarders, ship operators and transport & logistic operators (TT Club) – until 31 May 2025.

In the previous financial year, two insurance portfolios (ITIC and TT) were transferred, with fronting still maintained for one TT Club member due to legal restrictions. This member was transferred out of UKNV as of 1 June 2025 with totalling of US\$ 2.7 million of reserves transferred out, meaning that from this moment, all fronting activities for TT Club have ceased.

The Company provides insurance cover for EEA-based risks of Members of the Fronted Clubs and manages the respective claims. Detailed procedures exist for underwriting and claims management activities. Further details on premium and claims per line of business are set out in appendix 3 (template S.05.01).

Strategic re-orientation

As of Autumn 2025, the UK P&I Club and TT Club are in discussions about a possible merger. Both mutual insurers, managed by Thomas Miller, are considering formally joining forces to build on their longstanding collaboration. The aim is to create a combined Club with wide expertise in the maritime and transport sectors, offering enhanced services and better addressing industry needs. The merger would align with both Clubs' strategic goals of growth, efficiency, and financial stability. It is expected that these discussions will not yet have a material impact on UKNV's results and operations during the financial year 2026/2027.

Accounting period

UKNV's accounting year aligns with its parent company's accounting year. This period extends from noon on 20 February of one year to noon on 20 February of the following year. This timeframe coincides with the policy year for the P&I insurance coverage provided for the parent company and the UK War Risk Club.

Outsourcing

UKNV's main operational processes are outsourced to Thomas Miller B.V. TMBV second staff to UKNV and provides full support facilities. Where outsourcing contracts have been signed, the Management Board remains fully responsible for the effectiveness of the operational processes. In order to monitor the effectiveness of those processes, the Management Board has implemented a monitoring framework whereby the outsourced service providers report their performance on a quarterly basis using a predefined KPI framework. Some of the processes are sub-outsourced to Thomas Miller in the United Kingdom with the benefit of maximising the experience already in place in managing the

specific membership base of the Fronted Clubs. UKNV has also entered into an outsourcing agreement with Thomas Miller Investments for the management of its investment portfolio.

A.2. Underwriting performance

Underwriting performance measures

For each of the Fronted Clubs, the target is to charge adequate premium to cover claims and all expenses. For UKNV there is a low-risk appetite for insurance risk. This is underpinned by the reinsurance structure and the fronting business model. The fronting fee received should cover the expenses of UKNV.

UKNV operates across the entire EEA region. Appendix 2 presents the top 5 countries where UKNV's insured risks are located. Please note that the list does not replicate the specific SII template verbatim but summarizes the top 5.

Underwriting performance

During this financial year UKNV has underwritten business for P&I, UK War Risks and PAMIA. The total premium written amounted to US\$ 84.3m (2024/2025: US\$ 110.5m). No premiums were written for TT Club. However, until 31 May 2025 claims for once last remaining TT Member were covered by UKNV. As per 1 June 2025 the claims provision for this Member was transferred to another insurance entity.

This decline is attributable to the cessation of fronting arrangements for TT Club and ITIC, notwithstanding the prevailing challenging and competitive market conditions. The portfolios of UKWR and PAMIA remained stable. PAMIA's EEA business remains relatively small.

Table 2 shows the profit & loss account of UKNV for the year-ended 20 February 2026. The net underwriting result is zero due to the 100% reinsurance structure in place. The year's profit is attributable to the investment return.

Table 2: UKNV's underwriting performance

TECHNICAL ACCOUNT			
Amounts in \$000			
	Notes	2025/2026	2024/2025
Income			
Gross premium written	19	84,269	110,496
Reinsurance premium payable		(76,497)	(99,132)
		<u>7,772</u>	<u>11,364</u>
<i>Changes in technical provisions (Unearned Premiums)</i>			
Change technical provision unearned premium		871	39,085
Change reinsurance share technical provision unearned premium		(514)	(33,179)
		<u>357</u>	<u>5,906</u>
Net earned premium		8,130	17,270
Other income	15	2,926	3,744
Investment return transferred from the non-technical account		3,149	3,042
Claims Incurred			
Claims paid	19	(71,214)	(60,677)
Reinsurance recoveries		71,214	60,677
		<u>-</u>	<u>-</u>
Changes in claims provision		12,620	3,354
Changes in reinsurance share of claims provision		(12,620)	(3,354)
		<u>-</u>	<u>-</u>
Net claims incurred		-	-
Net Continuity Credit			
Continuity credit raised		(2,228)	(2,873)
Deferred continuity credit		3	(1,586)
		<u>(2,225)</u>	<u>(4,459)</u>
Total income		11,979	19,596
Acquisition cost		(5,544)	(8,491)
Deferred acquisition cost		(360)	(4,320)
Operating expenses	16	(3,703)	(3,845)
Total expenses		(9,607)	(16,656)
Result Technical Account		2,372	2,940

NON-TECHNICAL ACCOUNT

Amounts in \$000	Notes	2025/2026	2024/2025
Balance on technical account (transferred)		2,372	2,940
Net investment return	17	3,341	3,241
Investment management fee		(193)	(200)
Investment return transferred to the technical account		(3,149)	(3,042)
Foreign exchange (losses)/gains		184	(173)
Other interest (expenses)/income		101	245
Net income before taxation		2,657	3,012
Taxation	18	(636)	(244)
Net income after tax		2,021	2,768

Financial planning

Table 3 provides an overview of the forecast business volumes and performance of UKNV. The assumptions underlying these tables are laid out in the ORSA.

Table 3: Planning forecasts for the financial years

Accounting profit and loss	2026/2027	2027/2028	2028/2029	2029/2030
Amounts in US\$000				
Net premium written	6,524	7,625	7,910	8,217
- Gross premium written	83,836	89,232	92,641	96,186
- Reinsurance premium payable	(77,312)	(81,607)	(84,731)	(87,969)
Change in net UPR	(17)	(2)	(2)	(2)
Investment return	2,101	1,044	1,007	983
Net claims incurred	-	-	-	-
Net continuity credit	(83)	(87)	(92)	(96)
Expenses	(6,916)	(8,227)	(8,480)	(8,750)
Net acquisition costs	(3,582)	(4,451)	(4,609)	(4,783)
Operating expenses	(3,334)	(3,776)	(3,870)	(3,967)
Net income before taxation	1,609	353	344	352
Taxation	(393)	(88)	(86)	(88)
Net income after tax	1,216	265	258	264

A.3. Investment performance

The investment portfolio is comprised of U.S. treasuries and money market funds. The 2025/2026 financial year was a positive one for the investment portfolio, with a total return of 5.4% (US\$ 3.341k).

Given the excessive SCR ratio of 331% (risk appetite: 150% - 200%) as at 20 February 2025, investments have been sold to make a dividend payment of US\$ 31.5 million to the sole shareholder. The value of the investments as at 20 February 2026 is US\$ 47.8 million (2025: 75.9 million).

The investment risk is closely monitored. The portfolio does not include financial derivatives and is US\$ denominated, hence no currency risk involved. A summary of the investment return for the year is provided below:

Table 4: Investment income during financial years:

Amounts in US\$000s	2025/2026	2024/2025
Total realised investment income	2,020	2,881
Total unrealised investment income (loss)	1,321	360
Total investment income	3,341	3,241

Asset allocation

In line with UKNV's investment mandate investments are held in US treasury bonds, money market instruments and cash.

