AmTrust International Limited

Solvency and Financial Condition Report

For the year ended 31 December 2024

AmTrust International

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AmTrust International

Summary (unaudited)

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Company overview

AmTrust International Limited (AIL and including its subsidiaries, the AIL Group) is the UK holding company for the UK-based insurance companies and related insurance intermediaries of AmTrust Financial Services Inc. (AFSI and including its subsidiaries, the AmTrust Group). AIL is classified as an insurance holding company under Solvency UK. Its main business is to acquire and hold participations in subsidiary undertakings that are exclusively or mainly insurance undertakings; AIL does not write any insurance business itself. AIL's regulated insurance companies are all registered in the UK, which means they must comply with the Solvency UK regulatory regime on a solo basis.

Since 29 November 2018, AFSI has been a privately held company. The AmTrust Group is a multinational property and casualty insurer specialising in coverage for small businesses.

This report is a Solvency UK requirement, which is designed to give AIL's external stakeholders an insight into the solvency and financial condition of the AIL Group. This SFCR report covers the year ended 31 December 2024.

Business model

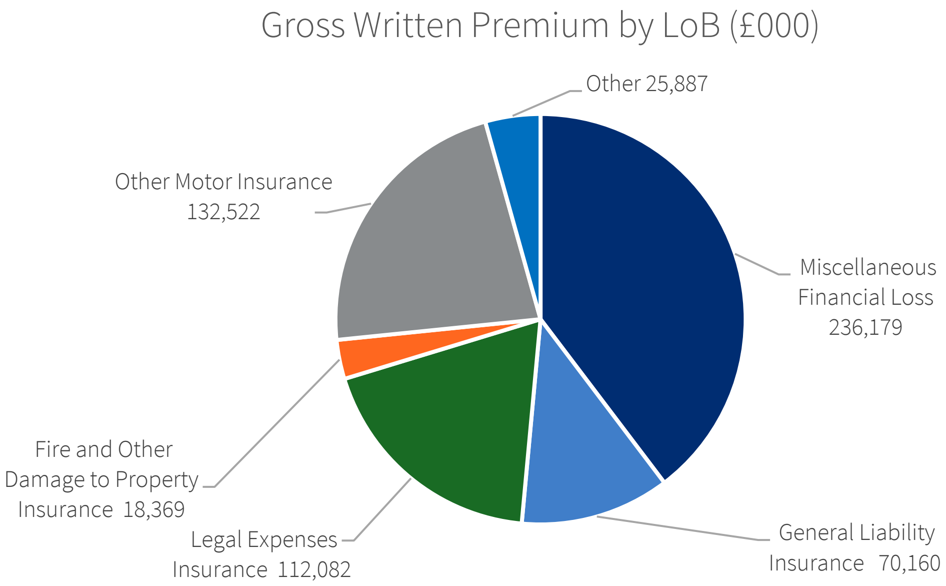
The AIL Group is headquartered in the UK and includes the following principal insurance subsidiaries:

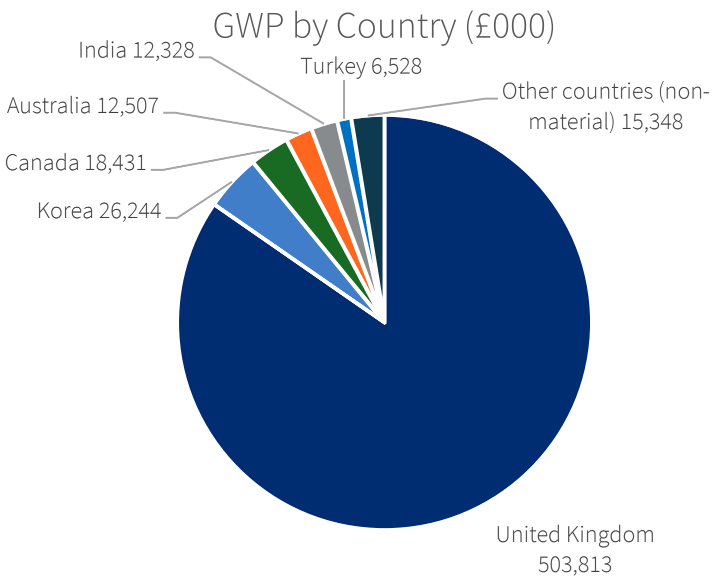
- AmTrust Specialty Limited (name changed from AmTrust Europe Limited (AEL) on 1 February 2025) (ASL); and
- Motors Insurance Company Limited ('MICL').

AIL also owns several intermediaries in the UK, Europe, Asia and the Americas, as well as the remainder of the AmTrust Group's Lloyd's platform which includes two Corporate Capital Vehicles (CCVs). One of these CCVs is inactive and the other is in run-off. Under Solvency UK, the Lloyd's CCVs are not deemed insurance companies and are therefore not consolidated within the AIL Group as with the regulated insurance entities. Instead, these entities are brought into the AIL Group under the adjusted equity method along with the intermediaries. This means that the underlying results and risk exposures of the Lloyd's businesses and the intermediaries are brought in through a single line item called "Holdings in related undertakings, including participations", rather than on a line-by-line fully consolidated basis. This is further explained in Section D.

The AIL Group underwrites business in the UK, Europe, Asia, the Middle East and the Americas primarily within the following classes of business:

- *Miscellaneous financial loss*
  - Warranty
  - Mechanical breakdown
  - Guaranteed asset protection
- *Legal expenses*
- *General liability*
  - Professional indemnity
  - Structural defects (in run-off)
- *Fire and other damage to property*
  - Property
- *Other motor insurance*
  - Alloy Wheel Repair insurance
  - Cosmetic Repair Insurance
  - Tyre Insurance
- *Other/remaining lines of business*
  - Medical expense (in run-off)
  - Credit and suretyship
  - Assistance
  - Non-proportional property reinsurance





Material changes to AIL's business model

During the year, the AIL Group has continued to focus on growing its core key product lines, whilst minimising the impact of the run-off block of business.

The split of our portfolio into Active lines and Run-Off has proved successful – we have continued to manage the business in two distinct strategies (growth and exited portfolios).

The strategy intends to offer continuity and stability on the same focus and priorities the AIL Group has had over the last few years. The AIL Group is not proposing any sharp deviation from the strategies of prior years – the focus will remain on the same core lines of business. Our intention has been to build a solid platform from which to maintain our momentum for profitable, sustainable growth.

