

The Solvency and Financial Condition Report for 2025

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A. Business and Performance

A.1 Business

Barents Reinsurance S.A. (“Barents Re” or the “Company”) was incorporated in the Grand-Duchy of Luxembourg on 14 January 2015 as a société anonyme under Luxembourg law. The Company is registered with the “Registre de Commerce et des Sociétés” of the Grand-Duchy of Luxembourg under the number B194011. The Company is held directly by BRM Barents S.C.A. and it is an indirect subsidiary of Barents Re Reinsurance Company, Inc (“Barents Re Cayman”).

The registered office is located 14, Allée Marconi, L-2120 Luxembourg. Barents Reinsurance S.A. is under the supervision of the Commissariat aux Assurances (CAA) in Luxembourg. In addition, the UK branch is supervised in run-off by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).

Their respective contact details are set out below:

| Commissariat aux Assurances | Prudential Regulation Authority | Financial Conduct Authority |
|--|--|--|
| 11, Rue Robert Stumper L-2557 Luxembourg Grand-Duché de Luxembourg | Bank of England Threadneedle Street London EC2R 8AH | 12 Endeavour Square London E20 1JN |

The external auditor is KPMG Audit S.à r.l. with the following address:

KPMG Audit S.à r.l.

39, Avenue John F. Kennedy

L-1855 Luxembourg

Mrs Stéphanie SMETS

Email: stephanie.smets@kpmg.lu

The important lines of business of Barents Re as of 31 December 2025 were:

- Energy, consisting of Fire and other damage to property insurance and proportional reinsurance and Marine, aviation and transport insurance and proportional reinsurance
- Non-proportional property reinsurance
- Life and health reinsurance

The 10 most important geographic areas as of 31 December 2025 were: India, France, Switzerland, Qatar, Saudi Arabia, Cayman Islands, Poland, United Arab Emirates, United Kingdom and Turkey.

The subscribed capital remained at EUR 29,000,000.

AM Best has confirmed the stable outlook and affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of “a” (Excellent) of Barents Re Reinsurance Company, Inc. and its affiliate, Barents Reinsurance S.A.

On 13 June 2025 S&P Global assigned its 'A-' long term issuer credit and financial strength ratings to Barents Re Reinsurance Company Inc. and operating subsidiaries, including Barents Reinsurance S.A.

A.2 Underwriting Performance

Financial results for the year ended 31 December:

| Description (in EUR'000) | 2025 | 2024 |
|---|-----------------|-----------------|
| Technical Account - Non-life Insurance Business | | |
| Earned Premiums, Net of Reinsurance | 27,531 | 25,526 |
| A) Gross Premium Written | 118,362 | 126,820 |
| B) Outward Reinsurance Premiums | - 93,413 | - 102,159 |
| C) Change in The Gross Provision for Unearned Premiums | 9,472 | - 948 |
| D) Change in The Gross Provision Unearned Premium, Reinsurance Share | - 6,890 | 1,814 |
| Claims Incurred, Net of Reinsurance | - 3,471 | - 9,505 |
| A) Claims Paid | - 8,420 | - 4,626 |
| aa) Gross Amount | - 95,725 | - 50,956 |
| bb) Reinsurers' Share | 87,305 | 46,329 |
| B) Change in the Provision for Claims | 4,949 | - 4,879 |
| aa) Gross Amount | 92,291 | - 92,138 |
| bb) Reinsurers' Share | - 87,342 | 87,259 |
| Net Operating Expenses | - 29,514 | - 30,504 |
| A) Acquisition Costs | - 18,384 | - 20,257 |
| B) Change In Deferred Acquisition Costs | - 2,745 | - 662 |
| C) Administrative Expenses | - 15,992 | - 16,436 |
| D) Reinsurance Commissions and Profit Participation | 7,608 | 6,851 |
| Other technical income, net of reinsurance (*) | 7,845 | 14,758 |
| Allocated Investment Return transferred from the non-technical account | 1,435 | 2,012 |
| A) Income from other investment | 1,182 | 1,770 |
| B) Value adjustments on Investments | 253 | 242 |
| Other technical charge, net of reinsurance | - 178 | - 65 |
| Other income and expenses | - 2,542 | 524 |
| Taxes | - 513 | 262 |
| Extraordinary Charges | - 2,312 | - |
| Change in the Equalisation Provision | - 593 | - 3,008 |
| Profit or Loss for the Financial Year | - 2,312 | - |

(*) Other technical income represents 90% share of operating expense as per the QS agreement with Barents Re Reinsurance Company, Inc. ("Barents Cayman") in addition to other intragroup services income. Effective 1 July 2025, the Company entered a new quota share agreement with Barents Cayman, introducing additional override commission and excluding the proportionate share of the reinsured's operating expenses.

Barents Reinsurance S.A.'s underwriting performance for the year ended 31 December 2025 is set out below:

| Description (in EUR'000) | 2025 | 2024 |
|--|---------|---------|
| Gross Written Premium | 118,362 | 126,820 |
| Gross Earned Premium | 127,834 | 125,872 |
| Gross Ultimate Loss Ratio (%) * | 20% | 114% |
| Commission Ratio (%) | 17% | 17% |
| Expense Ratio (%) | 13% | 13% |
| Gross Combined Ratio (%) | 49% | 144% |
| Net income allocated to equalization reserve | 593 | 3,008 |
| Loss for the financial year | (2,312) | - |
| Profitability margin (%) | -1% | 3% |
| Return-on-equity (%) | -6% | 12% |
| Solvency ratio (%) | 198% | 179% |

* Excluding the impact of the surety bonds portfolio transfer

In 2025, net income before equalisation reserve was driven by the technical results.

The decrease in gross written premium was mainly driven by persistent soft market conditions affecting Energy and Property.

The decrease in the gross ultimate loss ratio was driven mainly by the final settlement of a large Energy claim and releasing the remaining reserves, the release of IBNR reserves related to previous years, in addition to the positive foreign exchange impact as a result of a weaker US Dollar against the Euro.

The expense ratio remains consistent with last year as the Company continued to carefully manage its overall expense base.

The negative profitability margin and negative return-on-equity ratio was mainly driven by the adverse impact of extraordinary charges in the annual results.

A.2.1 Analysis of underwriting performance by lines of business

The Company's underwriting performance by lines of business for the year ended 31 December 2025 is set out in the table below:

| 2025 (in EUR'000) | Energy | Life and Health | Property | Other Lines | Total |
|---------------------------------|---------|-----------------|----------|-------------|----------------|
| Gross Written Premium | 60,830 | 54,699 | 3,238 | - 405 | 118,362 |
| Gross Earned Premium | 66,304 | 54,794 | 5,637 | 1,099 | 127,834 |
| Gross Claims Incurred * | - 1,744 | - 34,004 | - 1,338 | 11,210 | 25,876 |
| Net Claims Incurred | - 564 | - 3,347 | - 402 | 812 | 3,501 |
| Gross Ultimate Loss Ratio (%) * | 3% | 62% | 24% | -1020% | 20% |
| Commission Ratio (%) | 16% | 16% | 20% | 32% | 17% |
| Expense Ratio (%) | 12% | 13% | 8% | 14% | 13% |
| Gross Combined Ratio (%) | 31% | 91% | 51% | -975% | 49% |

* Excluding the impact of the surety bonds portfolio transfer under Other Lines

| 2024 (in EUR'000) | Energy | Life and Health | Property | Other Lines | Total |
|-------------------------------|-----------|-----------------|----------|-------------|----------------|
| Gross Written Premium | 68,621 | 39,486 | 7,188 | 11,525 | 126,820 |
| Gross Earned Premium | 63,589 | 36,500 | 9,772 | 16,011 | 125,872 |
| Gross Claims Incurred | - 103,572 | - 27,784 | - 6,434 | - 5,304 | 143,094 |
| Net Claims Incurred | - 4,761 | - 2,776 | - 477 | - 1,491 | 9,505 |
| Gross Ultimate Loss Ratio (%) | 163% | 76% | 66% | 33% | 114% |
| Commission Ratio (%) | 14% | 21% | 20% | 17% | 17% |
| Expense Ratio (%) | 6% | 8% | 32% | 38% | 13% |
| Gross Combined Ratio (%) | 183% | 104% | 118% | 88% | 143% |

A.2.2 Analysis of underwriting performance by geographic area

| 2025 (in EUR'000) | India | France | Switzerland | Qatar | Saudi Arabia | Other | Total 2025 |
|-------------------------|----------|---------|-------------|---------|--------------|----------|----------------|
| Gross written premium | 32,090 | 15,983 | 8,505 | 6,442 | 5,233 | 50,109 | 118,362 |
| Reinsurers' share | - 27,432 | - 9,037 | - 7,056 | - 4,671 | - 4,269 | - 40,949 | 93,413 |
| Net written premium | 4,658 | 6,946 | 1,449 | 1,771 | 964 | 9,161 | 24,949 |
| Gross Claims incurred * | - 11,993 | - 9,746 | 21,058 | 1,062 | 312 | - 26,569 | 25,876 |
| Reinsurers' share * | 10,730 | 8,775 | - 21,750 | - 995 | - 334 | 25,950 | 22,376 |
| Net claims incurred * | - 1,263 | - 971 | 692 | 67 | 22 | - 619 | 3,501 |
| Net Commission | 1,130 | - 5,168 | 188 | - 835 | - 91 | - 5,594 | 10,370 |
| Technical Results | 4,525 | 807 | 945 | 1,002 | 851 | 2,948 | 11,078 |

* Excluding the impact of the surety bonds portfolio transfer under Other

| 2024 (in EUR'000) | India | Switzerland | Poland | Mexico | Japan | Other | Total 2024 |
|-----------------------|----------|-------------|----------|---------|----------|-----------|----------------|
| Gross written premium | 27,510 | 15,954 | 10,994 | 8,342 | 7,482 | 56,539 | 126,820 |
| Reinsurers' share | - 24,065 | - 15,623 | - 10,967 | - 6,064 | - 6,669 | - 38,771 | 102,159 |
| Net written premium | 3,445 | 330 | 27 | 2,277 | 813 | 17,768 | 24,661 |
| Gross Claims incurred | - 25,818 | - 15,202 | - 4,036 | - 4,844 | 15,290 | - 108,484 | 143,094 |
| Reinsurers' share | 23,398 | 14,070 | 3,779 | 4,415 | - 15,473 | 103,399 | 133,588 |
| Net claims incurred | - 2,420 | - 1,132 | - 257 | - 429 | - 183 | - 5,085 | 9,505 |
| Net Commission | 508 | 626 | - 153 | - 1,340 | - 436 | - 12,563 | 13,358 |
| Technical Results | 1,533 | - 175 | - 382 | 508 | 194 | 120 | 1,798 |

A.3 Investment Performance

The composition of Barents Reinsurance S.A.'s investment portfolio is shown in the table below:

| Composition (in %) | 2025 | 2024 |
|---|------|------|
| Bonds & other fixed income securities | 62% | 30% |
| - Government bonds | 52% | 23% |
| - Corporate bonds | 10% | 7% |
| Shares and other variable yield transferable securities | 1% | 1% |
| Deposits with credit institutions | 13% | 54% |
| Cash at bank and in hand | 24% | 15% |

The decrease in deposit with credit institutions since 31 December 2024 was to fund the increase of investment in government bonds. The decrease in investment return compared to 2024, as disclosed in the table under section A.3.1 below, was driven by interest rate softening and reduction of average investment portfolio balance.

A.3.1 Net Investment Income

The net investment income is disclosed in the table below:

| Description (in EUR'000) | 2025 | 2024 |
|----------------------------------|-------|-------|
| Income from other investments | 1,182 | 1,770 |
| Value adjustments on Investments | 253 | 242 |

A.4 Performance of other activities

There were no other material income and expenses incurred over the reporting period.

A.5 Any other information

Bonds portfolio transfer

The Company transferred part of its surety bonds portfolio to its parent entity, Barents Re Reinsurance Company, Inc. This transfer was authorized by the Commissariat aux Assurances (CAA) on December 2, 2025 with effective date January 1, 2025.

Geopolitical situation in the Middle-East

The Company continues to monitor geopolitical tensions in the Middle East, including the ongoing conflict in that region involving the United States, Israel, and Iran. Based on current information, management does not expect the situation to have a material impact on the Company's financial position, reflecting the limited direct exposure and the presence of standard war exclusions and diversified underwriting portfolios.

B. System of Governance

B.1 General information on the system of governance

The Board of Directors (“the Board”) is collectively responsible for delivering the long-term success of Barents Re, and for compliance with the prevailing laws, regulations, and administrative provisions adopted pursuant to prudential regulation. Meeting at least five times a year, it operates within an established Corporate Governance Charter, under which it retains ultimate responsibility for all aspects of Barents Re’s operations. Certain matters are reserved specifically for decision by the Board, to ensure the prosperity of Barents Re by collectively directing the Company’s affairs, whilst meeting the appropriate interests of its shareholders and relevant stakeholders. Other matters are delegated to the Board’s Committees, in accordance with a set of prescribed Terms of Reference, each of which is detailed within the Corporate Governance charter.