Table 5: Realised investment income during financial years:

Amounts in US\$000s	2025/2026	2024/2025
Dividend from shares	2,416	2,598
Interest on fixed income securities	233	282
Realised on sale of fixed income securities	(629)	101
Total realised investment income	2,020	2,881

UKNV does not employ an interest rate vision as to predict the future development of interest rates or financial markets.

A.4. Performance from other activities

As noted in A.2. all of the UKNV's activities relate to its core business.

A.5. Any other information

UKNV considers no other information material to be disclosed.

B. System of Governance

B.1. General Information on the System of Governance

B.1.1. Overview

UKNV has a two-tier board structure with a separate Management Board and Supervisory Board.

The Management Board directs and has day-to-day responsibility for all activities of UKNV. The Supervisory Board maintains an overview of the performance of the Management Board. It also monitors the effectiveness of the risk management framework and the functioning of governance arrangements within UKNV. The Audit & Risk Committee closely monitors and advises on risk management, compliance, actuarial, financial and audit matters to the Supervisory Board.

The Management Board considers that the System of Governance is appropriate for the nature, scale and complexity of the inherent risks facing UKNV.

UKNV maintains a decision matrix in accordance with the RACI structure to identify which person or what body has decision making authority for all matters related to the governance, control and supervision of the Company.

B.1.2. Outsourcing

UKNV outsources all functions, including controlled functions, to Thomas Miller B.V, except for the investment function which is outsourced to Thomas Miller Investment Ltd.

Thomas Miller B.V. acts as a service provider in two ways:

- It provides staff and facilities to support the business
- It is an outsourcing service provider for certain activities of UKNV

The outsourcing is subject to strict monitoring by the Management and Supervisory Board and underpinned by an outsourcing policy in line with the Solvency II requirements and DNB regulations. Outsourced service providers are closely monitored by the Management Board and report on their activities on a quarterly basis.

UKNV outsources its investment activities to Thomas Miller Investments Ltd. (TMI). TMI provides monthly investment reports and provides quarterly confirmation that the investment portfolio remains within the restrictions of the investment mandate. This is subject to the same outsourcing policy as mentioned above.

B.1.3. Remuneration

UKNV outsources all executive matters to TMBV in accordance with Management Agreements. TMBV operates on a formal remuneration policy. This policy promotes the long-term interest of the business and competitive rates. TMBV staff receive remuneration that fits within the policies of corporate governance that encourages sound business behaviour.

UKNV's Supervisory Board members receive a fixed fee for the year or a per-meeting fee. The chairman of the Supervisory Board and the chairman of the ARC receive a fixed fee for the year. The other members earn a per-meeting fee for every attended meeting.

The financial rewards for TMBV are based on a cost-plus basis and a healthy profit margin as laid out in the management fee agreements. All staff working for UKNV are seconded from TMBV. Remuneration of individual TMBV staff is subject to the remuneration policy that aims to avoid conflicts of interests and excessive short-term risk taking by the company. The remuneration policy does not allow for severance payments.

B.1.4. Related party transactions

UKNV is wholly owned by UKC. Some of the Supervisory Board members are also policyholders at UKNV and/or Members of the UK Club. The transactions between Supervisory Board members and UKNV are insurance transactions and payment of their fees. Ship owners have no direct interest in UKNV other than the insurance of their ships, which is arranged at an arm's length basis.

B.2. Fit and Proper Requirements

UKNV has in place a Fit & Proper Policy that sets out its approach to the fitness and propriety of the persons responsible for running the Company, including executive senior management and key function holders.

All persons within the scope of the UKNV's Fit and Proper Policy must have the professional qualifications, knowledge and experience and demonstrate the sound judgement necessary to discharge their areas of responsibility competently. They must be of good repute and demonstrate in their personal behaviour and business conduct character, integrity and honesty. As part of the assessment consideration will be given to potential conflicts of interest and financial soundness.

The Fit & Proper Policy applies to:

- All Directors of UKNV and its Committees;
- All employees of TMBV; and
- Persons responsible for key functions.

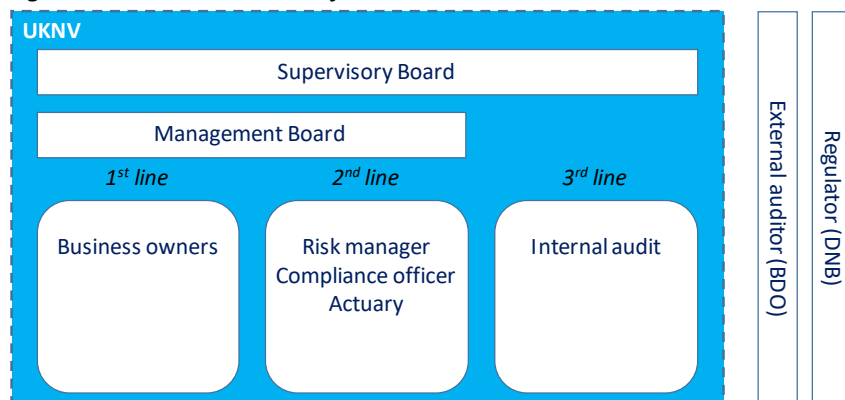
B.3. Risk Management System

The UKNV Risk Management System

UKNV uses a Risk Management Framework to design an effective risk management system with an integrated approach to risk management and the application of the three lines:

- 1st line: management board members and business line managers. They are risk owners in the risk management framework
- 2nd line: risk management, actuarial and compliance functions
- 3rd line: internal audit

Figure 1: Three lines model for UKNV



The risk management system incorporates the accurate and appropriate identification, recording, analysis, reporting and mitigation of risk. The Management Board has:

- a clearly defined and well-documented risk management strategy;
- adequate written and documented policies;
- appropriate processes and procedures;
- appropriate reporting procedures;
- reports on the material risks and the effectiveness of the risk management system; and
- a suitable Own Risk and Solvency Assessment (ORSA).

As part of the risk management framework, UKNV employs a risk management process to identify, measure, manage, monitor and report risks in a consistent and continuous manner. Risks are assessed against the Risk Appetite set by the Management Board.

The risk management system not only covers the risks included in the calculation of the Solvency Capital Requirement but also other risks to which UKNV is exposed and which are considered to be materially relevant to its business, including non-financial risks.

The cornerstones of risk management in the first line of defence are the business processes and procedures. UKNV stores these on the Electronic Quality Management System (EQMS) system from where they are monitored and updated on an annual basis.

In line with the policies and procedures for the Systematic Integrity Risk Assessment (SIRA), the Management Board addresses the integrity risks on a quarterly basis using a prospective and scenario based approach.

Risk Appetite

UKNV's risk appetite is articulated in the Risk Appetite Statement, which is a document owned by the Management Board and reviewed on a regular basis as new risks emerge, or at least annually. The Risk management function supports the Management Board to achieve that objective.

Own Risk and Solvency Assessment (ORSA)

The ORSA is the process used by UKNV to manage its financial and solvency position over the period of its Business Plan. This process results in an annual ORSA Report approved by the Management and reviewed by the Supervisory Board. As such it is an essential part of UKNV's strategic planning process.

Risk Mitigation

One of UKNV's key risk mitigation techniques is reinsurance. UKNV reinsures 100% of the underwriting risks to the Fronted Club. Also, it is a linked-entity to the International Group Pool of reinsurance that shares the largest risks between the IG P&I Club members. As part of that, the International Group also arranges an excess of loss reinsurance programme to cover the risks at higher levels. On an annual basis, the Management Board assesses the adequacy of the reinsurance programme and the related concentration and credit risks.