To further improve the AIL Group's operating efficiency and strengthen its financial condition and stability of its capital, the AIL Group has completed the following initiatives in 2024:

- Continued implementation of new Policy Administration and Bordeaux Management systems to improve operational efficiency and pricing capabilities – The AIL Group is in the final stages of designing, building and transitioning to new:

    - Insurance Policy Administration and Bordeaux Management systems for its Specialty Insurance Business Unit of which ASL is a member; and
    - Bordeaux Management system for some of its intermediary companies.

  The new systems will replace ageing systems that are nearing the end of their useful life and intended to provide better data management, accuracy and transparency.

- Progressed group restructuring to deliver a more capital and operationally efficient structure – During 2024, the AIL Group continued to take steps to simplify its legal entity structure. As a result, the following direct and indirect subsidiaries of AIL, some of which are dormant in nature or are subsidiary holding companies, have been sold or dissolved in the year:

    - AmTrust Syndicates Limited;
    - AB Group (Southend) Limited;
    - ARC Legal Assistance Ireland Limited;
    - AmTrust Corporate Capital Limited;
    - Amtrust Peru Gestion De Reisgos SAC;
    - AmTrust Gestion Bolivia S.R.L;
    - AmTrust Gestion Paraguay S.A.;
    - Wedo Group Limited;
    - AmTrust Claims Management S.R.L.;
    - Gadget Repair Solutions Limited;
    - Qualis Management Holdings Limited; and
    - Camino Alto Insurance Services, LLC.

- Renewal of Key Reinsurance Programmes for improved capital stability and optimised Solvency Ratio Coverage – During 2024, the AIL Group's insurance entities renewed key reinsurance contracts. These included:

    - Both ASL and MICL renewed their 50% whole-account quota share treaties with Swiss Re, an "AA-" rated global reinsurer. Under the arrangements, 50% of all written premiums (net of other reinsurances and similar deductions) and claims are ceded to Swiss Re. The renewal was completed on materially the same terms as expiring;
    - ASL extended its loss portfolio transfer treaty with an "A-" rated affiliate company in Bermuda, AmTrust International Insurance Limited (AIIL), to cover business underwritten in 2021. Following the extension, this arrangement covers:

        - All policies, regardless of underwriting year, designated as "Run-Off" block (i.e. Structural defects, Liability, Title, A&H and certain Legal Expenses programmes); and
        - All other business with an underwriting year designated as being 2021 or prior.

      ASL manages its counterparty exposure risk to AIIL under this treaty through an arrangement where funds are withheld for the full reinsurance exposure;
    - ASL also continued to leverage reinsurance arrangements to manage net exposure to large or Cat losses; and

- MICL has purchased additional reinsurance for its Guaranteed Asset Protection (GAP) portfolio of business with an "A+" rated reinsurer, and this contract was renewed in July 2024.

Whilst ASL and MICL's capital position remain strong, the AIL Group has made the strategic decision to implement reinsurance tools as a means to prudently manage risk exposure and provide additional capital to support future growth.

Business performance

Underwriting Performance – by material insurance entities in the AIL Group

ASL

ASL made a technical profit in 2024 of £6.1m (2023: profit of £9.9m) which is primarily driven by growth in core business lines and a benign loss environment. Gains were reported in General Liability (2024: £7.6m) and Legal Expenses (2024: £6.0m), with losses were reported in Miscellaneous Financial Loss (2024: £3.4m), and Fire and Other Damage to Property (2024: £2.3m).

MICL

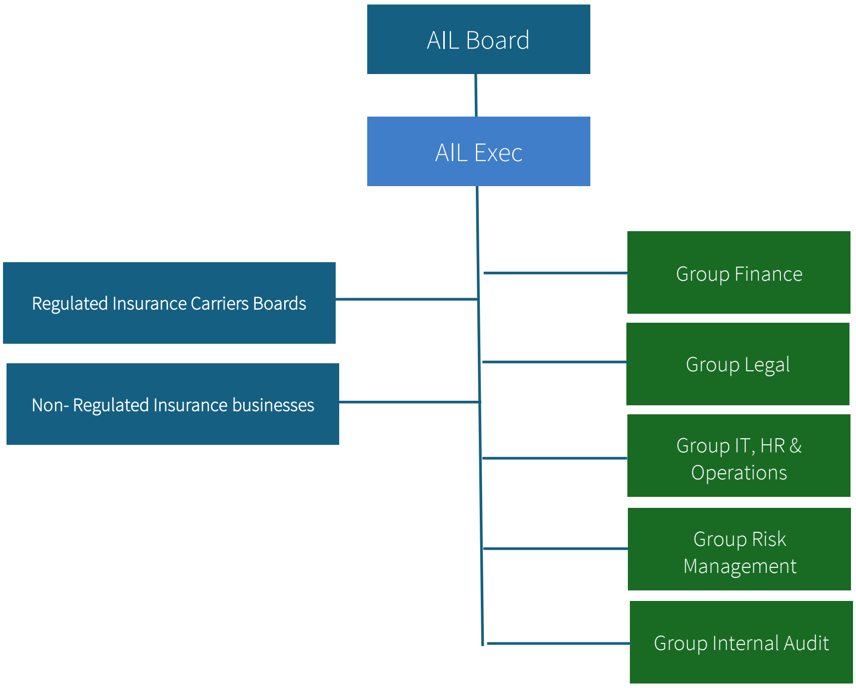
MICL made a technical profit in 2024 of £1.6m (2023: £6.3m). The technical result was down on 2023 due to sectoral inflation being higher than anticipated during the year exacerbated by some parts supply issues, the market-wide cessation of GAP from February 2024 and the combined effect of an ageing vehicle parc with newer vehicles with hybrid and electric powertrains resulting in increased claims costs.

Systems of Governance

AIL operates a decentralised Group Governance model where the primary accountability and day-to-day decision-making is carried out at a local subsidiary level. AIL's regulated insurance entities are all compliant with Solvency UK on a solo basis, and are managed by standalone local boards, which are composed of executive directors, group non-executive directors and independent non-executive directors. They also have formal sub-committee structures that report into the board of directors. Members of the AIL Executive Committee hold non-executive roles on the regulated insurance platforms to provide support from a Group strategic oversight perspective. All significant subsidiaries within the AIL Group follow a 'three lines of defence' model from a local corporate governance point of view.

Responsibility for underwriting, day-to-day control and decision-making is maintained at a local entity level by independent boards, but the annual Business Plans for 2024 received strategic input and oversight from AIL.

The following diagram shows the high-level group governance structure that AIL operates:



AIL's primary purpose is to provide alignment and economic efficiencies at a group level by identifying shared services that can be performed centrally for its primary insurance businesses and ensuring that entities operate to consistent group wide standards for risk management. It does this primarily through an Executive Committee. Underwriting control and decision-making is maintained at a local entity level, but the annual Business Plans receive strategic input and oversight from AIL and also AFSI.