The Board and Committee structure is as below (as of 31 December 2025)



Board Membership (as of 31 December 2025)

| Name | Title |
|----------------|--------------------------------|
| Thierry Brevet | Chair and independent director |
| Ronan Davit | Independent director |
| Henry Chalhoub | Non-executive director |
| Gerardo Garcia | Non-executive director |
| Amandine Motte | Executive director |
| Réjean Besner | Executive director |

The Company has a Corporate Governance Charter that is designed to facilitate the proper functioning of the 'Three Lines of Defence' model across the entirety of the business. This model provides a recognised system of risk management and internal controls, combined with a mechanism for assessing and monitoring operational effectiveness.

B.1.1 Board

The Board is collectively responsible for the Company's performance and long-term success. To carry out its responsibilities effectively, the Board retains decision making responsibility for the following key issues:

- Strategy
- Corporate Culture
- Capital Management and financing
- Financial reporting, Controls, and Investments
- Compliance, Risk Management and Internal Control Framework
- Actuarial and Reserving

B.1.2 Audit Committee

This is a Committee of the Board, whose responsibilities include the review of, and challenge to:

- Financial Control & Reporting
- External Audit
- Internal Audit

B.1.3 Risk Committee

This is a Committee of the Board, whose responsibilities include the review of, and challenge to:

- Risk Management
- Actuarial
- Compliance

B.1.4 Remuneration and Nomination Committee

This is a Committee of the Board whose responsibilities include recommendations for:

- Key functions and executive personnel changes relating to new appointments, structure and size
- Succession Plans
- A performance framework and Remuneration Policy
- Compensation practice alignment with the business strategy, company objectives / corporate values

B.1.5 Executive Committee

This is a management committee responsible for management and oversight of the day-to-day business activities. The areas for which the committee has management and oversight responsibility includes:

- Financial performance
- Underwriting strategy
- All business support functions
- New business opportunities
- Actuarial and Reserving
- Information Technology Framework
- Investments
- Legal & Compliance
- Environmental, Social and Governance (ESG)

The Executive Committee has oversight over the following sub-committees: Information Technology Steering Committee, ESG Committee, Counterparty Acceptance and Review Committee, Underwriting Committee, Reserving Committee, Claims Committee and Investment Committee.

B.1.6 Solvency II Key Functions

Key functions, appointed by the Board, are one of the pillars of the organisational structure of Barents Re and contribute to the strategic objectives of the organisation, and the proper conduct of its operations. The composition, role and responsibilities and the reporting line of each function is detailed below. The appointment of the person or persons responsible for representing each function is in accordance with the principles of management of conflicts of interest, and with the fit and proper requirements.

Risk Management Function

The Risk Management Function assists the senior management and the Board of Directors in producing the risk strategy for the company, including defining risk appetites and tolerances for all the risks it faces in the normal course of its business. These Risk Appetite Statements are reviewed at least annually and a combination of monitoring, management and mitigation aims to keep the company within its limits. The Risk Management Function works with the business to identify, define and categorise the full range of risks to which Barents Re is exposed and ensures a robust risk governance structure is in place, through the Company's risk policies, with clearly defined roles and responsibilities for risk taking across the business.

Compliance Function

The Compliance function's role and purpose includes the advising of senior management and the Board of Directors on compliance with applicable laws, regulations and administrative provisions. The Compliance function is responsible for assessing the adequacy of Barents Re's framework and controls to prevent non-compliance. The Compliance function exercises its duties and responsibilities under the oversight of Barents Re's Board of Directors pursuant to the Compliance Policy and the annual Compliance plan. The Compliance function assesses the impact of any changes in the legal environment on the operations of Barents Re and ensures its compliance framework of policies and procedures is updated accordingly.

Actuarial Function

The Actuarial function is responsible for overseeing the calculation of technical provisions (including ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions). It is also responsible for assessing the sufficiency and quality of the data used in the calculation of technical provisions as well as providing opinions on the underwriting and reinsurance arrangements of Barents Re. It shall ensure that actuarial regulatory requirements are complied with.

Internal Audit Function

The Internal Audit function plays a critical role in providing independent and objective assurance to senior management and the Board of Directors regarding the effectiveness of Barents Re's governance, risk management, and internal control processes. It is responsible for evaluating the adequacy and efficiency of the company's control framework to mitigate financial, operational, and compliance risks. The Internal Audit function operates under the oversight of Barents Re's Board of Directors through its Audit Committee, in accordance with the Internal Audit Charter and the annual Audit Plan, ensuring alignment with best practices and regulatory expectations. Additionally, it assesses the impact of changes in the business, operational, and regulatory environment on Barents Re's risk landscape and ensures audit methodologies, policies, and procedures are updated accordingly to maintain effectiveness and relevance. The Internal Audit function must be aligned with the objectives and responsibilities of the Audit Committee, Board of Directors, and Executive Committee. It should be independent of any other department or position within the company, reports and takes directives to/from the Audit Committee.

B.2 Fit and Proper requirements

B.2.1 Fit and Proper Policy

Barents Re maintains a Fit and Proper Policy that articulates the basis upon which certain individuals must demonstrate:

1. That their knowledge, skills, and experience are adequate to ensure sound and prudent management (Fit); and
2. That they carry out their responsibilities with integrity and good repute (Proper) at all times.

The Policy applies to all Board Directors / Committee Members, Dirigeants Agréés and Key Function Holders, who collectively represent Barents Re's senior management. New senior management appointments are subject to individual assessments dependent upon the role being undertaken. Key Function Holders are subject to an annual assessment of fitness & propriety, in keeping with the requirements of the Fit & Proper Policy. This is to evidence that all aspects of the management of Barents Re are, and remain, suitable on an on-going basis.

B.2.2 Fit and Proper assessment process

The annual process is designed to demonstrate the continued suitability of senior management, based on assessments against suitable standards. These standards include:

- Evidential honesty and integrity within the working environment
- Individual and collective performance
- Skills & knowledge enhancements through personal development

B.3 Risk management system including the own risk and solvency assessment

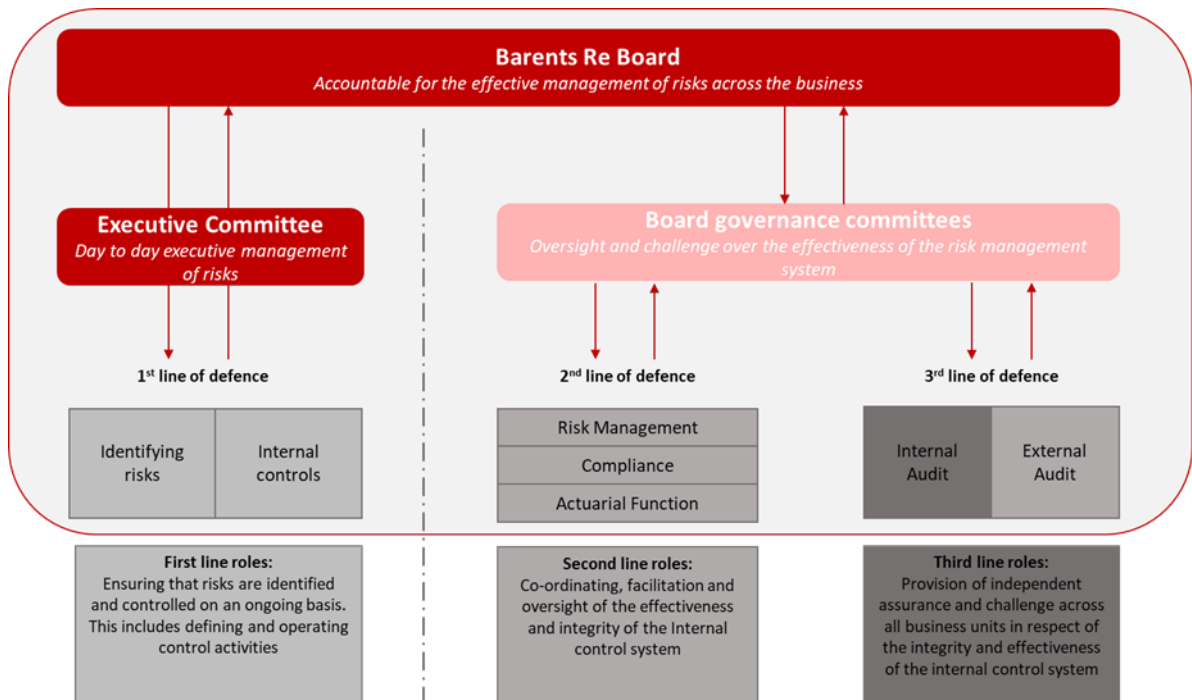
The purpose of Enterprise Risk Management is to ensure risk is appropriately managed within the firm by achieving the acceptable balance of risk and reward, through a suitable culture and governance. It is integrated within each area of the business.

The Risk Management Policy sets out the company's Risk Management Strategy as well as the system and framework that is used to ensure that is aligned to the business strategy. The policy helps ensure that:

- There is a controlled risk-taking environment
- There is a consistent mechanism to identify, measure, monitor, manage, and report on, on a continuous basis, risks across the business
- There is appropriate risk governance in place with accountability correctly apportioned
- The level of risk taken is known and understood across the business and that the risk appetites set are being adhered to
- Information is made available, transparent and appropriate for the assessment of risk and reporting and monitoring

B.3.1 Risk management system

Barents Re's risk management system is based the three-lines-of-defence model.



First line of defence:

The first line of defence is the operational management having ownership, responsibility and accountability for directly assessing, controlling and mitigating risks. The relevant functions are Underwriting, Claims, Compliance, Finance, Technical Accounting, HR, IT, Actuarial, Investment Management and Retrocession Management.

Second line of defence:

The second line of defence consists of the Risk, Compliance and Actuarial functions. Between them, they monitor and facilitate the implementation of effective risk management practices by operational management and assists the risk owners in reporting adequate risk-related information up and down the organisation.

Third line of defence:

The third line of defence consists of the Internal Audit function. This function provides independent assurance to the Board of Directors and senior management on the effectiveness of the first and second lines of defence.

B.3.2 ORSA

The Own Risk and Solvency Assessment (ORSA) is the process which identifies and assesses all material risks that may impact Barents Re over the full strategic planning period, to allow for sufficient capital to be maintained (on a continuous basis) to meet those risks and obligations. The assessment of risks and capital is an 'own view' by the firm rather than a process to assess regulatory capital (that is the SCR process).

Assessments are required to be forward-looking taking into account the business plan, projections and assumptions made and set out the key conclusions and actions required (as appropriate). The financial projection is performed based on:

- the best estimate scenario of the business plan,
- stress scenarios based on the key risks identified during the risk survey,
- potential additional scenarios which might be relevant,
- at least one reverse stress scenario which would lead to a depletion of eligible own funds.

Inputs for the ORSA are also used for the business plan which is used to project the Solvency II balance sheet, the Solvency Condition Report and Minimum Capital Requirement over the next three years.

Barents Re performs the ORSA at least annually. Nonetheless, events that would trigger the need for an ORSA outside of the regular timescales are, for example:

- material changes to the business plan,
- material changes to the Barents Re's risk profiles,
- extreme loss events having an impact on the Barents Re's capital level,
- material changes to Barents Re's retrocession,

The ORSA report is submitted to the CAA after Board approval.

The Company has determined that the Solvency II Standard Formula is appropriate to calculate the required solvency capital needs. The Standard Formula employs a mathematical model that provides a risk-based framework to determine appropriate levels of capitalisation.

At this stage, there are no reasons to believe that the Barents Re's risk profile significantly deviates from the underlying assumptions of the Standard Formula. This assessment will be reviewed in future reporting years.

B.4 Internal control system

B.4.1 Internal Control System

The internal control system is the framework through which Barents Re implements and maintains a suitable and effective internal control system and provides assurance of compliance with all regulatory requirements. Effective internal controls help to mitigate against material risks, thus maintaining risks within the agreed appetite levels. It is designed to ensure that Barents Re:

- operates in a manner which is effective and efficient to achieve its business objectives
- can produce reliable financial and non-financial information
- complies with applicable laws and regulations
- promotes management accountability for controls
- has a continuous and ongoing process for the identification, assessment and monitoring of risks and controls

The Board has ultimate responsibility for ensuring that Barents Re has an effective and proportionate internal control framework which enables risks to be assessed and managed on an ongoing basis. Day-to-day responsibility for control oversight responsibilities lies with the Compliance, Risk Management and Internal Audit Functions. Each head of function within the 1st line of defence is responsible for ensuring controls operated by their function are effective, operating as designed and that staff adhere to agreed and documented procedures.

The internal control system includes controls at different levels of the organisational and operational structure, and at different time periods. Control activities include but are not limited to approvals, authorisations, verifications, reconciliations, management reviews, exceptions monitoring and peer reviews.

Internal controls are constantly being reviewed for potential enhancement by the Risk Management function. The review of internal controls and second line monitoring shall test and challenge the adequacy of the Barents Re's internal control system given the nature, scale and complexity of its activities. Ongoing monitoring and reporting to senior management and the Board by all relevant functions shall ensure that Barents Re is able to evidence a robust system of governance.