Operational risk is mainly managed by processes and procedures and monitored by a risk control plan that is overseen by the risk management function.

B.4. Internal Control System

Internal control is defined as a continually operating process effected by UKNV's Management Board, the business line managers, all staff and outsourced service providers in achieving the business objectives and manage the inherent risks.

Control environment

TMBV and other outsourced service providers are responsible for establishing and maintaining an effective control environment throughout the organisation. In furtherance of that, there is a culture which values the highest levels of integrity in the staff, together with openness and honesty in relation to the conduct and reporting of all activities. Policies, procedures and processes are designed to define and support effective, efficient and appropriate activities at every level of the business.

Compliance function

The Risk & Compliance function holder advises on and promotes compliance with applicable laws, regulatory requirements and administrative provisions and coordinates and monitors implementation of policies, processes and procedures to achieve compliance across the business, and manages regulatory compliance risk.

The Management Board bears ultimate responsibility for regulatory compliance, and is supported by the compliance officer. UKNV takes a risk-based approach to regulatory compliance, focussing on preventing breaches to regulatory principles and other rules and informing the relevant regulators of any that are material, or must be reported to regulators on a mandatory basis.

B.5. Internal Audit Function

Internal Audit is the "third line" (see Figure 1) in UKNV's internal control framework, established to provide independent assurance that the systems of internal control established by management ("first line") and the monitoring and oversight provided by the Risk Management and Compliance Functions ("second line") are fit for purpose and operating effectively.

The Internal Audit Function is outsourced to Thomas Miller & Co Limited, based in London who report to the ARC. The Internal Audit Function may engage third party expertise or skills to conduct specific audits if required.

Internal Audit is authorised to investigate and challenge any actions or concerns without influence from the business; be independent of operational business functions and without undue influence

from the Management Board or other functions/management; have unfettered and direct access to all activities in its area of responsibility, including all documentation, systems, staff, Management, Management and Supervisory Board members.

The Internal Audit Function is independent from the organisational activities audited and free to exercise its assignments without impairment and on its own initiative in all areas. All audits and proposals are shared with the Management Board, and their feedback is considered before presenting the plans to the Audit & Risk Committee for approval. The focus is on the Company's key processes and risks. Internal Audit applies an agile approach that allow sufficient flexibility to adjust to changed circumstances.

Audits completed

Throughout the financial year 2025/2026, UKNV underwent several comprehensive audits, either directly or indirectly by audits performed at the service providers that impact UKNV operation processes. No significant shortcomings have been identified.

B.6. Actuarial Function

The Actuarial function is outsourced to Thomas Miller & Co Limited, based in London. One person serves as actuarial function holder, but there is a larger team available to perform operational first- and second-line actuarial work. This individual oversees the adequacy of the work required by Solvency II.

The Actuarial Function is independent of the Management Board and therefore able to undertake its duties in an objective, fair and independent manner. However, for operational purposes, the Actuarial Function has been integrated into the internal control system through frequent meetings and attendance of ARC meetings.

B.7. Outsourcing

UKNV's business model relies on outsourcing of the main operational processes to Thomas Miller B.V. which has the authority to subcontract parties if it sees fit (c.f. section B.1.1.2). The Management Board is ultimately responsible for the results as well as monitoring the adequacy of the outsourcing arrangements. The major outsourcing takes place within the Group allowing in-depth monitoring as well as regular performance reporting.

B.8. Adequacy of system of governance

UKNV considers the system of governance adequate and proportional to the risks underlying the business and the business model. The Supervisory Board is responsible for an annual assessment of the system of governance as part of its monitoring role.

B.9. Any Other Information

UKNV considers no other information material to be disclosed.

C. Risk Profile

The key areas of risk impacting UKNV can be classified as follows:

1. Insurance risk – incorporating underwriting and reserving risk
2. Market risk – incorporating investment risk, interest rate risk and currency rate risk
3. Credit risk – being the risk that a counterparty is unable to pay amounts in full when due
4. Liquidity risk – being the risk that cash may not be available to pay obligations as they fall due
5. Operational risk – being the risk of failure of internal processes or controls.

UKNV uses the Solvency II Standard Formula to assess its financial and underwriting risks. The outcome of this formula is the basis for regulatory reporting and ORSA.

C.1. Underwriting Risk

Underwriting risk is the risk that the net insurance obligations (i.e. claims less premiums) are different to expectations. UKNV considers the risk of existing obligations (Reserve Risk) separately to the risk of future obligations (Premium Risk).

Reserve risk is managed by UKNV's reserving policy. The Company establishes provisions for unpaid claims, both reported and unreported, and related expenses to cover its expected ultimate liability. These provisions are established through the application of actuarial techniques and assumptions. In order to minimise the risk of understating these provisions, the assumptions made and actuarial techniques employed are reviewed in detail by the Management Board and actuarial function holder.

Premium risk is managed by an underwriting policy that establishes robust underwriting practices in order to meet business needs and satisfy regulatory control. This is supplemented with a robust forecasting approach undertaken as part of the Company's ORSA process.

The underwriting process is based on a thorough understanding of the risk accepted. This understanding is enhanced as UKNV is a focussed insurer that continues the same cover that for many years has been provided directly by the Fronted Clubs.

Underwriting authority is delegated to specific individuals who operate under set underwriting parameters and are subject to ongoing guidance and review by the Management Board.

Underwriting Risk is mitigated via the reinsurance programme by which 100% of the underwriting risk is reinsured to the Fronted Clubs or external reinsurers, including via the International Group. This latter programme comprises excess of loss reinsurance cover for P&I, purchased jointly with other members of the International Group, and the International Group Pooling agreement. In addition there is also external reinsurance of P&I claims that fall below the deductible of the International Group pooling threshold. To support the reinsurance programme, the parent company have provided substantial cover for all exposures not mitigated under the external reinsurance programme. A separate reinsurance structure had been acquired to support the fixed premium P&I book managed by Thomas Miller Specialty.

Throughout the year, the Company has fronted insurance business for five mutual insurers as indicated in Chapter A1. Table 6 below provides an overview of the EEA premiums by Fronted Club for the years ended 20 February 2026 and 2025 respectively.

Table 6: Gross written premium breakdown per entity for the financial years

Amounts in US\$000s	2025/2026	2024/2025
P&I	74,449	72,580
TMS	4,567	5,746
TT	-	27,493
ITIC	-	-450
UKWR	4,915	4,803
PAMIA	339	324
Total	84,269	110,496

Although the business volumes have changed, the underlying risk profile has remained the same. The risk underwritten were similar to the previous year and the strategy remained identical. Moreover, the risks were fully reinsured to the respective Fronted Club.

C.2. Market Risk

Market risk arises through fluctuations in market valuations, interest rates, corporate bond spreads and foreign currency exchange rates. UKNV operates a prudent investment policy with exposure to interest rates. A modest level of foreign exchange risk is incurred in the operational processes of the company. This level of currency risk has been hedged within the agreements with the Fronted Clubs.

The prudent person principle

All of the investments are invested and managed in accordance with the ‘prudent person principle’, meaning that duties of the Investment Managers are discharged with the care, skill, prudence and diligence that a prudent person acting in a like capacity would use in the conduct of an enterprise of like character and aims.

The Investment Mandate provides a framework to the Investment Managers for the management and stewardship of the assets in conformity with the business and investment objectives and sets the parameters within which UKNV’s assets may be invested. It is considered and approved by the Management Board on an annual basis.