Risk Profile

The AIL Group calculates its required capital from a regulatory (Solvency UK) Standard Formula capital perspective by reference to certain risk categories that it is exposed to within the AIL Group. AIL is exposed to the following primary risks through its regulated insurance companies:

- Underwriting risk;
- Market risk; and
- Credit risk.

In the AIL Group, ASL has built a stochastic model which is used to evaluate its insurance risk. Currently, ASL's capital is assessed as part of the ORSA process and is based on regulatory capital requirements.

Each AIL subsidiary carries out key risk management activities which are proportionate to the size and risk exposure of the business. For each risk category, the principal entities of the AIL Group have articulated how much risk they are willing and able to accept based on their strategic profile and capital position. The entities have put in place systems and controls to manage their risk profile within their risk appetite statements. Key Risk Indicators (KRIs) are used to monitor exposure to the various risks to which the entities are exposed and are reported to the Executive Committee and Risk & Compliance Committee of the respective entity.

Underwriting Risk

AIL's largest risk exposure is in respect of underwriting risk (premium risk and reserve risk) in its insurance carrying subsidiaries. Premium risk is the risk that premiums are insufficient to cover the value of claims made; and reserve risk is the risk that on-going claims are settled at a higher value than previously expected. The majority of the AIL Group's material underwriting risk exposure comes from the Miscellaneous Financial Loss class of business underwritten by ASL and MICL, which represented the largest line of business during 2024 both in terms of premiums and claims.

Market Risk

Market risk is the risk of loss of income or decrease in the value of assets caused by movements in the level and prices of financial instruments. Market risk includes factors such as equity values, property values, interest rates and foreign exchange risk.

AIL's material exposure to market risk is within the investment and foreign currency balances held within its insurance subsidiaries, and in the equity risk on its strategic investments in subsidiaries.

Credit Risk

Credit risk is the potential loss arising principally from adverse changes in the financial condition of intermediaries who sell the Company's policies, the issuers of fixed maturity securities and the financial condition of its reinsurers.

The AIL Group is subject to material risk exposures with respect to its reinsurers, banks and bond counterparties that are counterparties to its insurance subsidiaries. The AIL Group's largest bank exposures are to Lloyds Bank and JP Morgan.

Through ASL, the largest reinsurance counterparty exposures that the AIL Group is exposed to relate to balances with AIIL, an "A-" rated AmTrust Group reinsurer, and Swiss Re, an "AA-" rated global reinsurer. ASL's exposure to the historic AIIL quota share is fully collateralised and the new reinsurance arrangement with AIIL is on a funds withheld and / or a collateral basis. The quota share agreements with Swiss Re are primarily on a reserves withheld basis, reducing the net exposure. The credit quality of reinsurers is monitored when placing new and renewal reinsurance, as well as on an ongoing, current basis.

The AIL Group is exposed to general economic, business and industry conditions. Adverse general economic conditions may cause, among other things, significant reductions in available capital and liquidity from banks and other credit providers.

Other risks

The AIL Group is also exposed to the following other risks:

- Liquidity risk;
- Operational risk; and
- Legal & regulatory risk.

Tariffs announced by the USA post year-end are likely to have an inflationary impact on global supply chains, raising the price of goods across industries. Industries with no direct tariffs will likely be impacted by the increased price of key production components. The US tariffs are also likely to shift geopolitical relations, further influencing global supply chains.

Further information on AIL's risk profile is included in Section C below.

Valuation for solvency purposes

Under Solvency UK valuation principles, items in the AIL Group's balance sheet are valued at the amount at which the assets and liabilities could be exchanged between knowledgeable willing parties in an arm's length transaction. This differs from the valuation under UK Generally Accepted Accounting Principles (UK GAAP).

As at 31 December 2024, the AIL Group's assets less liabilities were valued at £378.8m under Solvency UK, compared with £347.5m under UK GAAP. The causes of the difference are explained in detail in Section D.

The approach to consolidating entities within the AIL Group's balance sheet also differs between UK GAAP and the PRA Rulebook. As per the PRA Rulebook, the following approach is taken to consolidate entities in the Solvency UK group balance sheet:

- Insurance undertakings are fully consolidated on a line-by-line basis based on their Solvency UK balance sheets reported within their individual regulated entity Solvency UK returns;
- Insurance holding companies are fully consolidated on a line-by-line basis based on their Solvency UK balance sheets, which have been prepared using their UK GAAP balance sheets as a starting point and then adjusting for Solvency UK Valuation principles;
- Ancillary service undertakings are fully consolidated on a line-by-line basis based on their Solvency UK balance sheets, which have been prepared using their UK GAAP balance sheets as a starting point and then adjusting for Solvency UK Valuation principles;

- All other entities are included as investments in participations valued in accordance with the PRA Rulebook, which is further described in Section D.1.4.1 below. Note that holding companies owning entities that participate within the Society of Lloyd's are not considered to be insurance holding companies as the Syndicates and their respective Corporate Capital Vehicles are not considered insurance companies. This point was clarified in EIOPA Q&A 549 on the Guidelines on group solvency; and
- Intra-group balances are eliminated between those entities which are fully consolidated on a line-by-line basis.

Capital Management

AIL uses the Standard Formula to calculate its Solvency Capital Requirement (SCR) and its Minimum Consolidated Group SCR. The AIL Group does not use any Undertaking Specific Parameters (USPs), nor does it use simplified calculations for any of the risk modules.

Solvency Capital Requirement

Capital Requirements	31 Dec 2024 £000	31 Dec 2023 £000
Overall SCR	208,447	193,639
Own funds eligible for SCR coverage	378,840	401,206
SCR coverage	182%	207%
Minimum Consolidated Group SCR	49,811	42,771
Own funds eligible for Minimum Consolidated Group SCR coverage	378,840	401,206
Minimum Consolidated Group SCR coverage	761%	938%

AIL's SCR split by risk module as of 31 December 2024 is shown in the table below.