B.4.2 Compliance function

The Board mandates the Compliance function to support the effective management of Barents Re's compliance obligations to reflect the compliance risk appetite defined by the Board, protect the Company's long-term ability to achieve its objectives, meet its stakeholders and customer expectations, adhere to regulatory requirements and prevent any adverse effects of non-compliance.

The Compliance function is responsible for:

- Establishing, implementing, and maintaining a full suite of compliance policies and procedures, an annual compliance risk assessment, an annual compliance plan and a second line monitoring program and reporting framework which is subject to review and support by the Executive management and approval of the Board.
- Providing the executive management with compliance reports detailing the results, identified control failings and agreed mitigating actions resulting from the Compliance Monitoring Plan
- Overseeing as well as providing appropriate training and support to relevant business functions to establish, implement, and maintain first line compliance controls.
- Providing primary assurance oversight covering compliance with the Code of Conduct and internal policies and standards in relation to Compliance Risks

The risks assigned to the Compliance function and the respective tasks are described in the Compliance policy which is implemented throughout Barents Re and reviewed and updated at least on an annual basis. The risk areas handled by the Compliance function include:

- Anti-money laundering (AML) and combating financing of terrorism (CFT).
- Compliance with financial sanctions and international embargoes.
- Anti-bribery and corruption.
- Prevention of internal fraud.
- Market integrity.
- Anti-trust compliance.
- Conflicts of interest.
- Data protection.

The Compliance Function maintains strong ties with other key functions, including Internal Audit, Risk Management and the Actuarial Functions. The Compliance Function has sufficient authority to maintain its independence at all times:

- The compliance function has a dedicated policy describing its formal status and standing within the Barents Re's organizational structure.
- The Compliance function reports to the Dirigeant Agréé and has direct access to the Board of Directors, management team, and governance committees of the Company.

B.5 Internal Audit function

The Internal Audit function provides independent assurance to the Board of Directors and Audit Committee on the effectiveness and adequacy of the processes for risk management, internal control, and governance, and will furnish management with analysis, recommendations, counsel, and information focused on advancing the goals and objectives of the company. The role of the Internal Audit function is to:

- Ensure that the annual internal audit plan is designed to assist in attaining the objectives set by management in their annual business plan;
- Review established systems, policies, and procedures to determine if they are adequate to ensure the organization is in compliance with the pertinent laws and regulations;
- Review and appraise the soundness, adequacy, and application of accounting, financial, and other operating controls and promoting effective control at reasonable cost;
- Review financial reporting and disclosure controls and advise management in their representations and assertions regarding these controls;
- Advise in the design of new business systems and computer systems by providing consultancy of standard of controls;
- Submit tri-annual audit plan to the Audit Committee who will make a recommendation to the board of directors for approval;
- Report audit findings and status of corrective action to the Audit Committee and CEO;
- Provide adequate follow-up to ensure corrective action is taken and evaluate its effectiveness and report results;
- Liaise with the External Auditors to discuss key emerging risks, minimize duplication of efforts, and to ensure that issues raised as a result of their reviews are appropriately addressed;
- Monitor and evaluate the effectiveness of the organization's risk management process;

The Internal Audit function has no direct executive responsibility or authority over any of the operations reviewed. It does not create and / or implement procedures, prepare records, or engage in any other activity that it would normally review and assess, that could reasonably be interpreted to compromise its independence and objectivity. The Head of Internal Audit reports to the Chair of the Audit Committee.

To effectively discharge its responsibilities, the Internal Audit function has unrestricted access to all records, properties, functions and personnel, relevant to its scope and the subject under review. All operations of Barents Re fall within scope of the Internal Audit function and are catered for in its annual assessment exercise from which the annual audit is derived. Any scope limitation is communicated in writing to the Audit Committee.

B.6 Actuarial function

The actuarial function plays a fundamental role in coordinating the calculation of technical provisions, advising on the underwriting policy and reinsurance arrangements as well as contributing to an effective implementation of the risk management system, including providing support in the calculation of capital requirements. The main responsibilities are:

- Independently assessing the adequacy of the technical provisions using appropriate methodologies, models and underlying assumptions that are applicable to the lines of business written.
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions.
- Providing an opinion to the board on the underwriting policy, on the effectiveness of the underwriting activities and on the reasonability of future plan loss ratios.
- Providing an opinion to the board about the reinsurance arrangement of the business.
- Ensuring compliance with actuarial standards and regulatory requirements.

B.6.1 Coordination of Technical provisions

The Actuarial function performs an independent valuation of the Unearned Premium Reserve (UPR) versus expected outflows that will arise from these exposures, and will assess the necessity for additional reserves for unexpired risks. IBN(E)R reserves (gross reserves and retro share) are calculated on a quarterly basis by the Reserving team, using input provided by different departments e.g. Finance, Underwriting and Claims Functions.

The underlying actuarial assumptions are updated at least annually using Barents Re own historical data. Final approval of all actuarial estimates including IBN(E)R reserve estimates is with the Reserving Committee.

B.6.2 Pricing and Product Management

The Actuarial function oversees the pricing models and benchmarks to assess the price adequacy. The actual pricing activity resides in each underwriting team.

B.6.3 Actuarial Function Report

The Actuarial Function produces an actuarial function report to the Board at least annually in accordance with the European Standard of Actuarial Practice 2 (ESAP 2) "Actuarial Function Report Under Directive 2009/138/EC".

B.7 Outsourcing

B.7.1 The Outsourcing and Third-Party Risk Management (OTPRM) Policy

The OTPRM Policy sets out the governance framework for the management and oversight of outsourcing and non-outsourcing third-party arrangements, in keeping with regulatory requirements and industry best practice. It covers all types of outsourcing and third-party arrangements, which includes sub-contracting and intragroup arrangements. The policy itself defines the key phases of the life cycle of any arrangement falling within the scope of the policy. Each phase is subject to a specific set of procedural requirements, to ensure that the appropriate scrutiny and management of any arrangement is effective, both at the time of due diligence, and during the life cycle of the arrangement.

The key phases are:

- Pre-agreement due diligence, including an assessment of whether the arrangement is deemed a ‘material’ arrangement (and subject to enhanced process requirements)
- Effective monitoring and management of risks during the life cycle of an arrangement
- Considerations prior to implementing contract change amendments, which includes additional due diligence checks and / or monitoring enhancements, to reflect the specific nature of any contract change
- Exit strategies and contract termination, to ensure there are no outstanding matters at the point of exit or termination

The Board is ultimately responsible for ensuring that the outsourcing framework is in keeping with regulatory requirements, specifically the following: Insurance Law of 7 December 2015 (“LSA”), Article 7 & 8 of the Circular Letter 21/12 of the Commissariat Aux Assurances, Article 300 of the LSA, Article 81(3) of the LSA, Article 71 of the LSA, Article 65 of the LSA, Circular Letter 22/16 and Circular Letter 21/15 of the Commissariat Aux Assurances. Adherence to the policy and its underlying process is monitored by Operations, with Risk Management and Internal Audit providing the Board with independent assurance on the continuing effectiveness of material outsourcing arrangements.

As per Article 294, paragraph 8, of Delegated Regulation 2015/35, below is the list of critical or important operational functions or activities that are outsourced by the company:

| Outsourced critical service / activity | Service Provider | Territorial jurisdiction | Overview and comments |
|--|------------------|--------------------------|---|
| Provision of physical servers | DADE2 | Iceland / Germany | DADE2 provides the Company with physical servers to store all Company data. As per Barents’ strategy to move its IT applications infrastructure to the cloud via SaaS arrangements (Software as a Service) during the 1 st half of 2026, this contract and its materiality will be revisited following the completion of the move. |

| | | | |
|--|---|-------------------|--|
| <p>Appointment of an agency for the purpose of underwriting, binding, and administering reinsurance policies</p> | <p>Barents Risk Management Ltd. (BRM Dubai)</p> | <p>Dubai, UAE</p> | <p>Barents appointed BRM Dubai, on November 20, 2025, as its agent to underwrite, bind, administer, and manage reinsurance business on its behalf (including premiums and broker commissions) under the agreement, while no claims authority granted to the agency.</p> <p>Following the assessment and the due diligence performed, this arrangement was deemed a material outsourcing.</p> |
|--|---|-------------------|--|

B.8 Any other information

The governance system of Barents Re is in line with the complexity of the risks inherent in its business. The Company provides adequate oversight over all outsourced critical functions. Some non-critical functions are outsourced to the affiliated entity, Pleiad, in the UK and Europe.

C. Risk Profile

Barents Re's risk profile is analysed based on the Solvency II standard formula, and each contract has been allocated a Solvency II class of business based on the underlying coverage and type of contract.

Barents Re's risk profile has a material counterparty default risk exposure driven by internal and external reinsurance retrocession and potential defaults of debtors. The second material risk exposure is non-life underwriting risk, mainly driven by the non-life catastrophe due to the exposure to high severity – low-frequency losses in the portfolio.

The risk profile of the business continues to evolve. The sections below provide analysis of the risk profile of the business. This will also draw links to the risks noted in the risk map and quantified using the standard formula model.

C.1 Insurance risk

C.1.1 Risk Description

Insurance risk is made up of two components **Underwriting risk** and **Reserve risk**

Underwriting risk is defined as the risk that insurance premiums will not be sufficient to cover future insurance claims and associated expenses. Barents Re writes a book of reinsurance predominantly on a facultative basis. The portfolio concentrates on the protection of primary insurers excluding USA and Canadian risks unless the coverage is incidental to the main risk. The portfolio also seeks to avoid exposures located in territories where the risk of natural catastrophes is high.

Underwriting risk is increasing in line with the business plan and business strategy in the medium to long term, as Barents Re grows its existing lines of business. Additionally, underwriting risk will increase as the market softens.

Reserve risk is defined as the risk of unsuitable case reserves (for example, over or under reserving) and/or insufficient technical reserves in place to meet losses and associated expenses. Barents Re makes financial provisions for unpaid claims, legal costs, and related expenses to cover liabilities both from reported claims and from 'incurred but not reported' (IBNR) claims. Insufficient reserves could adversely impact Barents Re's future earnings and capital. The statutory IBNR reserves include a provision for adverse deviation to account for potential adverse deviations due to the nature of the low-frequency / high-severity business.

Reserving risk is currently stable given the prudent approach to reserving. It will continue to be managed using the same approach.

C.1.2 Risk Mitigation

The Company has established a framework to enable the business to regularly assess and monitor performance drivers on a portfolio basis.

Underwriting Guidelines are documented for each class of business, including maximum line sizes, accumulation limits for single events and risk preferences. The risk profile of each class of business is regularly monitored against these guidelines. Material variations are reported to the relevant Committee, where remediation actions are considered.

Underwriting Authority Letters are the primary tool for defining and implementing underwriting risk preferences and limits. The Authority Letters are consistent with established underwriting strategy and guidelines and detail an underwriter's ability to legally bind contracts on behalf of the Company. The underwriting process is supported by pre- and post-bind peer reviews, the framework and reporting of which is overseen by the Underwriting Committee.

Additionally, Barents Re purchases Excess of Loss and quota share retrocession protection on particular programmes to mitigate the impact of large claims and/or to manage accumulations of risk.

The claims team performs regular reviews of emerging claims trends. The claims team meets with underwriting teams regularly to provide feedback on specific losses and identified trends to inform risk selection and coverage considerations.

The actuarial function maintains a best estimate reserving process that integrates planning, pricing and exposure information to establish a feedback loop between the reserving, underwriting and claims processes.

A list of high-risk points connected with the reserving process is monitored by the Actuarial Function on quarterly basis, highlighting the control description, scope, mitigation action in place and evidence of the effectiveness of the control.

C.1.3 Measures used to assess risk

Barents Re uses several internal tools to assess risk, while pricing and reserving use internal solutions of which the outputs are assessed against external data.

C.1.4 Risk Concentration

Notwithstanding the comments made in the above section, the portfolio is still exposed to the concentration of risk (across counterparties, industries, and geographic locations). In this regard, the risk is monitored through the licensing of VeRisk which is a proprietary exposure management tool.

Underwriting reviews are carried out internally and by third parties. The control environment is constantly being reviewed for potential enhancement as mentioned in section B.4.

C.1.5 Stress and Sensitivity Testing

Stress and scenario testing is carried out as part of the ORSA process, which is conducted at least annually. These tests consider moderate as well as extreme but plausible stresses and assess the impact on Barents Re's capital position.

C.1.6 Material changes over the reporting period

There have been no material movements in the management of the Insurance risk at Barents Re during the current period.

C.2 Market risk

C.2.1 Risk description

Market risk is the threat of unfavourable or unexpected movements in the value of Barents Re's assets and/or the income driven by movements in market prices (e.g. generating negative investment returns). Barents Re chooses to assume market risk in order to optimise the return on assets while ensuring that funds are available to pay claims when required. Within the Risk and Control Register, market risk is sub-categorised into (i) foreign exchange risk and (ii) investment risk.

Market risk is assessed using risk parameters in the SCR models, stress and scenario testing and reverse stress testing. The modelling tool that is used allows a measurement of actual exposure against parameters that articulate the amount of risk it is prepared to accept.