Investment Risk

UKNV’s investment strategy is prudent and risk averse. The objective of the investment portfolio is value protection rather than profit generation. The portfolio consists of U.S. Treasury Bonds and some money market funds and does not include financial derivatives. As the reporting currency is US\$, no currency risk is involved. The investment risk is closely monitored. Over the course of the financial year, the portfolio returned 5.4%. This has resulted in a positive investment return of US\$ 3.3m.

Table 7: Movement investments

Amounts in US\$000s	Mutual Funds	Bonds	Total
Carrying amount as at 20 February 2025	75,932	-	75,932
Acquisitions	2,430	-	2,430
Disposals	(31,927)	-	(31,927)
Revaluation and other changes	1,338	-	1,338
Carrying amount as at 20 February 2026	47,774	-	47,774

Amounts in US\$000s	Mutual Funds	Bonds	Total
Carrying amount as at 20 February 2024	72,672	19	72,692
Acquisitions	2,900	-	2,900
Disposals		(19)	(19)
Revaluation and other changes	359	-	359
Carrying amount as at 20 February 2025	75,932	-	75,933

C.3. Credit Risk

Counterparty default risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. UKNV is exposed to counterparty default risk from a counterparty failing to comply with their obligations under a contract of reinsurance. In order to manage this risk, the Management Board consider the financial position of significant counterparties on a regular basis. Moreover, there are limits to monitor aggregate exposures to each reinsurer and the Company has set selection criteria whereby each external reinsurer is required to hold a credit rating greater than or equal to “A-” (A minus) at the time the contract is made. There are also limits on the individual exposures to avoid large concentrations to individual reinsurance counterparties other than to Fronted Clubs.

Counterparty default risk also arises out of amounts due from clients representing premium owed to UKNV in respect of insurance business written. The Company manages the risk of Member default through a screening process to ensure the quality of new insured of UKNV and the ability to cancel cover and outstanding claims of Members that fail to settle amounts payable. UKNV limits its reliance on any single client. The investment mandate manages the risk of default by limiting investments to government guaranteed bonds and some money market funds. These are mainly U.S. Treasuries and cash-based instruments. The below tables show our investments in funds consisting of U.S. Treasuries under “not rated” instruments.

The following tables provide information for UKNV regarding aggregate credit risk exposure for financial assets. The credit rating bands are provided by independent ratings agencies. The differences compared to the previous year are due to normal course of business without any changes in business fundamentals.

Table 8: Outstanding amounts per rating class

As at 20 February 2026 Amounts in US\$000s	AAA	AA	A	Not readily available/ not rated	Total
Cash at bank and in hand	-	-	10,839	-	10,839
Investments in funds	3,222	-	-	44,551	47,774
Amounts due from members	-	-	-	1,010	1,010
Amounts due from reinsurers	-	-	663	75	738
Total of assets subject to credit risk	3,222	-	11,502	45,637	60,362

As at 20 February 2025				Not readily	
Amounts in US\$000s	AAA	AA	A	available/ not	Total
				rated	
Cash at bank and in hand	-	-	12,288	-	12,288
Investments in funds	-	-	-	75,933	75,933
Amounts due from members	-	-	-	2,799	2,799
Amounts due from reinsurers	-	-	1,685	35	1,720
Total of assets subject to credit risk	-	-	13,973	78,767	92,739

UKNV does not hold any collateral against its reinsurance agreements, since reinsurance exposures ultimately rest with the Fronted Clubs who have no incentive to default on reinsurance claims against their own Members.

C.4. Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations as they fall due. UKNV has adopted an investment strategy which requires the maintenance of significant holdings in cash and money market funds to ensure sufficient funds are available to cover anticipated liabilities and unexpected levels of demand. Moreover, the reinsurance agreements with the Fronted Club are such that urgent liquidity needs will always be satisfied when due. Fronted Clubs have an incentive to honour their own Members' claims. Short term cash needs are monitored to ensure the most efficient investment of cash balances. Table 9 outlines the maturity profile of assets held.

The liquidity profile did not change in the current year. Amounts have changed due to normal course of business.

The amount of Expected Profit in Future Premium (EPIFP) is nihil for policies running over multiple years.

Table 9: Outstanding amounts per 20 February 2025 over time

As at 20 February 2026				
Amounts in US\$000	Short term assets	Within 1 year	1-2 years	Total
Cash at bank and in hand	10,839	-	-	10,839
Investments in funds	47,774	-	-	47,774
Amounts due from members	1,010	-	-	1,010
Amounts due from reinsurers	738	-	-	738
Total assets	60,362	-	-	60,362

As at 20 February 2025				
Amounts in US\$000	Short term assets	Within 1 year	1-2 years	Total
Cash at bank and in hand	12,288	-	-	12,288
Investments in funds	75,933	-	-	75,933
Amounts due from members	2,799	-	-	2,799
Amounts due from reinsurers	1,720	-	-	1,720
Total assets	92,739	-	-	92,739

C.5. Operational Risk

Operational risk is defined as the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. In order to mitigate such risks UKNV has engaged Thomas Miller B.V. to document all key processes and controls in a procedural manual. It is embedded into the organisation and available to all staff and outsourced service providers.

C.6. Other Material Risks

UKNV has not identified any other material risks that it considers necessary for disclosure.

C.7. Any Other Information

Stress and Scenario testing

Stress and scenario tests are presented within ORSA. They are based upon the business plan and projects the financial and capital position over the next four years and considers its solvency position relative to its overall risk appetite statement.

D. Valuation for Solvency Purposes

D.1. Assets

Table 10 presents amounts at Solvency II and Dutch GAAP valuation bases respectively. For classification purposes an aggregated Solvency II classification of amounts has been used in order to best demonstrate any valuation differences between the two valuation bases. The main difference between the Solvency II presentation and the Dutch GAAP presentation is that the assets in the Dutch GAAP balance sheet do not include a reinsurance recoverable as this amount is set off against the gross technical provision under liabilities. The accounting policies have not changed last year.

Decrease in total of assets in comparison with last year is mainly related to the transfer of TT and ITIC business as described in A.1. Business and Performance.

Table 10: Reconciliation of Assets between Solvency II and Dutch GAAP

As at 20 February 2026, amounts in US\$000	Solvency II	Dutch GAAP
Assets		
Deferred tax assets	-	-
Deferred acquisition costs	-	256
Financial investments	47,749	47,749
Reinsurance recoverables	146,270	149,493
Insurance receivables	23	1,011
Reinsurance receivables	320	320
Trade receivables	1,678	1,678
Other receivables	28	28
Cash and cash equivalents	10,863	10,863
Total assets	206,932	211,398
As at 20 February 2025, amounts in US\$000	Solvency II	Dutch GAAP
Assets		
Deferred tax assets	28	-
Deferred acquisition costs	-	616
Financial investments	75,922	75,922
Reinsurance receivables	806	806
Reinsurance recoverables	144,860	-
Insurance receivables	795	2,980
Trade receivables	10,831	10,831
Cash and cash equivalents	12,298	12,298
Total assets	245,540	103,453

Refer to appendix 1 (template S.02.01) for a full Solvency II balance sheet. UKNV's assets are valued using the following principles:

Investments

Investments are carried at market value. The market value is calculated using the bid price at the close of business on the balance sheet date. The market value of foreign currency investments is translated at the rate of exchange ruling at the balance sheet date.