Solvency Capital Requirement	31 Dec 2024 £000	31 Dec 2023 £000
Health NSLT underwriting risk	0	0
Non-Life underwriting risk	141,434	122,524
Market risk	48,602	47,613
Counterparty default risk	37,841	40,257
Undiversified Basic SCR	**227,877**	**210,394**
Diversification credit	(44,830)	(43,938)
Basic SCR	**183,047**	**166,456**
Operational risk	20,643	21,929
Loss absorbing capacity of deferred taxes	(15,094)	(13,336)
SCR Diversified	**188,596**	**175,049**
Capital requirement for residual undertakings	19,851	18,590
Overall SCR	208,447	193,639

AIL's solvency coverage has decreased during the year from 207% to 182%. Own Funds have decreased by £22.4m over the year while the SCR has increased by £14.8m. The reduction in Own Funds is a function of a reduction in Equity per the UK

GAAP financial statements of £158.4m offset by an increase in the gain on conversion of the balance sheet from UK GAAP to Solvency UK principles of £136.0m. The increase in SCR is mainly due to higher Non-Life Underwriting Risk because of the impact of increased retentions on the Property book and increased budgeted volumes in ASL. The movements in Own Funds are further highlighted in section E.1.1., while the SCR movements are explained further in Section E.2.2.

Directors’ Statement of Responsibilities in respect of the AIL Group Solvency and Financial Condition Report

The Board acknowledge their responsibility for preparing the AIL Group Solvency and Financial Condition Report in all material respects in accordance with the PRA rules.

The Directors are satisfied that:

- Throughout the financial year in question, the AIL Group has complied in all material respects with the requirements of the PRA Rules and the Solvency UK Regulations as applicable at the level of the AIL Group; and
- It is reasonable to believe that the AIL Group has continued to comply with the PRA rules and will continue so to comply in the future.

Signed on behalf of the Board of Directors

J Cadle (Director)

27 May 2025

Report of the independent external auditor to the Directors of Amtrust International Limited ('the Company') pursuant to Rule 4.1(2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms

Report on the Audit of the relevant elements of the Group Solvency and Financial Condition Report

Opinion

Except as stated below, we have audited the following documents prepared by Amtrust International Limited ('the Company') as at 31 December 2024:

- The 'Valuation for Solvency Purposes' and 'Capital Management' sections of the Group Solvency and Financial Condition Report of the Company as at 31 December 2024, (**'the Narrative Disclosures subject to audit'**); and
- Group templates IR.02.01.02, IR.23.01.04, IR.25.04.22, IR.32.01.22 (**'the Templates subject to audit'**).

The Narrative Disclosures subject to audit and the Templates subject to audit are collectively referred to as the **'relevant elements of the Group Solvency and Financial Condition Report'**.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- The 'Summary', 'Business and performance', 'System of Governance' and 'Risk Profile' sections of the Group Solvency and Financial Condition Report;
- Group templates IR.05.02.01 and IR.05.04.02;
- The written acknowledgement by management of their responsibilities, including for the preparation of the Group Solvency and Financial Condition Report (**'the Responsibility Statement'**).

To the extent the information subject to audit in the relevant elements of the Group Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group Solvency and Financial Condition Report of Amtrust International Limited as at 31 December 2024 is prepared, in all material respects, in accordance with the financial reporting provisions of the Prudential Regulation Authority ('PRA') Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including ISA (UK) 800 *(Revised) Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks'* and ISA (UK) 805 *(Revised) Special Considerations - Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement'*, and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the relevant elements of the Group Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the relevant elements of the Group Solvency and Financial Condition Report, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Group Solvency and Financial Condition Report is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Performing enquiries of management to identify risks or events that may impact the Group's ability to continue as a going concern. We also read minutes of meetings of the Board and its committees to assess whether any events or conditions are present that may cast significant doubts on the Group's ability to continue as a going concern;

- Confirming our understanding of management's going concern assessment process and obtaining management's assessment which covers the period up to 12 months from when the Group Solvency and Financial Condition Report is authorised for issue;

- Considering the solvency and liquidity position of the Group under different stress testing scenarios. We obtained and read the Group's agreement with Amtrust Financial Services Inc. relating to the maintenance of solvency capital;

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of 12 months from when the relevant elements of the Group Solvency and Financial Condition Report are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Emphasis of matter – basis of accounting and restriction on use

We draw attention to the 'Valuation for Solvency Purposes', 'Capital Management' sections of the Group Solvency and Financial Condition Report, which describe the basis of accounting. The Group Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules, and therefore in accordance with a special purpose financial reporting framework. The Group Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose.

This report is made solely to the Directors of the Company Group in accordance with Rule 2.1 of the External Audit Part of the PRA Rulebook for Solvency II firms. Our work has been undertaken so that we might report to the Directors those matters that we have agreed to state to them in this report and for no other purpose.

Our opinion is not modified in respect of these matters.

Other information

The Directors are responsible for the Other Information contained within the Group Solvency and Financial Condition Report.

Our opinion on the relevant elements of the Group Solvency and Financial Condition Report does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Group Solvency and Financial Condition Report, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the relevant elements of the Group Solvency and Financial Condition Report themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA Rules.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Group Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

In preparing the Group Solvency and Financial Condition Report, the Directors are responsible for assessing the Company's ability to continue in operation, disclosing as applicable, matters related to its ability to continue in operation and using the going concern basis of accounting unless the Directors either intend to cease to operate the Company, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Group Solvency and Financial Condition Report are prepared, in all material respects, with the financial reporting provisions of the PRA Rules.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the relevant elements of the Group Solvency and Financial Condition Report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are the relevant elements of company law and tax legislation, and the financial reporting framework. Our consideration of other laws and regulations that may have a material effect on the Group Solvency and Financial Condition Report included permissions and supervisory requirements of the regulators of the Company which include the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).
- We understood how the Company is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters. We also reviewed correspondence

between the Company and insurance regulatory bodies, reviewed minutes of the Board and Risk committees; and gained an understanding of the Company's governance.

- We assessed the susceptibility of the Group's Solvency and Financial Condition Report to material misstatement, including how fraud might occur by considering the controls that the Group has established to address risks identified by the entity, or that otherwise seek to prevent, deter or detect fraud.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making inquiries of those charged with governance, internal audit, and senior management for their awareness of any non-compliance of laws or regulations.
- The Group operates in the insurance industry, which is a highly regulated environment. As such, we considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities.This description forms part of our auditor's Report on the Group Solvency and Financial Condition Report.

Other information

In accordance with Rule 4.1(3) of the External Audit Part of the PRA Rulebook for Solvency II firms we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of Company's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Signed by:
Ernst & Young LLP
B5A84ED2BD2D4CF...

Ernst & Young LLP

London

27 May 2025

Business and Performance

Section A

A. Business and Performance (unaudited)

A.1 Business

A.1.1 Name and legal form of undertaking

AIL is a company limited by shares, recognised as an insurance holding company in accordance with Solvency UK. Its main business is to acquire and hold participations in subsidiary undertakings that are exclusively or mainly insurance undertakings. AIL does not, in itself, write any insurance business.