Barents Re writes business in different currencies while its denominated currency is Euros. As a result of this, the company is exposed to foreign exchange risk. The risk is overseen by the Investment Committee. Barents Re does not actively seek to generate investment returns by taking positions on currency movements.

C.2.2 Investment management in accordance with the 'Prudent Person' Principle

The Prudent Person Principle is embedded in Solvency II and is used to guide Barents Re's investments.

Barents Re invests in assets and instruments that can be properly identified, measured, monitored, managed, controlled, and reported on. They are invested in a manner to ensure the security, quality, liquidity and profitability of the portfolio, and such that they are available to the company in the relevant currency as required. Assets held to cover technical provisions are also invested in a manner appropriate to the nature and duration of Barents Re's liabilities. They are invested in the best interests of all stakeholders.

C.2.3 Key Mitigating Controls

Investments are managed by Barents Re following a conservative approach. Assets are invested in a manner to ensure the security, quality, liquidity and profitability of the portfolio, an overview of the current position is shown below. As defined by the Investment Policy, the company will aim at investing assets, held to cover technical provisions, in a manner appropriate to match nature, currency and duration of the liabilities, any tactical deviations from this policy need approval from the Investment Committee.

The Company manages market risk through both a system of limits and a strategy to optimise the interaction of risks and opportunities which are documented in an investment management policy.

Investment Guidelines are structured to ensure sufficient liquidity and prevent over exposure to any one risk sector.

C.2.4 Risk Concentration

In 2025 the Company changed its asset allocation with an increase allocation to more profitable asset class in line with the company strategy to better use the company capital without affecting its solvency capital position and still in line with Company's appetite and investment policy.

Assets are diversified in such a way that there is no over reliance on, or concentration of risk in, any particular asset, issuer, group of undertaking, geography, asset class or other risk.

C.2.5 Material changes over the reporting period

No material changes in the market risk profile during the period.

C.3 Counterparty Default risk

C.3.1 Risk Description

Counterparty default risk is defined as the risk of loss or adverse financial impact due to default by counterparties to which Barents Re is exposed. Barents Re considers three types of counterparties that could affect its counterparty default risk: brokers/debtors, financial institutions and reinsurance entities

A large component of the risk is due to the potential default of debtors.

With regards to financial institutions, the Company holds most of its assets in entities with strong ratings and proven records. A small portion of its funds are currently kept in a Sabadell account (A- rating) in the UK for the payment of operational expenses.

The inherent counterparty default risk exposure for Barents Re is material with a Whole Account Quote Share treaty with the parent company, Barents Re Cayman. This is mitigated in part by the policies being written on a funds withheld basis.

Additionally, Barents Re is exposed to counterparty default risk through its retrocession purchases.

C.3.2 Key Mitigating Controls

Controls include:

- A Quarterly recoverable report
- Reinsurance counterparty limits
- Minimum counterparty Security Ratings
- Bank exposure monitoring

Broker default risk is regularly monitored for due and overdue premium. Receivable balance has been significantly reduced in 2025 due to process enhancements, and it is expected to further improve.

To reduce counterparty default risk exposure to reinsurers, Barents Re has limits in place to manage exposures to reinsurers based on their credit rating. Barents Re can also request collateral to be held from reinsurers, which can be used to pay claims if the reinsurer is downgraded, or it defaults on its obligations.

C.3.3 Measures used to assess risk.

Barents Re's exposure to counterparty default risk is represented by the values of financial assets and reinsurance assets included in the balance sheet at any given point in time. Barents Re's gross receivables are exposed to the underlying internal intermediary's broker default risk.

Reinsurance default risk and broker default risk are both explicitly modelled within the risk profile.

C.3.4 Risk Concentration

The Company's counterparty default risk exposures are actively reduced as far as possible, in order to avoid the concentration of reinsurers, bonds issuers, brokers or other counterparties. Concentration limits are defined in the Company's risk appetite and regularly reported as part of the Risk Appetite monitoring process.

C.3.5 Stress and Sensitivity Testing

Due to the high level of reinsurance ceded, Barents Re is exposed to a material amount of counterparty default (credit risk). As one of the Company's most material risks, changes in the retrocession structure of the Company was considered as a stress scenario in the ORSA. In this scenario it is assumed that reinsurance costs would be affected by market conditions leading to a change of the retrocession strategy to balance protection and results reducing the internal Quota share arrangement while sustaining a higher cost to maintain adequate external retrocession coverage. Under this stress scenario, the Company is able to withstand the shock of the downgrade whilst maintaining its SCR ratio above the Company's risk appetite.

C.3.6 Material changes over the reporting period

Counterparty Default risk has decreased significantly over the reporting period due to the improved management of outstanding receivable.

C.4 Liquidity risk

C.4.1 Risk Description

Liquidity risk arises from the need to pay insurance claims and other liabilities, which may have an uncertain timing or quantum.

The characteristics of liquidity risk mean that it should be viewed across three different time horizons:

- Short-term – cash required in the coming months to cover normal trading activity including payment of known claims, expenditure, and salaries;
- Medium-term – cash required to meet medium-term funding requirements including tax and dividend payments and planned project and capital expenditure; and
- Long-term – cash required to support the longer-term ambitions of Barents Re including underwriting capital to meet growth ambitions and funding to support potential future stress scenarios such as catastrophe losses.

C.4.2 Key Mitigating Controls

Barents Re has established controls to manage and mitigate its key liquidity risks that include:

- Minimum cash limits
- Cash-Flow projections updated quarterly including the cash needed under stressed scenarios
- Matching assets and liabilities to ensure cash is available when needed
- Implementation of new liquidity framework

Barents Re has a minimum amount of cash that must be retained at all times and investment guidelines require that the assets and liabilities are matched by duration within a small tolerance, this is monitored on a regular basis. This helps to ensure planned and unforeseen liabilities can be covered in a timely manner, without impacting the investment portfolio.

C.4.3 Expected profit included in future premiums

The net expected profit included in future premiums as of 31 December 2025 is EUR 7.0m. This represents the profit that is expected to materialise from contracts which have been bound by Barents Re but the Company is yet to commence risk exposure period to which the premium relates.

C.4.4 Risk Concentration

Barents Re's liquidity risk concentration is managed by holding assets with a variety of approved banks, bond issuers and credit institutions.

C.4.5 Stress and Sensitivity Testing

Barents Re's sources of cash inflows typically are premiums, returns on investments and cash from maturing investments or investment disposals and reinsurance payments. In normal circumstances, total inflows should be higher than expected outflows. Company's liquidity is quarterly stressed as part of the reserving process.

C.4.6 Material changes over the reporting period

There have been no material movements in the management of the liquidity risk at Barents Re during the current period.

C.5 Operational risk

C.5.1 Risk description

Operational risk is the risk of direct or indirect loss resulting from internal processes, people or systems, or external events. Operational Risk is calculated in the standard formula as a percentage of the maximum between the gross of reinsurance premiums volume and the Solvency Technical Provision. The company has therefore limited capacity to impact the capital required for this risk.

Barents Re believes that the proper management of operational risk is crucial for the success of the company and it manages the risk through a combination of approaches to cover entire scope of the risk.

Risk and Control Assessment is performed regularly by each risk area, with the support (and challenge) of the Risk Management department, to evaluate the adequacy and effectiveness of the control system and the risk exposure of the company. Dedicated mitigation actions are defined for each risk considered outside company appetite.

Operational Losses and Near Misses event are reported to the Risk Function for analysis and for better understanding of the event's root causes and implementing adequate mitigating measures.

Finally, scenario analysis for Operational risk is incorporated in the ORSA process allowing the Company to understand the risk driver controls and associated risk mitigation in place. It also enables Barents Re to understand the correlations and aggregations of operational risks and other risk types.

Operational Risk is likely to increase in the short term due to the digital transformation project which might lead to some operational disruption and management stretch and improve in the long term as the business grows in line with the strengthening of the control system.

C.5.2 Key Mitigating Controls

Below is a summary of the key mitigating controls for the different components of operational risk:

- People risks
 - Training and development
 - Benefits and Remuneration review
- System risks
 - IT Disaster Recovery ("DR")
 - Data back-up
 - Systems access controls
 - IT security (e.g., firewalls, email scanning and content filters)
 - IT security training (e.g., phishing, best practices)

- Process risks
 - Appropriate segregation of duties across all functions
 - Four-eyes oversight of all key areas
 - All outsourced arrangements conducted under formal agreements and in accordance with the Outsourcing Policy
 - Business continuity plan (BCP) testing

C.5.3 Measures used to assess risk

Operational risk is measured using the standard formula, and Barents Re projection tool to measure the risk profile changes, which measures risk exposure against Board approved risk appetite. Stress testing and scenario analysis also includes operational risks.

Through the Risk & Control Self-Assessment (RCSA) framework, each risk owner is responsible for assessing the design and operating effectiveness of their control environment, and, to the extent any gaps or deficiencies exist, assessing the corresponding impacts and level of operational risk / exposure to the company.

Operational risk and near miss events are also reported to the risk function for analysis and to understand the root cause of each event. These are also reported to the Barents Re's Risk Committee

C.5.4 Risk Concentration

The Company provides remote working capabilities therefore limiting the risk of reliance on physical offices to trade. Nevertheless, both DR and BCP plans are in place.

The Personal Development Review process and training and development programme aims to manage talent in order to reduce single person dependencies on key people as well as staff turnover. Documentation of policies and procedures also limits the reliance on specific individuals.

C.5.5 Stress and Sensitivity Testing

The Company has analysed its operational risk exposure and considers that any foreseeable operational event, including Cyber risk, would not have a significant impact on its solvency.

C.5.6 Material changes over the reporting period

Barents Re have improved the level of reporting and enhanced documentation to improve the risk mitigation.

C.6 Other material risks

C.6.1 Strategic Risk

Strategic risk is the possibility of adverse outcomes that may result from strategic initiatives taken or not being taken by Barents Re. This may include business expansion or contraction, mergers and acquisitions, negative impacts to reputation or brand management, or failure of the Board to provide adequate oversight of the business or make appropriate business decisions.

Strategic risk is currently considered to be increasing in the short term, as the company is going through a period of change. The market is softening in many areas and there is a challenge to find additional sources of profitable business. The overall project framework is still being developed. However, the risk will remain stable in the medium to long term time horizon as the new infrastructure and governance process mature and the Barents Re focus in its strategy on organic growth in the established lines of business.

Key Mitigating Controls

Examples of some key controls used to effectively manage strategic risks include:

- Board review of business plans and operating budgets
- Business planning process
- Stress and scenario testing
- Project management framework

C.6.2 Regulatory and legal risk

The insurance industry is a highly regulated sector and, as such, is exposed to continuous regulatory change. This can affect the level of capital that firms are required to hold or require changes to how they are set up operationally from time to time. Regulatory risk is the risk of failing to act in accordance with relevant regulatory requirements in all relevant jurisdictions or a deterioration in the quality of relationship with one or more regulators. Legal risk is the risk of failing to act in accordance with relevant legal requirements in all relevant jurisdictions.

Key Mitigating Controls

Examples of some key controls in place for Barents Re's regulatory and legal risks include:

- Local legal and compliance expertise and strong culture of governance;
- Management and oversight of regulatory engagement by the General Counsel;
- Risk and Compliance events reporting, and
- Company wide mandatory regulatory compliance training.

C.6.3 Group risk

Group risk encompasses the risks arising from the interconnected nature of the Group and its entities.

Contagion risk arises from Barents Re's internal reinsurance and internal transactions risk arises from intercompany transactions and services arrangements not being carried out in a way that satisfies legal or regulatory requirements.

Key Mitigating Controls

Examples of some key controls in place for Barents Re's Group risks include:

- Annual review by the Risk Committee of the register of shared reinsurance purchases; and
- Entity-specific governance.

C.6.4 Environmental, Social and Governance (ESG) risk

The impact of ESG on the insurance industry is broad and multi-faceted, with pressure from clients, regulators, shareholders and wider society. The Company is currently assessing key risks and opportunities in relation to ESG factors to ensure compliance with applicable regulations and to define a strategy that support the overall company through a sustainable business model.

Key Mitigating Controls

A dedicated ESG Steering Committee has been established in December 2023 whose responsibilities are to develop and maintain the ESG framework and Strategy. Regular reporting on the activities of the ESG Steering Committee is provided to the Risk Committee. Dedicated training has been deployed in 2025 to all employees

C.6.5 Any Other information

The risk profile of the Company is in line with the company structure and business model.