Fair values of investments traded in active markets are measured at bid price. Since all investments are traded in active markets (bonds and money market funds), it is not deemed necessary to employ different valuation bases such as reference values or independent valuation reports.

Reinsurance share of technical provisions

Reinsurance share of technical provisions is valued consistent with gross technical provisions. Refer to D.2. for further details.

Cash and cash equivalents

Cash and cash equivalents include cash at bank or in hand. The carrying value of these balances is considered a suitable proxy for fair value.

Insurance and reinsurance receivables

These represent balances that are due for existing insurance and reinsurance contracts. Due to the short-term nature of these balances, the carrying amount is considered a suitable proxy for its fair value. When these amounts are not yet due, they are included as a future cash flow in the calculation of technical provisions. Under statutory accounting requirements, these balances are presented separately on the face of the balance sheet whether they are due or not yet due.

Receivables (trade, not insurance)

This balance includes sundry, short term receivable balances the value and settlement of which contains little to no uncertainty. Due to the short-term nature of these items, the carrying amount is considered a suitable proxy for its fair value.

Other receivables

These represent all asset balances not included above. These items are all of a short-term nature, and as such their carrying amounts are considered to be a suitable proxy for its fair values. There are no material differences between the valuation used for Solvency purposes and the valuation used in the financial statements.

D.2. Technical Provisions

Total gross technical provisions has increased to 146 million. For more information refer to section E.

Table 11: UKNV technical provisions

As at 20 February 2026, amounts in US\$000	Solvency II	Dutch GAAP
Premium provisions		
Gross best estimate premium provisions	(4,255)	
Recoverables from reinsurance, after adjustment for counterparty default risk	(1,596)	
Net best estimate premium provision	(2,659)	
Claims provision		
Gross best estimate claims provisions	147,990	
Recoverables from reinsurance, after adjustment for counterparty default risk	147,866	
Net best estimate claims provision	123	
Risk Margin	2,448	
Total gross technical provisions (net for Dutch GAAP)	146,183	149,749

As at 20 February 2025, amounts in US\$000	Solvency II	Dutch GAAP
Premium provision		
Gross best estimate premium provisions	(16,742)	
Recoverables from reinsurance, after adjustment for counterparty default risk	(14,091)	
Net best estimate premium provision	(2,651)	
Claims provision		
Gross best estimate claims provisions	159,101	
Recoverables from reinsurance, after adjustment for counterparty default risk	158,951	
Net best estimate claims provision	150	
Risk Margin	2,547	
Total gross technical provisions (net for Dutch GAAP)	144,906	616

Refer to appendices 4 (template S.17.01.b) and 5 (template S.19.01) for further details on technical provisions. The Dutch GAAP gross technical provisions in the balance sheet are net of reinsurance, whereas the reinsurance receivables are reflected as Assets under Solvency II.

Technical provisions

This relates to the insurance liabilities, which fall under the “marine, aviation and transport” or “general indemnity” lines of business under Solvency II. These relates to claims arising from the members of the Fronted Clubs. In addition, UKNV also participates in the International Group of P&I Clubs and so shares claim amounts above a certain level with other participating P&I clubs. These are recovered from UKC.

Solvency II requires the technical provisions to be calculated as the sum of a best estimate and a risk margin. The best estimate is valued as the probability-weighted average of future cash flows, taking account of the time value of money, and the risk margin is calculated on a cost-of-capital basis. In addition, for the best estimate, there are three elements to consider: claims, premiums and expenses. The calculation of the different elements of the technical provisions is discussed below.

Claims provision

The key assumptions underlying the calculation of the claims provision are the gross loss ratios. The claims element of the best estimate is calculated using the experience data from the respective Fronted Clubs’ claims experience. Since each of the Fronted Clubs is managed by Thomas Miller, UKNV has access to the relevant data of the Fronted Clubs.

Premiums

The premiums element of the best estimate covers (i) the outstanding instalments of premium on expired business that are payable but not yet due on the valuation date (corresponding to the provision for claims outstanding); and (ii) the premium payable but not yet due on bound but not incepted business (corresponding to the premium provision).

Nearly all of the UKNV’s marine P&I and UKWAR policies coincide with its financial year. As such, the renewal is completed and therefore bound before the financial year end. The consequence is that nearly a full year’s worth of business is recognised as bound but not incepted business.

Expenses

When calculating the best estimate, a provision is made for all expense cash flows incurred in servicing insurance obligations. This includes both direct and overhead expenses, as well as investment management expenses. The provision is calculated directly in respect of the provision for claims outstanding (for expired business) and a corresponding amount is derived in respect of the premium provision (for bound but not incepted business).

Risk margin

The risk margin is calculated based on the requirement to hold capital to meet the SCR until all claims liabilities are settled and a cost-of-capital rate of 6% per annum in line with the Solvency II requirements. The SCR in this context is made up of Underwriting Risk, Counterparty Default Risk and Operational Risk only; assets are assumed to be invested in such a way that Market Risk will be zero. The SCRs in future time periods have been calculated based on the expected run-off of underwriting risk and operational risk and assuming counterparty default risk run-off in line with the run-off of the best estimate reinsurance recoverables.

Reinsurance recoverables

This relates to the expected recoverables from its reinsurance arrangements at the valuation date. It is made up of two elements: reinsurance payments and reinsurance premiums. These are valued on a consistent basis with the corresponding claims and premiums elements of the technical provisions. In addition, an adjustment is made to take account of expected losses due to default of the reinsurance counterparties.

Differences between GAAP and Solvency II technical provisions

Table 11 provides a reconciliation of Dutch GAAP technical provisions to Solvency II technical provisions.

D.3. Other liabilities

Table 12 presents amounts at Solvency II and Dutch GAAP valuation bases respectively. For classification purposes an aggregated Solvency II classification of amounts has been used in order to best demonstrate any valuation differences between the two bases. The liabilities are valued using the principles laid out below.

Table 12: Liabilities

As at 20 February 2026, amounts in US\$000	Solvency II	Dutch GAAP
Technical provisions	146,183	149,749
Provisions other than technical provisions	-	-
Insurance payables	1	1
Reinsurance payables	7,257	8,245
Other liabilities	3,414	3,414
Total liabilities	156,584	161,138

As at 20 February 2025, amounts in US\$000	Solvency II	Dutch GAAP
Technical provisions	144,906	616
Provisions other than technical provisions	-	-
Reinsurance payables	17,244	19,428
Other liabilities	3,669	3,669
Total liabilities	165,819	23,713

Technical provisions

The valuation principles of technical provisions are further detailed in D.2. As explained in section D.1 and D.2, the Dutch GAAP technical provision is net of reinsurance.

Reinsurance payables

These represent balances that are due to be paid for existing reinsurance contracts. When these amounts are not yet due to be paid, they are included as a future cash flow in the calculation of reinsurance technical provisions.

Under statutory accounting requirements, these balances are presented separately on the face of the balance sheet whether they are due or not yet due.

Other liabilities

Under statutory accounting requirements, these balances include intercompany payables under the reinsurance arrangement and fronting fee arrangements. However when not yet due, these amounts are included as a future cash flow in the calculation of reinsurance technical provisions under Solvency II requirements.

All other amounts comprise balances not included in liabilities above. Due to its short-term nature, the carrying amount is considered a suitable proxy for its fair value.

D.4. Alternative methods of valuation

UKNV does not utilise any alternative methods of valuation. UKNV does not apply matching adjustments or volatility adjustments as referred to in art. 77 of the Solvency II Directive. UKNV applies the regular published risk-free term structure.