AIL is headquartered in the UK and includes the following principal insurance subsidiaries:

- AmTrust Specialty Limited (name changed from AmTrust Europe Limited (AEL) on 1 February 2025) (ASL); and
- Motors Insurance Company Limited (MICL).

AIL also owns a number of intermediaries in the UK, Europe, Asia and the Americas, as well as the remainder of the AmTrust Group's Lloyd's platform which includes two Corporate Capital Vehicles (CCVs). One of these CCVs is inactive and the other is in run-off. Under Solvency UK, the Lloyd's CCVs are not deemed insurance companies and are therefore not consolidated within the AIL Group as with the regulated insurance entities. Instead, these entities are brought into the AIL Group under the adjusted equity method along with the intermediaries. This means that the underlying results and risk exposures of the Lloyd's businesses and the intermediaries are brought in through a single line item called "Holdings in related undertakings, including participations", rather than on a line-by-line fully consolidated basis. This is further explained in Section D.

AIL's registered address is as follows:

AmTrust International Limited
Exchequer Court,
33 St. Mary Axe,
London,
EC3A 8AA
Incorporated in England and Wales
Registration Number: 01683840

A.1.2 Supervisory authority

AIL is subject to the Group Supervision requirements of Solvency UK. Insurance entities within the AIL Group are regulated by the Prudential Regulation Authority (PRA).

The PRA's registered address is as follows:

Prudential Regulation Authority,
20 Moorgate, London
EC2R 6DA
Tel 020 7061 4444

Insurance entities within the AIL Group are also regulated by the Financial Conduct Authority (FCA).

The FCA's registered address is as follow:

Financial Conduct Authority,
12 Endeavour Square,
London,
E20 1 JN

A.1.3 External auditor

Ernst & Young LLP is the appointed statutory auditor of AIL, whose UK office is located at:

Ernst & Young LLP,
1 More London Place,
London,
SE1 2AF

A.1.4 Shareholders of qualifying holdings in the undertaking

AIL is a wholly owned subsidiary of AmTrust Equity Solutions Limited (AES).

AES is domiciled in Bermuda and is the holding company for most of the AmTrust Group's International operations.

AES's registered address is as follows:

AmTrust Equity Solutions Limited
7 Reid Street
Suite 400
Hamilton
HM 11
Bermuda

AIL's ultimate parent is Evergreen Parent GP, LLC (Evergreen), a Delaware registered US limited liability company as general partner of Evergreen Parent LP, a Delaware registered US limited partnership (together 'Evergreen').

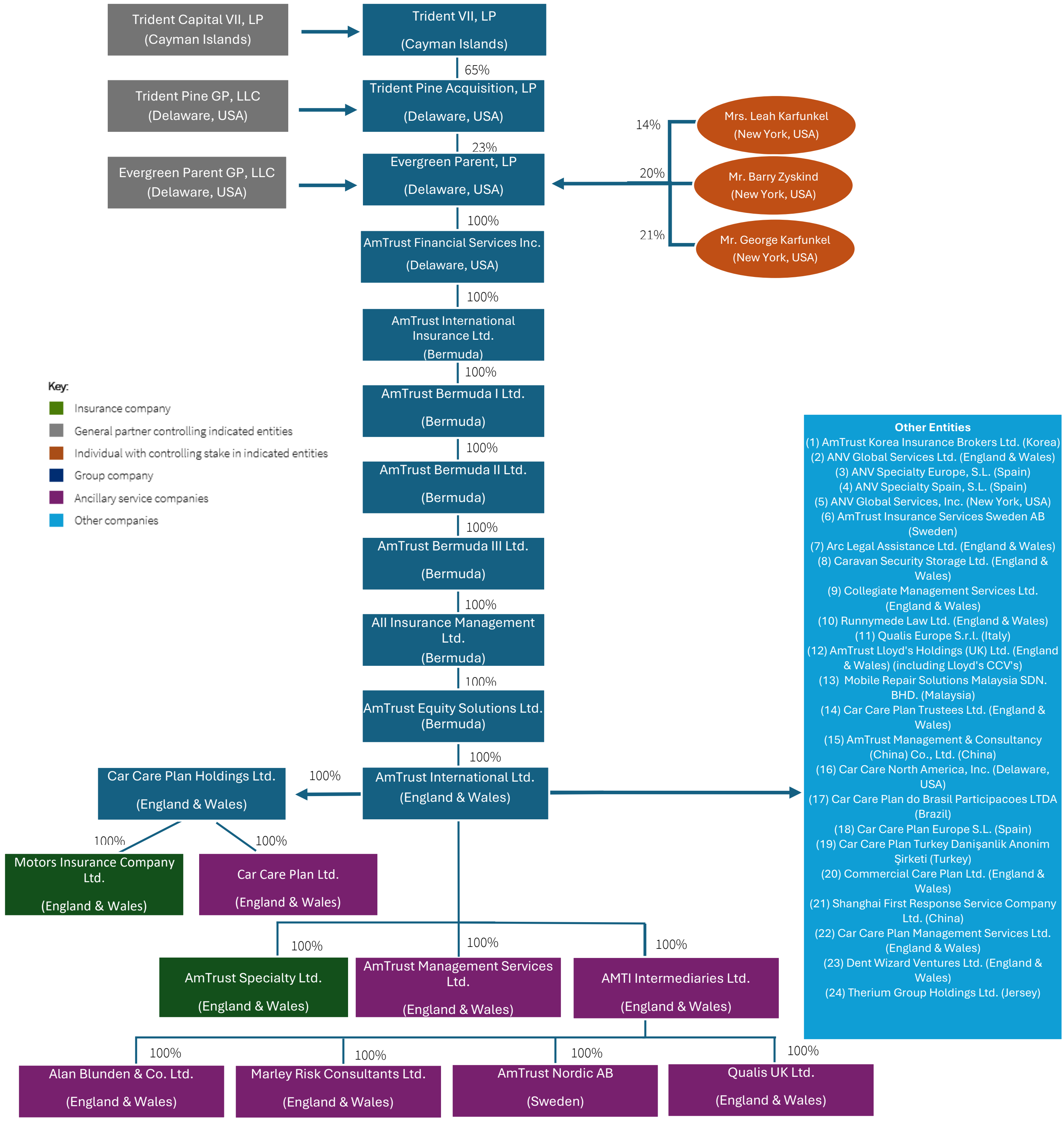
Evergreen's registered address is as follows:

Corporation Trust Center
1209 Orange Street,
Wilmington, DE, 19801

The name and location of each controller in the firm and proportion of ownership interest held is set out in the following structure chart.