D. Valuation for Solvency Purposes

D.1 Assets

The Solvency II balance sheet is based on the fair value method. For assets, the total Solvency II value is the sum of the market value and the associated accrued interest, where applicable. The following table illustrates the difference in assets under the Solvency II valuation and statutory accounts valuation (Luxembourg General Accepted Accounting Practice (“Luxembourg GAAP”)).

| Balance Sheet in EUR'000 | Statutory accounts value | Solvency II value | Difference |
|---|--------------------------|-------------------|----------------|
| Assets | | | |
| Deferred acquisition costs | 6,474 | - | 6,474 |
| Investments (other than assets held for index-linked and unit-linked contracts) | 31,588 | 31,584 | 4 |
| Equities | 703 | 1,515 | - 812 |
| Reinsurance recoverables | 282,788 | 206,728 | 76,060 |
| Reinsurance receivables | 93,583 | 73,149 | 20,434 |
| Receivables (trade, not insurance) | 2,483 | 2,483 | - |
| Cash and cash equivalents | 18,772 | 18,772 | - |
| Any other assets, not elsewhere shown | 1,204 | 960 | 244 |
| Overall Total Assets | 437,596 | 335,191 | 102,404 |

Deferred Acquisition Costs (DAC)

Deferred acquisition costs represent the proportion of acquisition costs incurred, which corresponds to the proportion of gross premiums written which are unearned at the balance sheet date. DAC is not recognised as an asset on the Solvency II balance sheet.

Investment and equities

Adjustment made to the valuation of investments for the purposes of Solvency II as they are valued on a market value basis whereas under Lux GAAP, they are valued on historical acquisition cost, and the debt securities are valued at amortised cost or acquisition cost. Accrued interest on bonds is classified as Any Other Assets under Luxembourg GAAP but is considered a component of the bond valuation under Solvency II.

Reinsurance recoverables

Under Solvency II, the share of technical provisions for retroceded business is determined with reference to the contractual agreement and the underlying gross Solvency II best estimate liability per policy. Furthermore, the reinsurance recoverables include the allowance for the counterparty risk. Under Luxembourg GAAP, the share of technical provisions for retroceded business is determined with reference to the contractual agreement and the underlying gross business data per policy.

The difference between Solvency II and Luxembourg GAAP is described in section “D2: Technical provisions”

Reinsurance receivables

Debtors are valued at their nominal value less deductions for impairment, if applicable. The difference between Solvency II and Luxembourg GAAP values for reinsurance receivables is driven by not yet due premiums receivable that are included as part of the technical provisions under Solvency II.

Any other assets

The difference comes from the “Accrued interest” from term deposits and bonds.

D.2 Technical provisions

D.2.1 Technical Provisions Valuation

Solvency II requires the technical provisions to be a best estimate of the current liabilities relating to insurance contracts, plus a risk margin.

- The best estimate liabilities are calculated as the discounted best estimate of all future cash flows relating to claim events prior to the valuation date (claims provisions), and the discounted best estimate of all future cash flows relating to future exposure arising from policies that the insurer is obligated to at the valuation date (premium provisions).
- Risk margin is the amount that insurers and/or reinsurers would require over and above the best estimate liabilities in order to take over and meet the insurance and reinsurance obligations over the lifetime of the policies (i.e. the amount required to transfer liability to a third party).

The following table shows the technical provisions as at 31 December 2025 for Barents Re's Solvency II lines of business.

| Solvency II Line of Business (EUR'000) | | Gross | Outward | Net | Risk Margin | Technical Provisions 2025 | Technical Provisions 2024 |
|--|-----------------------------------|----------------|----------------|---------------|--------------|---------------------------|---------------------------|
| Accepted proportional reinsurance | Medical expenses | 2,152 | 2,339 | -187 | 15 | -172 | 0 |
| | Income Protection | 0 | 0 | 0 | 0 | 0 | 1 |
| | Motor vehicle liability | 0 | 0 | 0 | 0 | 0 | 0 |
| | Marine, aviation and transport | 52,243 | 41,087 | 11,157 | 897 | 12,054 | 5,239 |
| | Fire and other damage to property | 103,586 | 85,569 | 18,017 | 1,449 | 19,466 | 4,552 |
| | General liability | 19,699 | 17,647 | 2,052 | 165 | 2,217 | 2,063 |
| | Credit and suretyship | 6,556 | 3,069 | 3,487 | 280 | 3,767 | 3,076 |
| Accepted non-proportional reinsurance | Miscellaneous financial loss | 0 | 0 | 0 | 0 | 0 | 0 |
| | Health | 0 | 0 | 0 | 0 | 0 | 0 |
| | Casualty | 5,368 | 4,767 | 600 | 48 | 649 | 628 |
| | Marine, aviation and transport | 7,703 | 6,204 | 1,499 | 121 | 1,619 | 1,180 |
| | Property | 12,237 | 8,852 | 3,385 | 272 | 3,657 | 1,797 |
| Total Non-Life Obligations | | 209,543 | 169,533 | 40,010 | 3,248 | 43,258 | 18,536 |
| Life | | 39,056 | 37,195 | 1,861 | 150 | 2,011 | 2,932 |
| Total | | 248,599 | 206,728 | 41,871 | 3,398 | 45,269 | 21,468 |

The net technical provisions as at 31 December 2025 are equal to EUR 41.9m, increasing by EUR 20.4 m from EUR 21.5 m as at 31 December 2024. The key movements in technical provisions are driven by a change in the calculation methodology, which now differently splits the future premiums between Solvency receivables/payables and technical provisions.

One additional lines of business, medical expenses, was added during 2025 following business developments.

The Net expected profit included in future premiums is equal to EUR 7.0m.

D.2.2 Methodology and assumptions used in valuing the technical provisions

Best estimate liabilities

The best estimate corresponds to the probability-weighted average of future cash-flows, taking account of the time value of money (expected present value of future cash-flows), using the relevant risk-free interest rate term structure. Gross and reinsurance cash flows are estimated separately for premium and claims and these are used to calculate net results.

The most appropriate level of granularity is used when producing the reserve estimates, by categorizing risks into homogeneous risk groupings. The risk groups are determined by the Reserving team after examination of the characteristics of the business being written and after discussions with the Underwriting and Claims teams. These groupings are reviewed when the mix of business within a reserving class has changed significantly over time.

Ultimate premium and claim estimates, gross of reinsurance, are then calculated using at least the following actuarial projection techniques:

- Chain ladder method,
- Bornhuetter-Ferguson (BF) method.

The projection method selected for a particular class of business depends on various factors, including the characteristics of the class and the length of the claims development. The chain ladder method based on the historic claims development of incurred claims has typically been used for the older underwriting years.

At the same time, the claims experience on the most recent underwriting years is relatively immature and the chain ladder method produces estimates with a relatively higher level of uncertainty for these years. For this reason, the BF method has typically been used for the more recent underwriting years. The BF method places weight on initial loss expectations and is less volatile to early claims experience. As the underwriting years become more mature, more weighting is placed on the emerging experience and the projection will move over to a chain ladder projection (or blend of the BF and chain ladder methods). This transition will occur quicker on the shorter-tailed classes than the longer-tailed ones.

In addition to this, information on new or potentially material claims which are not included in the current incurred position is provided by the Claims team. The Reserving team reviews this information, and where appropriate, will incorporate it into the analysis.

Reinsurance recoveries for each reserving class and underwriting year have been estimated by applying expected external and internal recovery rates to the gross IBNR estimates and adding known recoveries to date. These recovery rates are based on a review of the reinsurance programs purchased, historical recovery rates and for classes with quota share protection, the quota share cessions are applied to estimate recoveries.

Events not in data ("ENID") are potential events which are not adequately contained within historical claims experience. Barents Re is including an allowance for these within the Technical Provision calculations, such that the mean technical provisions represent the probability-weighted average of all future cash flows.

There are no guarantees or options that materially affect the calculation of technical provisions. Any relevant guarantees would be identified through discussions with underwriters and the impact of guarantees would be valued on a best estimate basis.

Risk margin

The Barents Re risk margin is calculated using a cost of capital approach which involves calculating the cost of holding the regulatory capital requirement implied by the standard formula capital assessment model at each future time period until the business has run off. The amounts are then discounted back to the current time period.

Assumptions

Assumptions and parameters are set by the Reserving team and discussed, where relevant, during the Reserving Committee.

All assumptions and parameters are subject to regular review to ensure that they are appropriate for their intended purpose.

The key assumptions are listed below along with some of the key measures considered when setting them.

- Initial Expected Loss Ratio (IELR) – selected IELRs are determined using historical experience and underwriters' pricing assumptions,
- Premium and claims development patterns,
- Tail development,
- Allowance for future inflation,
- Reinsurance recovery rates – details of reinsurance program, historical recoveries,
- Events not in data ("ENID") loadings – a loading is applied to the reserves to allow for binary events, or adjustments based on factors external factors i.e. climate change,
- Expense forecast – estimate of the future expenses required to fully run off all the liability cash flows,
- Counterparty default percentages, and
- Recovery in default.

These assumptions, which are documented throughout the actuarial reports, often require the use of expert judgements. All expert judgements are listed and commented in the related reports.

D.2.3 Description of the level of uncertainty associated with the value of the technical provisions

The final estimates reflect all available data and information available at the valuation date. Despite this, the actual cost of settling future claims is uncertain as it depends on events yet to occur. These could be different from the estimates reported above, and possibly materially so. The most significant drivers of this uncertainty are highlighted below:

Initial Expected Loss Ratio (IELR) selection

IELRs for each class of business have been selected by analysing historical performance and underwriters' pricing assumption. The nature of the IELR estimates, which incorporate a large degree of expert judgement, means that there is a degree of uncertainty surrounding their values, particularly where significant changes have been made to the underwriting. The IELR is a key driver of Barents Re's technical provision estimates for the most recent years of account.

Run-off lines of business

Barents Re has discontinued in 2024 certain lines of business. For each of these lines, the Actuarial team calculates an IBNR for claims that could still occur in the future. The absence of future income while still potentially receiving claims makes the analysis of sufficiency of the reserved amounts crucial for the Company's profitability.

Growing accounts

Classes which are increasing in size can be subject to increased uncertainty. If growth is driven by a change in the mix of risks written (e.g. different types of risks, new territories, increasing exposure, relaxing terms and conditions) this can increase the uncertainty considerably for a class of business.

Future exposures

The technical provisions include cash flows associated with future exposures. As there is a greater degree of uncertainty attached to it, the estimates for these years of account will be subject to additional uncertainty.

Unincepted Legal Obligations

Barents Re is also required to include an allowance for unincepted bound exposure within the technical provision calculations. This exposure primarily relates to contracts incepting after the valuation date and bound as at the evaluation date. As these contracts fully refer to future exposures, there is additional uncertainty attached to this exposure.

Events not in data ("ENID")

Events not in data ("ENID") are potential events which are not contained within Barents Re's historical claims experience, e.g. climate change future impact. Barents Re is including an allowance for these within the Technical Provision calculations, such that the mean technical provisions represent the probability-weighted average of all future cash flows. By definition, there is little data available to base the analysis on. Loadings and classifications remain highly subjective with a high level of actuarial judgement employed.

Future expenses

Future administration expenses are based on historical levels of expenses and a projected future expense inflation rate to calculate an expense provision estimate to fully run off the entirety of future cash flows within the technical provisions. Actual expenses could be materially different to those estimated within the expense projection.

D.2.4 Differences between Solvency II and financial statement basis

The key differences between Lux GAAP and Solvency II reserves is that the first regime uses a prudent principle approach, while the latter uses a market consistent approach cash-flow based. In practice, the main differences reside in the elimination of explicit prudence margins in the reserves (replaced by the Risk Margin), in the treatment of expenses, in the discounting and in the distinction between due and not yet due inflows.