D.5. Any other information

UKNV has not identified any other information that it considers material to be disclosed.

UKNV does not assume policy holder behaviour in the valuation of the assets and liabilities other than described above. UKNV does not take into account management actions in the valuation of assets and liabilities. To determine the capitalisation, it assumes management actions as described in the ORSA.

E. Capital Management

E.1 Own funds

Table 13 show the available capital in relation to the capital requirements. UKNV is well capitalised and meets all regulatory requirements. UKNV's capital structure consists almost entirely of Tier 1 Basic Own Funds. A separate deferred tax asset constitutes Tier 3, well within the limits of Solvency II and reflecting the amount recoverable from the tax authorities. Please consult appendix 6 (template S.23.01) for more information.

Table 13: Own funds specification

As at 20 February, amounts in US\$000	2026	2025
Solvency Capital Requirement (SCR)	22,851	24,097
Eligible Own Funds	50,348	79,721
Excess/(shortfall)	27,496	55,624
SCR ratio	220%	330.83%
Minimum Capital Requirement (MCR)	5,713	6,024
Eligible Own Funds	50,348	79,693
Excess/(shortfall)	44,635	63,411
MCR ratio	881%	1,322.87%

Table 14.1: Own funds Tiering

As at 20 February, amounts in US\$000	2026	2025
Tier 1 capital	50,348	79,693
Tier 3 capital		28
Eligible own funds to meet SCR	50,348	79,721

No items have been deducted from own funds and there are no significant restrictions affecting the availability and transferability of own funds.

Information, objectives, policies and processes for managing own funds

The objective to maintain the total capital resources (own funds) in line with its risk appetite statement over the insurance cycle. UKNV forecasts its capital over a four-year planning horizon as part of its ORSA process.

Projected capital position

UKNV's risk appetite states that own funds should be within the range of 150-200% of the SCR, with an optimal target level of 175% of SCR. In the past years the parent company has provided an adequate capital contribution whenever there was a need.

After the initial years of capital injections from the parent company to support the growth of the insurance portfolios, UKNV had reached a steady state in the previous year. The Company achieved a SCR ratio well above its desired capital bandwidth even with the dividend payment of US\$ 31.5 million during the year. The Management Board will discuss with all relevant stakeholder if another dividend payment will be made to reduce the SCR ratio towards the optimum.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

SCR and MCR

Table 15 summarises the Solvency Capital Requirements for the current period. Further details can be found in appendices 7 (template S.25.01) and 8 (template S.28.01).

Table 15: SCR composition

As at 20 February, amounts in US\$000	2026	2025
Market Risk	2,728.0	4,445.20
Counterparty Default Risk	15,725.0	16,480.80
Underwriting Risk	3,311.0	2,998.60
Diversification effect	(3,224.6)	-4,098.20
Basic-SCR	18,539.4	19,826.40
Operational Risk	4,312.0	4,270.80
Total Solvency Capital Requirement (SCR)	22,851.5	24,097.20
Minimum Capital Requirement (MCR)	5,712.9	6,024.00

The SCR has been calculated using the standard formula as described in section E.4 below. Refer to appendix 7 (template S.25.01) for more information on the SCR.

The inputs into the MCR are net written premium and net technical provisions as further detailed in appendix 8 (template S.28.01).

E.3 Duration

Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

This sub-module is not used by UKNV since UKNV does not invest in equities.

E.4 Differences between the standard formula and any internal model used

UKNV applies the Standard Formula to calculate SCR. Undertaking-specific parameters or simplified calculations are not applied.

E.5 Non-compliance

Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

UKNV has fully complied with the SCR and MCR requirements during the period under review. Refer to section E1 for results of the SCR / MCR Calculations

E.6 Any other information

The Association considers no other information material that should be disclosed.

Appendices

1. Balance sheet

Solvency II Template S.02.01

As at 20 February 2026, amounts in US\$000

Goodwill	
Deferred acquisition costs	
Intangible assets	
Deferred tax assets	
Pension benefit surplus	
Property, plant & equipment held for own use	-
Investments (other than assets held for index-linked and unit-linked contracts)	47,749.41
<i>Property (other than for own use)</i>	-
<i>Holdings in related undertakings, including participations</i>	-
<i>Equities</i>	-
<i>Equities - listed</i>	
<i>Equities - unlisted</i>	
<i>Bonds</i>	-
<i>Government Bonds</i>	-
<i>Corporate Bonds</i>	-
<i>Structured notes</i>	-
<i>Collateralised securities</i>	-
<i>Collective Investments Undertakings</i>	47,749.41
<i>Derivatives</i>	
<i>Deposits other than cash equivalents</i>	-
<i>Other investments</i>	-
Assets held for index-linked and unit-linked contracts	
Loans and mortgages	-
<i>Loans on policies</i>	
<i>Loans and mortgages to individuals</i>	
<i>Other loans and mortgages</i>	
Reinsurance recoverables from:	146,270.36
<i>Non-life and health similar to non-life</i>	146,270.36
<i>Non-life excluding health</i>	146,270.36
<i>Health similar to non-life</i>	-
<i>Life and health similar to life, excluding index-linked and unit-linked</i>	-
<i>Health similar to life</i>	
<i>Life excluding health and index-linked and unit-linked</i>	
<i>Life index-linked and unit-linked</i>	
Deposits to cedants	-
Insurance and intermediaries receivables	22.65
Reinsurance receivables	319.56
Receivables (trade, not insurance)	1,678.40
Own shares (held directly)	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	-
Cash and cash equivalents	10,863.46
Any other assets, not elsewhere shown	27.94
Total assets	206,931.78
Liabilities	
Technical provisions - non-life	146,182.58

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<i>Technical provisions - non-life (excluding health)</i>	146,182.58
<i>TP calculated as a whole</i>	-
<i>Best Estimate</i>	143,734.59
<i>Risk margin</i>	2,447.99
<i>Technical provisions - health (similar to non-life)</i>	-
<i>TP calculated as a whole</i>	-
<i>Best Estimate</i>	-
<i>Risk margin</i>	-
Technical provisions - life (excluding index-linked and unit-linked)	-
<i>Technical provisions - health (similar to life)</i>	-
<i>TP calculated as a whole</i>	-
<i>Best Estimate</i>	-
<i>Risk margin</i>	-
<i>Technical provisions - life (excluding health and index-linked and unit-linked)</i>	-
<i>TP calculated as a whole</i>	-
<i>Best Estimate</i>	-
<i>Risk margin</i>	-
Technical provisions - index-linked and unit-linked	-
<i>TP calculated as a whole</i>	-
<i>Best Estimate</i>	-
<i>Risk margin</i>	-
Other technical provisions	
Contingent liabilities	
Provisions other than technical provisions	
Pension benefit obligations	
Deposits from reinsurers	
Deferred tax liabilities	
Derivatives	
Debts owed to credit institutions	
<i>Financial liabilities other than debts owed to credit institutions</i>	
<i>Insurance & intermediaries payables</i>	0.67
<i>Reinsurance payables</i>	7,256.87
Payables (trade, not insurance)	3,045.92
<i>Subordinated liabilities</i>	-
<i>Subordinated liabilities not in BOF</i>	-
<i>Subordinated liabilities in BOF</i>	-
<i>Any other liabilities, not elsewhere shown</i>	98.06
<i>Total liabilities</i>	156,584.11
Excess of assets over liabilities	50,347.67

2. Top 5 premiums, claims and expenses by country

Top 5 per country is based on Solvency II templates S.04.05 summarised for all lines of business.