As a member of the AmTrust Group, AIL benefits from financial, operational and management support. The AmTrust Group is a multinational property and casualty insurance group specialising in small to medium sized businesses. With extensive underwriting experience and a prestigious 'A-' (Excellent) Financial Size 'XV' rating from A.M. Best for most of its insurance companies. Commitment to excellence is a common thread connecting each of the AmTrust Group companies. The AmTrust Group's business model focuses on achieving targeted returns and profitable growth with the careful management of risk. The AmTrust Group pursues these goals through geographic and product diversification, as well as, an in-depth understanding of its insured exposure. The product mix primarily includes workers' compensation, extended warranty and other commercial property/casualty insurance products, including title insurance. Workers' compensation and property/casualty insurance policyholders in the United States are generally small and middle market businesses. Extended warranty customers are manufacturers, distributors and retailers of commercial and consumer products. The AmTrust Group has also built a strong and growing distribution of extended warranty and specialty risk products, including liability and other property/casualty products, in Europe.

The diagram below shows the position of AIL within the AmTrust Group, and the entities within the scope of AIL Group Supervision by the PRA. All entities indicated as insurance undertakings, insurance holding companies and ancillary service companies are fully consolidated line-by-line in the AIL Group's balance sheet. All "Other" entities are brought in via the Adjusted Equity Method as specified in the PRA Rulebook.



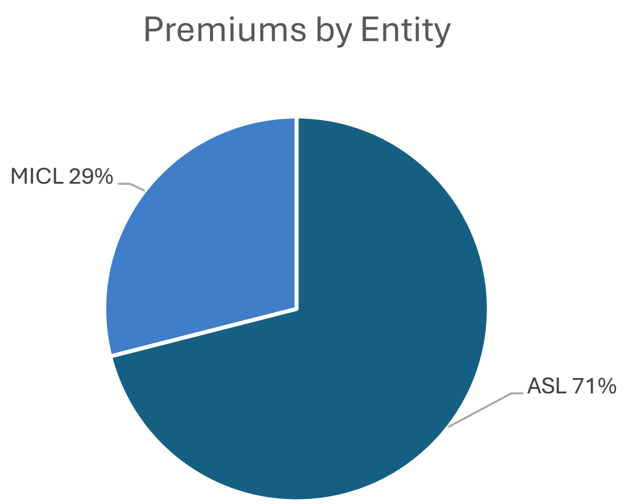
A.1.5 Material lines of business and material geographical areas

As shown in the legal entity structure chart above, the AIL Group operates in a variety of geographic locations and across multiple insurance product lines. Each of the main insurance carrying subsidiaries and their key lines of business are briefly discussed below:

1. AmTrust Specialty Limited (ASL) – UK registered insurance company writing general insurance business in the UK and other non-European countries. The material lines of business are General Liability Insurance, Miscellaneous Financial Loss, Legal Expenses, Fire & Other Damage to Property and Credit & Suretyship.
2. Motors Insurance Company Limited (MICL) - UK registered insurance company writing Miscellaneous Financial Loss (motor breakdown insurance) and other ancillary motor lines of business across the UK, Europe, China and the Americas. MICL's primary underwriting focus is in the motor add-on insurance market, offering a number of distinct products within this segment.

The split of earned premiums for each of the insurance businesses within the AIL Group is shown in the chart below.

Earned Premiums



As the above shows, ASL remains the largest insurance subsidiary by premium volume in the AIL Group and largely drives the insurance related risk exposures in the AIL Group.

Although the AIL Group also owns Lloyd's CCVs, these entities are brought into the AIL Group under the adjusted equity method. This means that the underlying results and risk exposures of the Lloyd's businesses are brought in through a single line item called "Holdings in related undertakings, including participations", rather than on a line-by-line fully consolidated basis.

A.1.6 Events that have had a material impact on the AIL Group

The following significant events impacted the AIL Group during the year, or are expected to impact the AIL Group in the future:

- Continued implementation of new Policy Administration and Bordeaux Management systems to improve operational efficiency and pricing capabilities – The AIL Group is in the final stages of designing, building and transitioning to new:

  - Insurance Policy Administration and Bordeaux Management systems for its Specialty Insurance Business Unit of which ASL is a member; and
  - Bordeaux Management system for some of its intermediary companies.

  The new systems will replace ageing systems that are nearing the end of their useful life and intended to provide better data management, accuracy and transparency.

- Progressed group restructuring to deliver a more capital and operationally efficient structure – During 2024, the AIL Group continued to take steps to simplify its legal entity structure. As a result, the following direct and indirect subsidiaries of AIL, some of which are dormant in nature or are subsidiary holding companies, have been sold or dissolved in the year:
    - AmTrust Syndicates Limited;
    - AB Group (Southend) Limited;
    - ARC Legal Assistance Ireland Limited;
    - AmTrust Corporate Capital Limited;
    - Amtrust Peru Gestion De Reisgos SAC;
    - AmTrust Gestion Bolivia S.R.L;
    - AmTrust Gestion Paraguay S.A.;
    - Wedo Group Limited;
    - AmTrust Claims Management S.R.L.;
    - Gadget Repair Solutions Limited;
    - Qualis Management Holdings Limited; and
    - Camino Alto Insurance Services, LLC.
- Renewal of Key Reinsurance Programmes for improved capital stability and optimised Solvency Ratio Coverage – During 2024, the AIL Group's insurance entities renewed key reinsurance contracts. These included:
    - Both ASL and MICL renewed their 50% whole-account quota share treaties with Swiss Re, an "AA-" rated global reinsurer. Under the arrangements, 50% of all written premiums (net of other reinsurances and similar deductions) and claims are ceded to Swiss Re. The renewal was completed on materially the same terms as expiring;
    - ASL extended its loss portfolio transfer treaty with an "A-" rated affiliate company in Bermuda, AmTrust International Insurance Limited (AIIL), to cover business underwritten in 2021. Following the extension, this arrangement covers:
        - All policies, regardless of underwriting year, designated as "Run-Off" block (i.e. Structural defects, Liability, Title, A&H and certain Legal Expenses programmes); and
        - All other business with an underwriting year designated as being 2021 or prior.

      ASL manages its counterparty exposure risk to AIIL under this treaty through an arrangement where funds are withheld for the full reinsurance exposure;
    - ASL also continued to leverage reinsurance arrangements to manage net exposure to large or Cat losses; and
    - MICL has purchased additional reinsurance for its Guaranteed Asset Protection (GAP) portfolio of business with an "A+" rated reinsurer, and this contract was renewed in July 2024.

  Whilst ASL and MICL's capital position remain strong, the AIL Group has made the strategic decision to implement reinsurance tools as a means to prudently manage risk exposure and provide additional capital to support future growth.