The delta between the reserves on the two standards are reported in the tables below, gross and net of reinsurance:

| Gross of Reinsurance (EUR'000) | | LUX GAAP | | | | SOLVENCY II TP | | | | Difference |
|--------------------------------|-----------------------------------|--------------------|----------------|----------------|-----------------|----------------|--------------|----------------|----------------|------------|
| LOB | UPR | Claims outstanding | IBNR | Total | Premium Reserve | Claims Reserve | Risk Margin | Total | | |
| Proportional | Medical expenses | 0 | 0 | 6,472 | 6,472 | -116 | 2,268 | 15 | 2,167 | -4,305 |
| | Income Protection | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Motor vehicle liability | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Marine, aviation and transport | 18,827 | 9,996 | 40,630 | 69,453 | 11,022 | 41,221 | 897 | 53,141 | -16,312 |
| | Fire and other damage to property | 13,312 | 71,657 | 34,762 | 119,732 | 5,064 | 98,523 | 1,449 | 105,036 | -14,696 |
| | General liability | 0 | 6,229 | 14,355 | 20,584 | 0 | 19,699 | 165 | 19,864 | -720 |
| | Credit and suretyship | 125 | 852 | 6,485 | 7,462 | 81 | 6,475 | 280 | 6,836 | -626 |
| | Miscellaneous financial loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Proportional | Life | 20,324 | 6,528 | 25,649 | 52,501 | 18,178 | 20,878 | 150 | 39,206 | -13,295 |
| | Health | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Casualty | 0 | 894 | 4,873 | 5,767 | 0 | 5,368 | 48 | 5,416 | -351 |
| | Marine, aviation and transport | 2,620 | 902 | 7,233 | 10,756 | 842 | 6,861 | 121 | 7,823 | -2,932 |
| | Property | 3,119 | 5,393 | 6,717 | 15,229 | 1,704 | 10,533 | 272 | 12,509 | -2,720 |
| Total | 58,329 | 102,452 | 147,175 | 307,955 | 36,775 | 211,825 | 3,398 | 251,997 | -55,958 | |

| Net of Reinsurance (EUR'000) | | LUX GAAP | | | | SOLVENCY II TP | | | | Difference |
|------------------------------|-----------------------------------|--------------------|---------------|---------------|-----------------|----------------|--------------|---------------|---------------|------------|
| LOB | UPR | Claims outstanding | IBNR | Total | Premium Reserve | Claims Reserve | Risk Margin | Total | | |
| Proportional | Medical expenses | 0 | 0 | 645 | 645 | -91 | -96 | 15 | -172 | -817 |
| | Income Protection | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Motor vehicle liability | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Marine, aviation and transport | 4,500 | 829 | 2,561 | 7,890 | 7,139 | 4,018 | 897 | 12,054 | 4,164 |
| | Fire and other damage to property | 1,600 | 1,259 | 2,216 | 5,074 | 13,077 | 4,940 | 1,449 | 19,466 | 14,392 |
| | General liability | 0 | 450 | 1,315 | 1,765 | 0 | 2,052 | 165 | 2,217 | 452 |
| | Credit and suretyship | 40 | 85 | 551 | 677 | 2,861 | 626 | 280 | 3,767 | 3,091 |
| | Miscellaneous financial loss | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Proportional | Life | 2,743 | 653 | 2,557 | 5,953 | 264 | 1,597 | 150 | 2,011 | -3,942 |
| | Health | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Casualty | 0 | 82 | 446 | 528 | 0 | 600 | 48 | 649 | 120 |
| | Marine, aviation and transport | 528 | 44 | 488 | 1,059 | 775 | 723 | 121 | 1,619 | 560 |
| | Property | 547 | 485 | 544 | 1,576 | 2,349 | 1,036 | 272 | 3,657 | 2,081 |
| Total | 9,957 | 3,888 | 11,322 | 25,167 | 26,375 | 15,496 | 3,398 | 45,269 | 20,102 | |

D.2.5 Recoverables from reinsurance contracts

Best estimate reinsurance recoverables and costs on a Solvency II basis are calculated as part of Barents Re's best estimate reserving process. Reinsurance recoverables and costs are based on known amounts, plus projections based on gross IBNR and future premium estimates. Barents Re's reinsurance programs are outlined below:

- Barents Re's most significant reinsurance protection is the Whole Account Quota Share treaty, ceding business to Barents Re Cayman,
- For Energy reinsurance, Barents Re maintains an external QS and an XoL reinsurance program to limit the impact of large individual losses to agreed risk tolerances,
- For Life reinsurance, Barents Re maintains two XoL reinsurance programs, a per risk program to limit the impact of large individual losses, and a Catastrophic program for accumulation of risk in a single event,
- For fire and other damage to property insurance, Barents Re maintains a per risk and a catastrophe XoL reinsurance programs to limit the impact of large individual losses to agreed risk tolerances,
- A Surety reinsurance program which limits the impact of large losses, which result in multiple losses, to agreed risk tolerances, and

D.3 Other liabilities

The table below shows Barents Re's total liabilities differences on a Solvency II basis compared to the amounts shown in the Lux GAAP financial statements as at 31 December 2025.

| Balance Sheet in EUR'000 | Statutory accounts value | Solvency II value | Difference |
|--|-----------------------------|----------------------|----------------|
| Liabilities | | | |
| Technical provisions | 307,955 | 251,997 | 55,958 |
| Provisions other than technical provisions | 38,016 | - | 38,016 |
| Deposits from reinsurers | 5,151 | 5,151 | - |
| Deferred tax liabilities | - | 7,347 | - 7,347 |
| Reinsurance payables | 44,695 | 8,297 | 36,398 |
| Payables (trade, not insurance) | 8,465 | 8,465 | - |
| Any other liabilities, not elsewhere shown | 6,397 | 1,968 | 4,429 |
| Overall Total Liabilities | 410,679 | 283,225 | 127,454 |

Unless otherwise stated, the Solvency II basis valuation for all liabilities follows fair value measurement principles. There were no changes to the recognition and valuation bases of other liabilities over the period. Further details of the liabilities and explanations for material differences between Solvency II and financial statement valuation basis are set out below.

Technical provisions

Refer to section D2: Technical provisions.

Provisions other than technical provisions

Provisions other than technical provisions consist mainly of an equalisation reserve. The Equalisation Reserve under Luxembourg GAAP is not recognised under the Solvency II valuation, hence is considered a reconciliation reserve on the Solvency II balance sheet.

Deferred tax liability (DTL)

Deferred income tax liabilities have been recognised for all taxable temporary differences, which will result in higher future taxable income positions. Deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled, based on tax rates and tax laws that have been enacted by the end of the reporting period.

Deferred tax liabilities to be settled after 12 months are EUR 7 676 thousand. Deferred tax liabilities to be settled within 12 months are nil.

Reinsurance payables

The difference between Solvency II and Luxembourg GAAP values for reinsurance payables is driven by not yet due premiums payables that are included as part of the technical provisions under Solvency II.

Any other liabilities not elsewhere shown

Any other liabilities are lower under Solvency II than under Luxembourg GAAP, because deferred reinsurance commission is already taken into account in the calculation of the best estimate of liabilities.

D.4 Alternative methods for valuation

No alternative methods for valuation were used.

D.5 Any other information

No other significant information to be disclosed.

E. Capital Management

E.1 Own funds

E.1.1 Objectives and processes employed by Barents Re for managing its own funds.

The primary objective of capital management is to manage the balance between return and risk, whilst maintaining economic capital in accordance with the risk appetite. Barents Re's capital and risk management objectives are closely interlinked, whilst recognising the critical importance of protecting policyholders' and other stakeholders' interest. In managing own funds, Barents Re seeks to, on a consistent basis:

- Maintain sufficient financial strength in accordance with risk appetite, to satisfy the requirements of regulators and other stakeholders.
- Retain financial flexibility by maintaining strong liquidity.
- Allocate capital efficiently to remain within the risk appetite and drive organic growth.

Barents Re uses several scenario tests to understand the volatility of earnings and capital requirements to manage its capital efficiently. Sensitivities to economic and operating experience are produced on Barents Re's financial performance metrics to inform decision making and planning processes over a three-year planning horizon, and as part of the risk framework for identifying and quantifying the underlying risk to which Barents Re is exposed.

E.1.2 Structure and composition of Own Funds

| Description (in EUR'000) | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---------------|-----------------------|---------------------|--------|--------|
| Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35 | - | - | - | - | - |
| Ordinary share capital (gross of own shares) | 29,000 | 29,000 | - | - | - |
| Share premium account related to ordinary share capital | - | - | - | - | - |
| Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | - | - | - | - | - |
| Subordinated mutual member accounts | - | - | - | - | - |
| Surplus funds | - | - | - | - | - |
| Preference shares | - | - | - | - | - |
| Share premium account related to preference shares | - | - | - | - | - |
| Reconciliation reserve | 22,967 | 22,967 | - | - | - |
| 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 | - | - | - | - | - |
| Deductions | - | - | - | - | - |
| Deductions for participations in financial and credit institutions | - | - | - | - | - |
| Total basic own funds after deductions | 51,967 | 51,967 | - | - | - |

Eligible Own Funds to cover the SCR classified by level

The eligible amount of own funds to cover the Solvency Capital Requirements are classified in tiers, and Barents Re's own funds are unrestricted Tier 1.

| Available and eligible own funds (in EUR'000) | 2025 | 2024 |
|---|--------|--------|
| Total available own funds to meet the SCR | 51,967 | 56,442 |
| Total eligible own funds to meet the SCR | 51,967 | 56,442 |

Eligible Own Funds to cover the MCR classified by level

The eligible amount of own funds to cover the Minimum Capital Requirements are unrestricted Tier 1.

| Available and eligible own funds (in EUR'000) | 2025 | 2024 |
|---|--------|--------|
| Total available own funds to meet the MCR | 51,967 | 56,442 |
| Total eligible own funds to meet the MCR | 51,967 | 56,442 |

E.1.3 Explanation of any material differences between equity as shown in Barents Re's financial statements and then calculated for solvency purposes.

Differences between Barents Re's shareholders' equity per the financial statements and the Solvency II balance sheet relate to valuation differences as shown in this document.

| Description (in EUR'000) | 2025 | 2024 |
|---|------------------|---------------|
| Shareholders' equity as disclosed in the financial statements | 26,916 | 29,228 |
| Solvency II valuation adjustment to assets | - 102,404 | - 126,883 |
| Solvency II valuation adjustment to technical provisions | 55,958 | 80,080 |
| Solvency II valuation adjustment to other liabilities | 71,496 | 74,018 |
| Total | 51,967 | 56,442 |

E.1.4 Own fund items included under transitional arrangements under Solvency II

No own funds items are subject to transitional arrangements.

E.1.5 Ancillary own funds

There are no ancillary own funds in the Company.

E.1.6 Own funds restrictions

Barents Re does not have any ring-fenced funds and has not identified any other restrictions which need to be made to own funds as a result of availability or transferability of own funds within Barents Re.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 SCR and MCR results

Barents Re's Standard formula SCR and MCR for the year-end 31 December 2024 and 2025 are as follows:

| Description (in EUR'000) | 2025 | 2024 |
|--------------------------|-------------|-------------|
| SCR | 26,232 | 31,596 |
| MCR | 8,000 | 7,899 |
| Solvency ratio | 198% | 179% |

Barents Re's SCR for the year ended 31 December 2025 and 2024 is reported in the following table by risk module:

| Description (in EUR'000) | 2025 | 2024 |
|---|---------------|---------------|
| Market Risk | 6,890 | 6,585 |
| Counterparty Default Risk | 17,580 | 22,456 |
| Life Underwriting Risk | 4,068 | 2,941 |
| Health Underwriting Risk | 1,545 | 220 |
| Non-Life Underwriting Risk | 7,872 | 9,377 |
| Diversification | -10,838 | -9,864 |
| Intangible Asset Risk | 0 | 0 |
| Basic Solvency Capital Requirement | 27,117 | 31,715 |
| Operational Risk | 6,462 | 8,923 |
| Loss-absorbing capacity of technical provisions | 0 | 0 |
| Loss-absorbing capacity of deferred taxes | -7,347 | -9,042 |
| Other adjustments | 0 | 0 |
| Solvency Capital Requirement | 26,232 | 31,596 |

The SCR reduction is mainly due to a decrease in the Counterparty Default Risk module following the novation of part of the Surety portfolio, which had a large proportion of overdue receivables.

E.3 Use of duration-based equity risk sub-module in the calculation of SCR

The duration-based equity risk sub-module was not used.

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

The Company used the standard formula.

E.5 Non-compliance with the MCR and non-compliance with the SCR

The Company complied with the MCR and SCR at all times.

E.6 Any other information

All material information regarding the capital management has been described in the sections above.

Appendix A: QRTs

This appendix contains the following templates which the company is required to disclose as part of the SFCR. The Quantitative Reporting Templates (QRT) in this report are presented in EUR rounded to the nearest thousand.

| | |
|---------------|--|
| S.02.01.01 | Balance sheet |
| S.05.01.01-02 | Premiums, claims and expenses by line of business |
| S.12.01.01 | Life and Health SLT Technical Provisions |
| S.17.01.01 | Non-Life Technical Provisions |
| S.19.01.01-04 | Non-Life Insurance Claims |
| S.23.01.01-02 | Own Funds |
| S.25.01.01-05 | Solvency Capital Requirement – for undertakings on standard formula |
| S.28.01.01-05 | Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity |

5.05.01.01.01

Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

| EUR '000 | | Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance) | | | | | | | | | | | |
|---|---------------|--|-----------------------------|---------------------------------|-----------------------------------|-----------------------|--|---|-----------------------------|---------------------------------|--------------------------|------------|------------------------------|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss |
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 |
| Premiums written | | | | | | | | | | | | | |
| Gross - Direct Business | R0110 | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0120 | 15,870 | - | 0 | - | - | 22,789 | 29,605 | 10 | - | 434 | - | - |
| Gross - Non-proportional reinsurance accepted | R0130 | - | - | - | - | - | - | - | - | - | - | - | - |
| Reinsurers' share | R0140 | 8,816 | - | 4 | - | - | 16,450 | 25,955 | - | 48 | - | 146 | - |
| Net | R0200 | 7,055 | - | 3 | - | - | 6,339 | 3,650 | 58 | - | 288 | - | - |
| Premiums earned | | | | | | | | | | | | | |
| Gross - Direct Business | R0210 | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0220 | 15,879 | - | 0 | - | - | 27,990 | 32,397 | 913 | - | 109 | - | - |
| Gross - Non-proportional reinsurance accepted | R0230 | - | - | - | - | - | - | - | - | - | - | - | - |
| Reinsurers' share | R0240 | 8,823 | - | 4 | - | - | 21,374 | 28,216 | 845 | - | 53 | - | - |
| Net | R0300 | 7,056 | - | 3 | - | - | 6,616 | 4,182 | 69 | - | 162 | - | - |
| Claims incurred | | | | | | | | | | | | | |
| Gross - Direct Business | R0310 | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0320 | 9,468 | - | 106 | - | - | 28,294 | 32,151 | 627 | - | 27,698 | - | 0 |
| Gross - Non-proportional reinsurance accepted | R0330 | - | - | - | - | - | - | - | - | - | - | - | - |
| Reinsurers' share | R0340 | 8,524 | - | 95 | - | - | 28,569 | 31,778 | 541 | - | 27,348 | - | 0 |
| Net | R0400 | 944 | - | 11 | - | - | 275 | 374 | 86 | - | 350 | - | 0 |
| Expenses incurred | | | | | | | | | | | | | |
| Gross - Direct Business | R0610 + R0910 | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0620 + R0920 | 6,858 | - | 10 | - | - | 8,629 | 9,748 | 519 | - | 1,313 | - | 0 |
| Gross - Non-proportional reinsurance accepted | R0630 + R0930 | - | - | - | - | - | - | - | - | - | - | - | - |
| Reinsurers' share | R0640 + R0940 | 1,089 | - | 2 | - | - | 3,091 | 4,603 | 221 | - | 520 | - | 0 |
| Net | R0700 + R1000 | 5,768 | - | 7 | - | - | 5,539 | 5,145 | 298 | - | 792 | - | 0 |

| EUR '000 | | Line of Business for: accepted non-proportional reinsurance | | | | Total |
|---|---------------|---|----------|-----------------------------|----------|--------|
| | | Health | Casualty | Marine, aviation, transport | Property | |
| | | C0130 | C0140 | C0150 | C0160 | |
| Premiums written | | | | | | |
| Gross - Direct Business | R0110 | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0120 | - | - | - | - | 67,839 |
| Gross - Non-proportional reinsurance accepted | R0130 | - | 7 | 6,534 | 5,153 | 11,694 |
| Reinsurers' share | R0140 | - | 14 | 4,826 | 4,171 | 60,006 |
| Net | R0200 | - | 20 | 1,708 | 982 | 19,527 |
| Premiums earned | | | | | | |
| Gross - Direct Business | R0210 | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0220 | - | - | - | - | 77,071 |
| Gross - Non-proportional reinsurance accepted | R0230 | - | 76 | 4,621 | 7,150 | 11,848 |
| Reinsurers' share | R0240 | - | 33 | 3,419 | 5,577 | 68,337 |
| Net | R0300 | - | 43 | 1,202 | 1,572 | 20,581 |
| Claims incurred | | | | | | |
| Gross - Direct Business | R0310 | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0320 | - | - | - | - | 13,640 |
| Gross - Non-proportional reinsurance accepted | R0330 | - | 643 | 6,461 | 254 | 7,357 |
| Reinsurers' share | R0340 | - | 600 | 5,938 | 559 | 22,075 |
| Net | R0400 | - | 43 | 523 | 305 | 1,078 |
| Expenses incurred | | | | | | |
| Gross - Direct Business | R0610 + R0910 | - | - | - | - | - |
| Gross - Proportional reinsurance accepted | R0620 + R0920 | - | - | - | - | 27,076 |
| Gross - Non-proportional reinsurance accepted | R0630 + R0930 | - | 156 | 1,628 | 2,229 | 4,013 |
| Reinsurers' share | R0640 + R0940 | - | 53 | 593 | 822 | 10,995 |
| Net | R0700 + R1000 | - | 103 | 1,035 | 1,407 | 20,095 |

| S.05.01.01.02 Life | | Line of Business for: life insurance obligations | | | | | | Life reinsurance obligations | | Total |
|--------------------------|---------------|--|-------------------------------------|--|----------------------|---|--|------------------------------|------------------|--------|
| | | Health insurance | Insurance with profit participation | Index-linked and unit-linked insurance | Other life insurance | Annuities stemming from non-life insurance contracts and relating to health insurance obligations | Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations | Health reinsurance | Life reinsurance | |
| EUR '000 | | CO210 | CO220 | CO230 | CO240 | CO250 | CO260 | CO270 | CO280 | CO300 |
| Premiums written | | | | | | | | | | |
| Gross | R1410 | - | - | - | - | - | - | - | 38,829 | 38,829 |
| Reinsurers' share | R1420 | - | - | - | - | - | - | - | 33,407 | 33,407 |
| Net | R1500 | - | - | - | - | - | - | - | 5,421 | 5,421 |
| Premiums earned | | | | | | | | | | |
| Gross | R1510 | - | - | - | - | - | - | - | 38,915 | 38,915 |
| Reinsurers' share | R1520 | - | - | - | - | - | - | - | 31,966 | 31,966 |
| Net | R1600 | - | - | - | - | - | - | - | 6,949 | 6,949 |
| Claims incurred | | | | | | | | | | |
| Gross | R1610 | - | - | - | - | - | - | - | 24,431 | 24,431 |
| Reinsurers' share | R1620 | - | - | - | - | - | - | - | 22,038 | 22,038 |
| Net | R1700 | - | - | - | - | - | - | - | 2,393 | 2,393 |
| Expenses incurred | | | | | | | | | | |
| Gross | R1910 + R2210 | - | - | - | - | - | - | - | 6,032 | 6,032 |
| Reinsurers' share | R1920 + R2220 | - | - | - | - | - | - | - | 3,881 | 3,881 |
| Net | R2000 + R2300 | - | - | - | - | - | - | - | 2,151 | 2,151 |

5.12.01.01.01
Life and Health SLT Technical Provisions

| EUR '000 | Insurance with profit participation | Index-linked and unit-linked insurance | | | Other life insurance | | | Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations | Accepted reinsurance | | | | | Total (Life other than health insurance, incl. Unit-Linked) | |
|---|-------------------------------------|--|--------------------------------------|-------|--|--------------------------------------|-------|---|-------------------------------------|--|----------------------|--|--------|---|--------|
| | | Contracts without options and guarantees | Contracts with options or guarantees | | Contracts without options and guarantees | Contracts with options or guarantees | | | Insurance with profit participation | Index-linked and unit-linked insurance | Other life insurance | Annuities stemming from non-life accepted insurance contracts and relating to insurance obligation other than health insurance obligations | | | |
| | | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 | C0150 |
| Technical provisions calculated as a whole | R0010 | - | - | | | - | | | - | - | - | - | - | - | - |
| 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 | R0020 | - | - | | | - | | | - | - | - | - | - | - | - |
| Technical provisions calculated as a sum of BE and RM | | | | | | | | | | | | | | | |
| Best Estimate | | | | | | | | | | | | | | | |
| Gross Best Estimate | R0030 | - | - | | | - | | | - | 39,056 | - | - | 39,056 | - | 39,056 |
| Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default | R0040 | - | - | | | - | | | - | 37,203 | | | | | 37,203 |
| Best estimate minus recoverables from reinsurance/SPV and Finite Re | R0090 | - | - | | | - | | | - | 1,851 | | | | | 1,851 |
| Risk Margin | R0100 | - | - | | | - | | | - | 150 | | | 150 | | 150 |
| Amount of the transitional on Technical Provisions | | | | | | | | | | | | | | | |
| Technical Provisions calculated as a whole | R0110 | - | - | | | - | | | - | - | | | | | - |
| Best estimate | R0120 | - | - | | | - | | | - | - | | | | | - |
| Risk margin | R0130 | - | - | | | - | | | - | - | | | | | - |
| Technical provisions - total | R0200 | - | - | | | - | | | - | 39,206 | | | | | 39,206 |
| Expected profits included in future premiums (EPIP) | R0370 | - | - | | | - | | | - | 5,264 | | | | | 5,264 |

| EUR '000 | | Health insurance (direct business) | | | Annuities stemming from non-life insurance contracts and relating to health insurance obligations | Health reinsurance (reinsurance accepted) | Total (Health similar to life insurance) |
|---|-------|--|--------------------------------------|-------|---|---|--|
| | | Contracts without options and guarantees | Contracts with options or guarantees | | | | |
| | | C0170 | C0180 | C0190 | C0200 | C0210 | |
| Technical provisions calculated as a whole | R0010 | | | - | - | - | |
| 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 | R0020 | | | - | - | - | |
| Technical provisions calculated as a sum of BE and RM | | | | | | | |
| Best Estimate | | | | | | | |
| Gross Best Estimate | R0030 | - | - | - | - | - | |
| Total recoverables from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default | R0040 | - | - | - | - | - | |
| Best estimate minus recoverables from reinsurance/SPV and Finite Re | R0090 | - | - | - | - | - | |
| Risk Margin | R0100 | - | - | - | - | - | |
| Amount of the transitional on Technical Provisions | | | | | | | |
| Technical Provisions calculated as a whole | R0110 | | | - | - | - | |
| Best estimate | R0120 | - | - | - | - | - | |
| Risk margin | R0130 | - | - | - | - | - | |
| Technical provisions - total | R0200 | | | - | - | - | |
| Expected profits included in future premiums (EPIP) | R0370 | | | - | - | - | |

| EUR '000 | | Direct business and accepted proportional reinsurance | | | | | | | | | | | |
|---|--|---|-----------------------------|---------------------------------|-----------------------------------|-----------------------|--|---|-----------------------------|---------------------------------|--------------------------|------------|------------------------------|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss |
| | | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 |
| Technical provisions calculated as a whole | | R0010 | - | - | - | - | - | - | - | - | - | - | - |
| 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 | | R0050 | - | - | - | - | - | - | - | - | - | - | - |
| Technical provisions calculated as a sum of BE and RM | | | | | | | | | | | | | |
| Best estimate | | | | | | | | | | | | | |
| Premium provisions | | | | | | | | | | | | | |
| Gross - Total | | R0060 | - 116 | - | - | - | - | 11,022 | 5,064 | - | 81 | - | - |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | | R0140 | - 25 | - | - | - | - | 3,883 | 8,014 | - | 2,780 | - | - |
| Net Best Estimate of Premium Provisions | | R0150 | - 91 | - | - | - | - | 7,139 | 13,077 | - | 2,861 | - | - |
| Claims provisions | | | | | | | | | | | | | |
| Gross - Total | | R0160 | - 2,268 | 0 | - | - | - | 41,221 | 98,523 | 19,699 | 6,475 | - | 0 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | | R0240 | - 2,364 | 0 | - | - | - | 37,203 | 93,583 | 17,647 | 5,849 | - | 0 |
| Net Best Estimate of Claims Provisions | | R0250 | - 96 | 0 | - | - | - | 4,018 | 4,940 | 2,052 | 626 | - | 0 |
| Total Best estimate - gross | | R0260 | - 2,152 | 0 | - | - | - | 52,243 | 103,586 | 19,699 | 6,556 | - | 0 |
| Total Best estimate - net | | R0270 | - 187 | 0 | - | - | - | 11,157 | 18,017 | 2,052 | 3,487 | - | 0 |
| Risk margin | | R0280 | - 15 | 0 | - | - | - | 897 | 1,449 | 165 | 280 | - | 0 |
| Amount of the transitional on Technical Provisions | | | | | | | | | | | | | |
| TP as a whole | | R0290 | - | - | - | - | - | - | - | - | - | - | - |
| Best estimate | | R0300 | - | - | - | - | - | - | - | - | - | - | - |
| Risk margin | | R0310 | - | - | - | - | - | - | - | - | - | - | - |
| Technical provisions - total | | | | | | | | | | | | | |
| Technical provisions - total | | R0320 | - 2,167 | 0 | - | - | - | 53,141 | 105,036 | 19,864 | 6,836 | - | 0 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | | R0330 | - 2,339 | 0 | - | - | - | 41,087 | 85,569 | 17,647 | 3,069 | - | 0 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | | R0340 | - 172 | 0 | - | - | - | 12,054 | 19,466 | 2,217 | 3,767 | - | 0 |
| Expected profits included in future premiums (EPIFP) | | R0500 | - 947 | - | - | - | - | 736 | - | - | - | - | - |

| EUR '000 | | Accepted non-proportional reinsurance | | | | Total Non-Life obligation |
|---|--|---------------------------------------|---------------------------------------|---|---------------------------------------|---------------------------|
| | | Non-proportional health reinsurance | Non-proportional casualty reinsurance | Non-proportional marine, aviation and transport reinsurance | Non-proportional property reinsurance | |
| | | C0140 | C0150 | C0160 | C0170 | |
| Technical provisions calculated as a whole | | R0010 | - | - | - | - |
| 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 | | R0050 | - | - | - | - |
| Technical provisions calculated as a sum of BE and RM | | | | | | |
| Best estimate | | | | | | |
| Premium provisions | | | | | | |
| Gross - Total | | R0060 | - | - | 842 | 1,704 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | | R0140 | - | - | 67 | 645 |
| Net Best Estimate of Premium Provisions | | R0150 | - | - | 775 | 2,349 |
| Claims provisions | | | | | | |
| Gross - Total | | R0160 | - | 5,368 | 6,861 | 10,533 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | | R0240 | - | 4,767 | 6,137 | 9,497 |
| Net Best Estimate of Claims Provisions | | R0250 | - | 600 | 723 | 1,036 |
| Total Best estimate - gross | | R0260 | - | 5,368 | 7,703 | 12,237 |
| Total Best estimate - net | | R0270 | - | 600 | 1,499 | 3,385 |
| Risk margin | | R0280 | - | 48 | 121 | 272 |
| Amount of the transitional on Technical Provisions | | | | | | |
| TP as a whole | | R0290 | - | - | - | - |
| Best estimate | | R0300 | - | - | - | - |
| Risk margin | | R0310 | - | - | - | - |
| Technical provisions - total | | | | | | |
| Technical provisions - total | | R0320 | - | 5,416 | 7,823 | 12,509 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | | R0330 | - | 4,767 | 6,204 | 8,852 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | | R0340 | - | 649 | 1,619 | 3,657 |
| Expected profits included in future premiums (EPIFP) | | R0500 | - | - | - | 43 |