As at 20 February 2026, amounts in US\$000

Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country	
	MT	ES	NL	FR	PT		
Premiums written							
<i>Gross - Direct Business</i>	7,712	25,381	1,702	7,712	5,257	10,069	57,833
<i>Reinsurers' share</i>	7,306	23,823	1,553	7,306	4,592	9,369	53,947
<i>Net</i>	406	1,559	149	406	665	700	3,885
Premiums earned							
<i>Gross - Direct Business</i>	7,088	25,489	1,923	7,088	5,256	10,151	56,994
<i>Reinsurers' share</i>	6,715	23,924	1,754	6,715	4,591	9,445	53,143
<i>Net</i>	373	1,565	169	373	665	706	3,851
Claims incurred							
<i>Gross - Direct Business</i>	-725	15,684	3,137	-725	-6,147	31,271	42,496
<i>Reinsurers' share</i>	-725	15,684	3,137	-725	-6,147	31,271	42,496
<i>Net</i>	0	0	0	0	0	0	0
Expenses incurred	838	3,015	224	838	621	1,200	6,737
Other expenses							
Total expenses							6,737

3. Premiums, Claims and expenses by line of Business

Solvency II template S.05.01

As at 20 February 2026, amounts in US\$000

	Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)				
	Motor vehicle liability insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Total
Premiums written					
<i>Gross - Direct Business</i>	-	81,785	-	256	82,041
<i>Gross - Proportional reinsurance accepted</i>	-	-	-	-	-
<i>Gross - Non-proportional reinsurance accepted</i>	-	-	-	-	-
<i>Reinsurers' share</i>	-	76,241	-	256	76,497
<i>Net</i>	-	5,544	-	-	5,544
Premiums earned					
<i>Gross - Direct Business</i>	-	82,487	-	428	82,915
<i>Gross - Proportional reinsurance accepted</i>	-	-	-	-	-
<i>Gross - Non-proportional reinsurance accepted</i>	-	-	-	-	-
<i>Reinsurers' share</i>	-	76,603	-	408	77,011
<i>Net</i>	-	5,884	-	20	5,904
Claims incurred					
<i>Gross - Direct Business</i>	-	58,633	-	(38)	58,595
<i>Gross - Proportional reinsurance accepted</i>	-	-	-	-	-
<i>Gross - Non-proportional reinsurance accepted</i>	-	-	-	-	-
<i>Reinsurers' share</i>	-	58,633	-	(38)	58,595
<i>Net</i>	-	-	-	-	-
Expenses incurred					
<i>Expenses incurred</i>	-	6,847	-	26	6,873
Investment management expenses					
<i>Gross - Direct Business</i>	-	191	-	1	193
Acquisition expenses					
<i>Gross - Direct Business</i>	-	5,884	-	20	5,904
Overhead expenses					
<i>Gross - Direct Business</i>	-	3,680	-	23	3,702
<i>Gross - Proportional reinsurance accepted</i>	-	-	-	-	-
<i>Gross - Non-proportional reinsurance accepted</i>	-	-	-	-	-
<i>Reinsurers' share</i>	-	2,909	-	17	2,926
<i>Net</i>	-	771	-	5	776
Balance - other technical expenses/income					
Total technical expenses					6,873

4. Non-life technical provisions

Solvency II template S.17.01.b

As at 20 February 2026, amounts in US\$000

	Direct business and accepted proportional reinsurance				Total Non-Life obligation
	Motor vehicle liability insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	
Technical provisions calculated as a whole	-	-	-	-	-
Direct business					
Accepted proportional reinsurance business					
Accepted non-proportional reinsurance					
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole					
Technical provisions calculated as a sum of BE and RM					
Best estimate					
Premium provisions					
Gross - Total	-	4,313.74	-	58.50	- 4,255.24
Gross - direct business	-	4,313.74	-	58.50	- 4,255.24
Gross - accepted proportional reinsurance business	-	-	-	-	-
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	-	1,609.00	-	58.50	- 1,550.50
<i>Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses</i>	-	1,609.00	-	58.50	- 1,550.50
<i>Recoverables from SPV before adjustment for expected losses</i>	-	-	-	-	-
<i>Recoverables from Finite Reinsurance before adjustment for expected losses</i>	-	-	-	-	-

Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-	-	1,651.13	-	55.00	-	1,596.13
Net Best Estimate of Premium Provisions	-	-	2,662.61	-	3.50	-	2,659.11
Claims provisions	-	-	-	-	-	-	-
Gross - Total	-	-	4,313.74	-	58.50	-	4,255.24
Gross - direct business	-	-	4,313.74	-	58.50	-	4,255.24
Gross - accepted proportional reinsurance business	-	-	-	-	-	-	-
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	-	-	1,609.00	-	58.50	-	1,550.50
<i>Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses</i>	-	-	1,609.00	-	58.50	-	1,550.50
<i>Recoverables from SPV before adjustment for expected losses</i>	-	-	-	-	-	-	-
<i>Recoverables from Finite Reinsurance before adjustment for expected losses</i>	-	-	-	-	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-	-	1,651.13	-	55.00	-	1,596.13
Net Best Estimate of Claims Provisions	-	-	111.88	-	11.47	-	123.35
Total best estimate - gross	-	-	143,445.84	-	288.75	-	143,734.59
Total best estimate - net	-	-	2,550.73	-	14.97	-	2,535.76
Risk margin	-	-	2,444.56	-	3.42	-	2,447.99
Amount of the transitional on Technical Provisions	-	-	-	-	-	-	-
TP as a whole	-	-	-	-	-	-	-
Best estimate	-	-	-	-	-	-	-
Risk margin	-	-	2,444.56	-	3.42	-	2,447.99
Technical provisions - total	-	-	145,890.41	-	292.17	-	146,182.58
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	-	-	145,996.57	-	273.78	-	146,270.36
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	-	-	106.17	-	18.39	-	87.78

Line of Business (LoB): further segmentation (Homogeneous Risk Groups)	-	-	-	-	-
<i>Premium provisions - Total number of homogeneous risk group</i>	-	-	-	-	-
<i>Claims provisions - Total number of homogeneous risk groups</i>	-	-	-	-	-
Cash-flows of the Best estimate of Premium Provisions (Gross)	-	-	-	-	-
Cash out-flows	-	-	-	-	-
<i>Future benefits and claims</i>	-	72,963.89	-	34.79	72,998.68
<i>Future expenses and other cash out-flows</i>	-	3,533.23	-	23.72	3,556.95
Cash in-flows	-	-	-	-	-
<i>Future premiums</i>	-	71,518.98	-	-	71,518.98
<i>Other cash in-flows (incl. Recoverables from salvages and subrogations)</i>	-	9,291.88	-	-	9,291.88
Cash-flows of the Best estimate of Claims Provisions (Gross)	-	-	-	-	-
Cash out-flows	-	-	-	-	-
<i>Future benefits and claims</i>	-	72,963.89	-	34.79	72,998.68
<i>Future expenses and other cash out-flows</i>	-	3,533.23	-	23.72	3,556.95
Cash in-flows	-	-	-	-	-
<i>Future premiums</i>	-	71,518.98	-	-	71,518.98
<i>Other cash in-flows (incl. Recoverables from salvages and subrogations)</i>	-	9,291.88	-	-	9,291.88
Percentage of gross Best Estimate calculated using approximations	-	-	-	-	-
Best estimate subject to transitional of the interest rate					
Technical provisions without transitional on interest rate					
Best estimate subject to volatility adjustment					
Expected profits included in future premiums (EPIFP)		4,884.49		-	4,884.49