A.2 Underwriting Performance

A.2.1 Overview

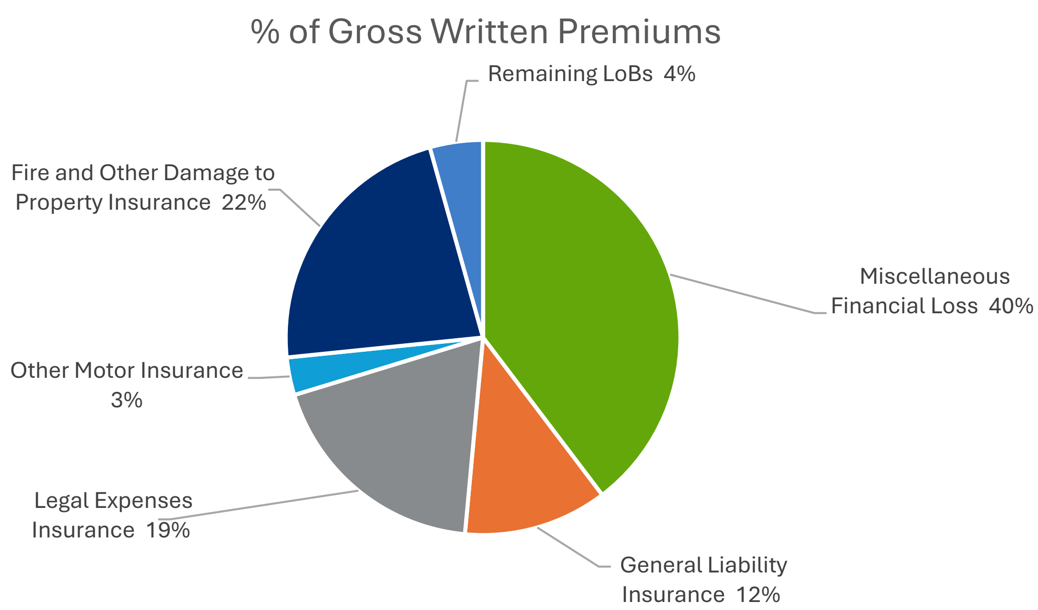
All insurance entities within the AIL Group seek to adopt strong risk appetites and underwriting disciplines in the lines of business that they participate in and employ experienced and professional underwriters that have a good track record of underwriting profitably throughout the insurance cycle.

In the section below, performance of the two active insurance companies is briefly discussed by key technical account drivers; material entity; lines of businesses; and material geographic locations.

A.2.2 Underwriting Performance – by Premium, Claims, and Expenses

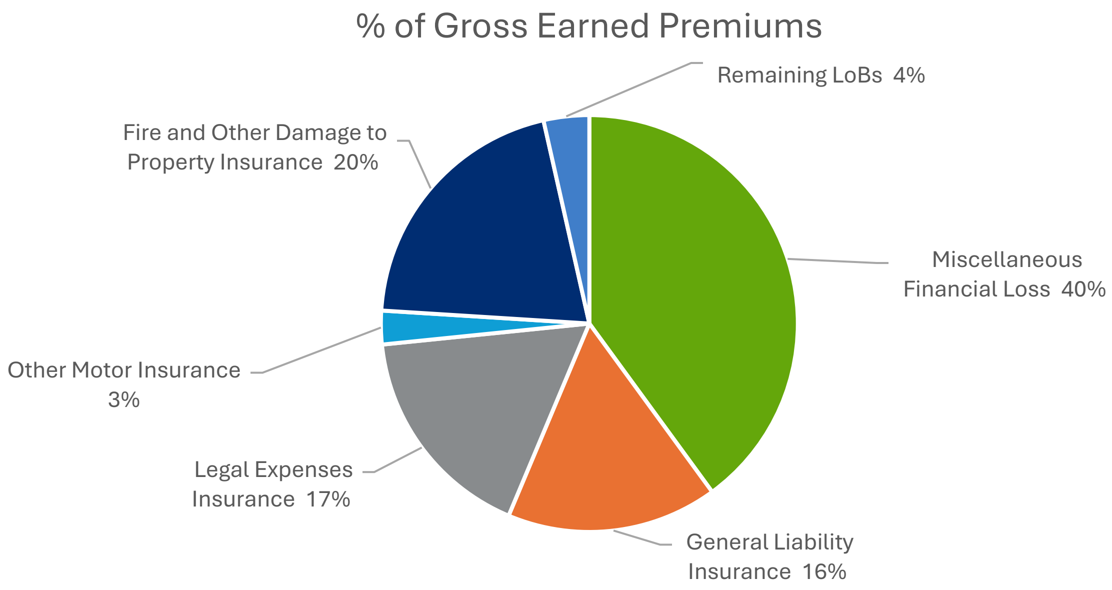
A.2.2.1 Gross Written Premiums (GWP)

The gross written premiums for the AIL Group amounted to £595.2m (2023 £514.3m) for the 12 months ended 31 December 2024. The split by line of business is given below:



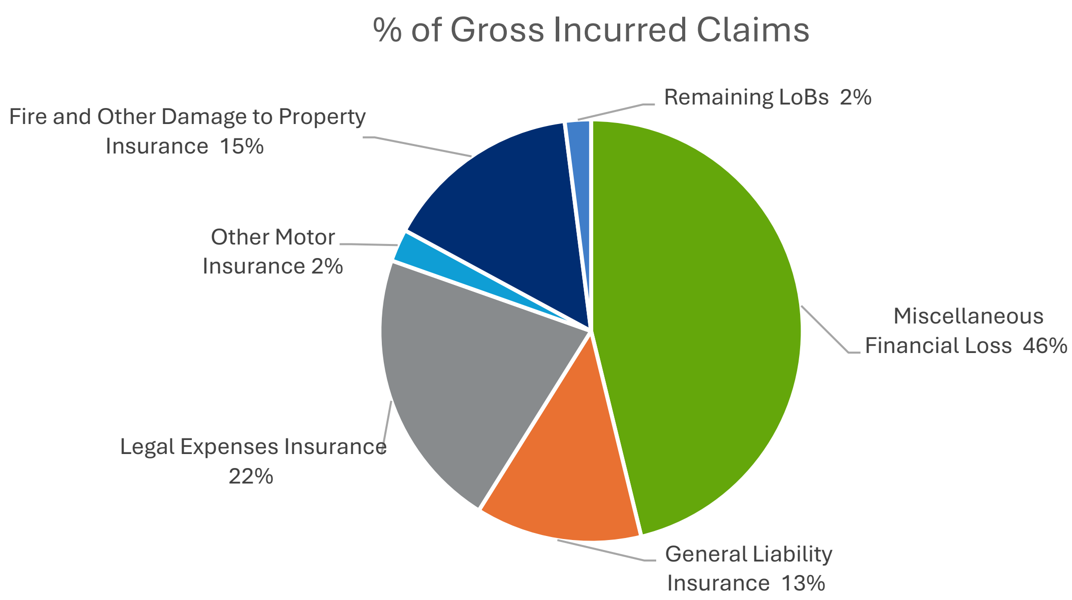
A.2.2.2 Gross Earned Premiums (GEP)