| S.19.01 | | S.19.01.01.03 | | | | | | | | | | | S.19.01.01.04 | |
|----------------------------------|-------|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------------------|--------------|
| Non-Life insurance claims | | Gross Undiscounted Best Estimate Claims Provision | | | | | | | | | | | Year end (discounted data) | |
| EUR '000 | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | C0360 |
| Year | | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 | C0310 | |
| Prior | R0100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| N-10 | R0150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| N-9 | R0160 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| N-8 | R0170 | 53,588 | 50,515 | 50,738 | 14,260 | 10,881 | 7,497 | 6,919 | 7,042 | 5,236 | | | | 5,103 |
| N-7 | R0180 | 26,835 | 33,065 | 25,502 | 17,282 | 12,434 | 9,188 | 10,790 | 5,903 | | | | | 5,704 |
| N-6 | R0190 | 40,931 | 49,632 | 33,675 | 17,102 | 10,562 | 15,352 | 6,639 | | | | | | 6,427 |
| N-5 | R0200 | 32,916 | 50,149 | 30,342 | 18,402 | 16,202 | 8,190 | | | | | | | 7,920 |
| N-4 | R0210 | 35,319 | 63,743 | 36,489 | 31,282 | 13,037 | | | | | | | | 12,604 |
| N-3 | R0220 | 42,758 | 48,137 | 46,678 | 18,635 | | | | | | | | | 17,929 |
| N-2 | R0230 | 70,427 | 116,946 | 30,809 | | | | | | | | | | 29,381 |
| N-1 | R0240 | 57,172 | 53,476 | | | | | | | | | | | 50,423 |
| N | R0250 | 61,113 | | | | | | | | | | | | 55,455 |
| Total | | | | | | | | | | | | | 190,947 | |

| S.19.01.01.01 | | S.19.01.01.02 | | | | | | | | | | | | | |
|----------------------|-------|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------------|----------------------------------|--------------|
| EUR '000 | | Gross Claims Paid (non-cumulative) | | | | | | | | | | | In Current year | Sum of years (cumulative) | |
| Year | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | C0170 | C0180 |
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | | |
| Prior | R0100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| N-10 | R0150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| N-9 | R0160 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| N-8 | R0170 | 2,623 | 14,295 | 8,024 | 22,355 | 2,226 | 2,672 | 1,125 | 1,486 | 2,845 | | | | 2,845 | 57,652 |
| N-7 | R0180 | 0,422 | 4,408 | 6,076 | 3,217 | 1,209 | 19,238 | 1,485 | 0,727 | | | | | 0,727 | 36,782 |
| N-6 | R0190 | 2,032 | 8,591 | 10,629 | 9,015 | 2,432 | 2,796 | 3,257 | | | | | | 3,257 | 38,752 |
| N-5 | R0200 | 0,009 | 0,967 | 2,402 | 2,291 | 1,324 | 0,747 | | | | | | | 0,747 | 7,740 |
| N-4 | R0210 | 0,229 | 1,298 | 14,392 | 7,276 | 2,698 | | | | | | | | 2,698 | 25,894 |
| N-3 | R0220 | 1,033 | 4,625 | 3,074 | 1,708 | | | | | | | | | 1,708 | 10,440 |
| N-2 | R0230 | 0,158 | 4,310 | 29,572 | | | | | | | | | | 29,572 | 34,040 |
| N-1 | R0240 | 3,604 | 24,945 | | | | | | | | | | | 24,945 | 28,549 |
| N | R0250 | 5,114 | | | | | | | | | | | | 5,114 | 5,114 |
| Total | | | | | | | | | | | | | 71,614 | 244,963 | |

| S.23.01.01.01 | | | | | | |
|--|---|---------------|-----------------------|---------------------|----------|----------|
| Own funds | | | | | | |
| EUR '000 | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
| | | C0018 | C0020 | C0022 | C0046 | C0050 |
| Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35 | | | | | | |
| | Ordinary share capital (gross of own shares) | 29,000 | 29,000 | | 0 | |
| | Share premium account related to ordinary share capital | 0 | 0 | | 0 | |
| | Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | 0 | 0 | | 0 | |
| | Subordinated mutual member accounts | 0 | | 0 | 0 | 0 |
| | Surplus funds | 0 | 0 | | | |
| | Preference shares | 0 | | 0 | 0 | 0 |
| | Share premium account related to preference shares | 0 | | 0 | 0 | 0 |
| | Reconciliation reserve | 22,967 | 22,967 | | | |
| | Subordinated liabilities | 0 | | 0 | 0 | 0 |
| | An amount equal to the value of net deferred tax assets | 0 | | | | 0 |
| | Other own fund items approved by the supervisory authority as basic own funds not specified above | 0 | 0 | 0 | 0 | 0 |
| 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 | 0 | | | | |
| Deductions | | | | | | |
| | Deductions for participations in financial and credit institutions | 0 | 0 | 0 | 0 | 0 |
| | Total basic own funds after deductions | 51,967 | 51,967 | 0 | 0 | 0 |
| Ancillary own funds | | | | | | |
| | Unpaid and uncalled ordinary share capital callable on demand | 0 | | | 0 | |
| | Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | 0 | | | 0 | |
| | Unpaid and uncalled preference shares callable on demand | 0 | | | 0 | 0 |
| | A legally binding commitment to subscribe and pay for subordinated liabilities on demand | 0 | | | 0 | 0 |
| | Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC | 0 | | | 0 | |
| | Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC | 0 | | | 0 | 0 |
| | Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC | 0 | | | 0 | |
| | Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC | 0 | | | 0 | 0 |
| | Other ancillary own funds | 0 | | | 0 | 0 |
| | Total ancillary own funds | 0 | | | 0 | 0 |
| Available and eligible own funds | | | | | | |
| | Total available own funds to meet the SCR | 51,967 | 51,967 | 0 | 0 | 0 |
| | Total available own funds to meet the MCR | 51,967 | 51,967 | 0 | 0 | |
| | Total eligible own funds to meet the SCR | 51,967 | 51,967 | 0 | 0 | 0 |
| | Total eligible own funds to meet the MCR | 51,967 | 51,967 | 0 | 0 | |
| | SCR | 26,232 | | | | |
| | MCR | 8,000 | | | | |
| | Ratio of Eligible own funds to SCR | | 198% | | | |
| | Ratio of Eligible own funds to MCR | | 650% | | | |

| S.23.01.01.02 | | |
|-------------------------------|---|---------------|
| Reconciliation reserve | | |
| EUR '000 | | Value |
| | | C0060 |
| Reconciliation reserve | | |
| | Excess of assets over liabilities | 51,967 |
| | Own shares (held directly and indirectly) | 0 |
| | Foreseeable dividends, distributions and charges | 0 |
| | Other basic own fund items | 29,000 |
| | Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | 0 |
| | Reconciliation reserve | 22,967 |
| Expected profits | | |
| | Expected profits included in future premiums (EPIFP) - Life business | 5,264 |
| | Expected profits included in future premiums (EPIFP) - Non-life business | 1,726 |
| | Total Expected profits included in future premiums (EPIFP) | 6,991 |

| S.25.01.01.01 | | |
|---|--------------|----------------------------------|
| Basic Solvency Capital Requirement | | |
| EUR '000 | | Net solvency capital requirement |
| | | C0030 |
| Market risk | R0010 | 6,890 |
| Counterparty default risk | R0020 | 17,580 |
| Life underwriting risk | R0030 | 4,068 |
| Health underwriting risk | R0040 | 1,545 |
| Non-life underwriting risk | R0050 | 7,872 |
| Diversification | R0060 | -10,838 |
| Intangible asset risk | R0070 | 0,000 |
| Basic Solvency Capital Requirement | R0100 | 27,117 |

| S.25.01.01.02 | | |
|---|--------------|---------------|
| Calculation of Solvency Capital Requirement | | |
| EUR '000 | | Value |
| | | C0100 |
| Adjustment due to RFF/MAP nSCR aggregation | R0120 | |
| Operational risk | R0130 | 6,462 |
| Loss-absorbing capacity of technical provisions | R0140 | 0,000 |
| Loss-absorbing capacity of deferred taxes | R0150 | -7,347 |
| Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC | R0160 | |
| Solvency Capital Requirement excluding capital add-on | R0200 | 26,232 |
| Capital add-ons already set | R0210 | 0,000 |
| Solvency capital requirement | R0220 | 26,232 |
| Other information on SCR | | |
| Capital requirement for duration-based equity risk sub-module | R0400 | |
| Total amount of Notional Solvency Capital Requirements for remaining part | R0410 | |
| Total amount of Notional Solvency Capital Requirements for ring-fenced funds | R0420 | |
| Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios | R0430 | |
| Diversification effects due to RFF nSCR aggregation for article 304 | R0440 | |
| Method used to calculate the adjustment due to RFF/MAP nSCR aggregation | R0450 | |
| Net future discretionary benefits | R0460 | |

| S.25.01.01.03 | | |
|------------------------------------|-------|------------------------------------|
| Approach to tax rate | | |
| EUR '000 | | |
| | | C0109 |
| Approach based on average tax rate | R0590 | Approach based on average tax rate |

| S.25.01.01.05 | | |
|---|-------|--------|
| Calculation of loss absorbing capacity of deferred taxes | | |
| EUR '000 | | LAC DT |
| | | |
| LAC DT justified by carry back, current year | R0670 | |
| LAC DT justified by carry back, future years | R0680 | |
| Maximum LAC DT | R0690 | |

| S.28.01.01.01 | | |
|--|-------|-----------------------|
| Linear formula component for non-life insurance and reinsurance obligations | | |
| EUR '000 | | MCR components |
| | | C0010 |
| MCRNL Result | R0010 | 6,617 |

| S.28.01.01.02 | | | |
|--|-------|--|--|
| Background information | | | |
| EUR '000 | | Background information | |
| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
| | | C0020 | C0030 |
| Medical expense insurance and proportional reinsurance | R0020 | - | 7,055 |
| Income protection insurance and proportional reinsurance | R0030 | 0 | - |
| Workers' compensation insurance and proportional reinsurance | R0040 | - | - |
| Motor vehicle liability insurance and proportional reinsurance | R0050 | - | - |
| Other motor insurance and proportional reinsurance | R0060 | - | - |
| Marine, aviation and transport insurance and proportional reinsurance | R0070 | 11,157 | 6,390 |
| Fire and other damage to property insurance and proportional reinsurance | R0080 | 18,017 | 3,599 |
| General liability insurance and proportional reinsurance | R0090 | 2,052 | 10 |
| Credit and suretyship insurance and proportional reinsurance | R0100 | 3,487 | - |
| Legal expenses insurance and proportional reinsurance | R0110 | - | - |
| Assistance and proportional reinsurance | R0120 | - | - |
| Miscellaneous financial loss insurance and proportional reinsurance | R0130 | 0 | - |
| Non-proportional health reinsurance | R0140 | - | - |
| Non-proportional casualty reinsurance | R0150 | 600 | 7 |
| Non-proportional marine, aviation and transport reinsurance | R0160 | 1,499 | 1,708 |
| Non-proportional property reinsurance | R0170 | 3,385 | 982 |

| S.28.01.01.03 | | |
|--|-------|---------------|
| Linear formula component for life insurance and reinsurance obligations | | |
| EUR '000 | | Result |
| | | C0040 |
| MCRL Result | R0200 | 1,382 |

| S.28.01.01.04 | | | |
|---|-------|--|---|
| Total capital at risk for all life (re)insurance obligations | | | |
| EUR '000 | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk |
| | | C0050 | C0060 |
| Obligations with profit participation - guaranteed benefits | R0210 | - | |
| Obligations with profit participation - future discretionary benefits | R0220 | - | |
| Index-linked and unit-linked insurance obligations | R0230 | - | |
| Other life (re)insurance and health (re)insurance obligations | R0240 | 1,861 | |
| Total capital at risk for all life (re)insurance obligations | R0250 | | 1,919,147 |

| S.28.01.01.05 | | |
|------------------------------------|-------|--------------|
| Overall MCR calculation | | |
| EUR '000 | | Value |
| | | C0070 |
| Linear MCR | R0300 | 8,000 |
| SCR | R0310 | 26,232 |
| MCR cap | R0320 | 11,804 |
| MCR floor | R0330 | 6,558 |
| Combined MCR | R0340 | 8,000 |
| Absolute floor of the MCR | R0350 | 3,900 |
| Minimum Capital Requirement | R0400 | 8,000 |