5. Non-life Insurance Claims

Solvency II template S.19.01 per accident year

As at 20 February 2026, amounts in US\$000

Gross Claims Paid (non-cumulative)																In Current year	Sum of years (cumulative)	
Year	Development year																	
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +		
Prior																-6,514	- 6,514	- 6,514
N-14	7,061	12,968	8,781	8,015	2,869	2,306	- 3	139	27	84	39	41	62	74	5		5	42,469
N-13	8,494	16,879	6,813	3,306	2,905	1,789	921	1,682	226	- 83	224	53	5	292			292	43,507
N-12	12,106	17,279	13,846	5,613	25,632	8,144	2,834	1,683	340	160	523	- 1,798	241				241	86,604
N-11	11,514	10,332	7,968	3,290	2,421	10,741	1,674	573	810	107	- 767	- 5					- 5	48,658
N-10	6,899	9,682	9,364	4,870	3,708	919	776	2,263	3,019	997	5,373						5,373	47,871
N-9	18,110	11,122	6,882	5,220	2,357	1,848	424	935	387	340							340	47,624
N-8	11,435	8,855	3,824	3,908	5,926	1,692	11,538	546	1,701								1,701	49,425
N-7	10,104	16,846	9,213	4,329	3,481	5,943	3,762	7,466									7,466	61,144
N-6	5,634	6,539	4,568	2,594	2,087	1,495	2,016										2,016	24,934
N-5	48,374	12,003	4,151	2,730	2,874	6,676											6,676	76,808
N-4	4,528	10,348	9,483	892	27,649												27,649	52,900
N-3	3,170	6,658	13,132	2,548													2,548	25,508
N-2	4,341	10,795	8,844														8,844	23,980
N-1	7,677	8,843															8,843	16,520
N	5,633																5,633	5,633
Total																	71,109	647,072

Gross undiscounted Best Estimate Claims Provisions																	
Year	Development year															15 & +	Year end (discounted data)
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
Prior																4,047	3,845
N-14	-	-	-	-	-	-	-	-	-	847	962	746	528	-	121		110
N-13	-	-	-	-	-	-	-	-	977	3,573	3,127	678	2,622	62			56
N-12	-	-	-	-	-	-	-	12,736	13,186	11,809	11,510	4,870	4,177				3,800
N-11	-	-	-	-	-	-	5,564	3,783	2,886	2,650	1,247	509					464
N-10	-	-	-	-	-	34,221	38,203	14,170	7,287	7,055	4,120						3,755
N-9	-	-	-	-	9,022	5,580	4,248	2,444	1,569	1,432							1,307
N-8	-	-	-	21,409	8,863	5,975	4,055	2,474	619								565
N-7	-	-	26,945	26,193	23,200	15,698	15,548	7,229									6,620
N-6	250	29,684	22,390	17,393	11,482	3,795	3,005										2,757
N-5	42,571	55,205	43,784	43,256	33,586	22,380											20,636
N-4	58,615	72,493	51,409	33,524	13,895												12,786
N-3	55,781	46,282	9,515	5,621													5,181
N-2	59,549	26,453	12,332														11,327
N-1	33,255	15,200															13,965
N	66,268																60,814
																	Total
																	147,990

6. Own Funds

Solvency II template S.23.01

Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Total
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Ordinary share capital (gross of own shares)	589
Share premium account related to ordinary share capital	42,200
Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	-
Subordinated mutual member accounts	-
Surplus funds	7,471
Preference shares	-
Share premium account related to preference shares	-
Reconciliation reserve	88
Subordinated liabilities	-
An amount equal to the value of net deferred tax assets	-
Other own fund items approved by the supervisory authority as basic own funds not specified above	-

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	-
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Deductions

Deductions for participations in financial and credit institutions	-
Total basic own funds after deductions	50,348

Ancillary own funds

Unpaid and uncalled ordinary share capital callable on demand	-
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	-
Unpaid and uncalled preference shares callable on demand	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	-
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	-
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	-
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	-
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	-
Other ancillary own funds	-
Total ancillary own funds	-

Available and eligible own funds

Total available own funds to meet the SCR	50,348
Total available own funds to meet the MCR	50,348
Total eligible own funds to meet the SCR	50,348
Total eligible own funds to meet the MCR	50,348

SCR	22,851
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MCR	5,713
Ratio of Eligible own funds to SCR	220%
Ratio of Eligible own funds to MCR	881%

Reconciliation reserve	50,348
Excess of assets over liabilities	-
Own shares (held directly and indirectly)	-
Foreseeable dividends, distributions and charges	50,260
Other basic own fund items	-
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	
Reconciliation reserve	88

Expected profits	
Expected profits included in future premiums (EPIFP) - Life business	
Expected profits included in future premiums (EPIFP) - Non- life business	4,884
Total Expected profits included in future premiums (EPIFP)	4,884

7. Solvency Capital Requirement

Solvency II template S.25.01

As at 20 February 2026, amounts in US\$000

	Regular reporting	
	Net solvency capital requirement	Gross solvency capital requirement
Market risk	2,728	2,728
Counterparty default risk	15,725	15,725
Life underwriting risk	-	-
Health underwriting risk	-	-
Non-life underwriting risk	3,311	3,311
Diversification	- 3,225	- 3,225
	-	-
Intangible asset risk	-	-
	-	-
Basic Solvency Capital Requirement	18,539	18,539

Calculation of Solvency Capital Requirement

Adjustment due to RFF/MAP nSCR aggregation	-
Operational risk	4,312
Loss-absorbing capacity of technical provisions	-
Loss-absorbing capacity of deferred taxes	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	-
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	22,851
Solvency Capital Requirement excluding capital add-on	-
Capital add-ons already set	-
of which, capital add-ons already set - Article 37 (1) Type a	-
of which, capital add-ons already set - Article 37 (1) Type b	-
of which, capital add-ons already set - Article 37 (1) Type c	-
of which, capital add-ons already set - Article 37 (1) Type d	22,851
Solvency capital requirement	-

8. Minimum Capital requirement

Solvency II template S.28.01

As at 20 February 2026, amounts in US\$000

Linear formula component for non-life insurance and reinsurance obligations

MCR _{NL} Result	778		
		Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
Medical expense insurance and proportional reinsurance		0	
Income protection insurance and proportional reinsurance		0	
Workers' compensation insurance and proportional reinsurance		0	
Motor vehicle liability insurance and proportional reinsurance		0	
Other motor insurance and proportional reinsurance		0	
Marine, aviation and transport insurance and proportional reinsurance		0	5,544
Fire and other damage to property insurance and proportional reinsurance		0	
General liability insurance and proportional reinsurance		15	
Credit and suretyship insurance and proportional reinsurance		0	
Legal expenses insurance and proportional reinsurance		0	
Assistance and proportional reinsurance		0	
Miscellaneous financial loss insurance and proportional reinsurance		0	
Non-proportional health reinsurance		0	
Non-proportional casualty reinsurance		0	
Non-proportional marine, aviation and transport reinsurance		0	
Non-proportional property reinsurance		0	

Overall MCR calculation			
Linear MCR	778		
SCR	22,851		
MCR cap	10,283		
MCR floor	5,713		
Combined MCR	5,713		
Absolute floor of the MCR	4,715		

Minimum Capital Requirement	5,713
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