Gross earned premiums amounted to £575.2m (2023: £481.3m), which is split by line of business below:



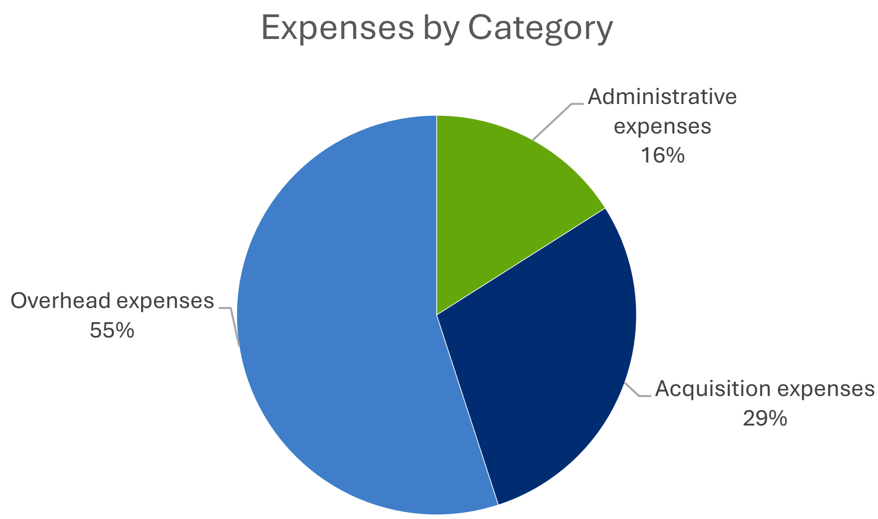
A.2.2.3 Gross Incurred Claims (GIC)

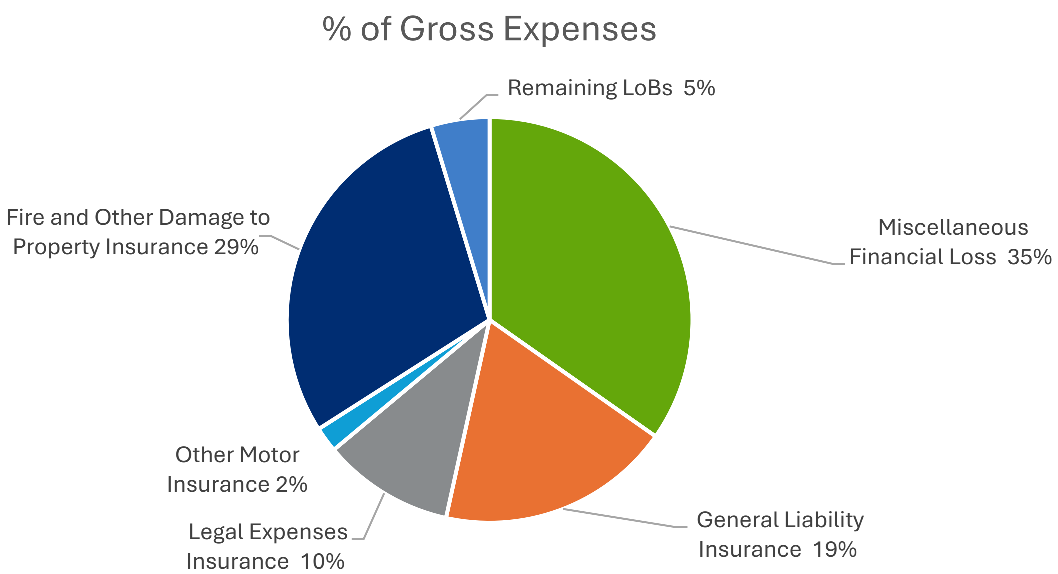
Gross incurred claims amounted to £351.0m (2023: £259.5m), which is split by line of business below:



A.2.2.4 Gross Expenses & Expenses by Category

Net technical expenses, including acquisition costs and operating expenses, for the year amounted to £92.9m (2023: £95.6m). A more detailed breakdown of expenses by line of business and by expense category is shown below:





A.2.3 Underwriting Performance – by material Entity in the AIL Group

A.2.3.1 ASL

ASL made a technical profit in 2024 of £6.1m (2023: profit of £9.9m) which is primarily driven by growth in core business lines and a benign loss environment. Gains were reported in General Liability (2024: £7.6m) and Legal Expenses (2024: £6.0m), with losses were reported in Miscellaneous Financial Loss (2024: £3.4m), and Fire and Other Damage to Property (2024: £2.3m).

Net premiums written in 2024 were up by £47.1m versus prior year, which is primarily driven by growth in Legal Expenses (2024: £16.9m), Miscellaneous Financial Loss (2024: £16.7m) and Fire and Other Damage to Property (2024: £14.1m). Net premiums earned were up by £34.8m in 2024, primarily driven by growth in Fire and Other Damage to Property (2024: £24.0m), Miscellaneous Financial Loss (2024: £13.3m) and Legal Expenses (2024: £4.0m). Both gross and net premiums earned have increased in line with the increased gross and net Written premiums.

Net claims incurred increased by £31.6m versus prior year at £95.5m in 2024 (2023: £63.9m). The increase in net claims incurred by business line is in line increase in net premiums earned.

Net operating expenses increased by £7.1m versus prior year at £72.1m in 2024 (2023: £64.9m) due an increase in net premiums earned but with an overall lower expenses ratio in the year.

A.2.3.2 MICL

MICL's Gross Written Premium (GWP) in 2024 was £163.6m (2023: £171.0m), representing a decrease of approximately 4% compared to 2023. Mechanical Breakdown Insurance (MBI) GWP grew by 7% (2023: 11% increase) in MICL's largest market (UK). MBI GWP in mainland Europe was nil in 2024 (2023: 27% increase) due to the termination of reinsurance arrangements with a fellow automotive insurer with effect from 31 December 2023 and was therefore in line with expectations. MBI GWP in other countries increased by 33% (2023: 16% decrease) which mainly related to the reinsurance of programmes from Turkey. The UK market saw the most pressure on profitability in 2024, whilst the international markets generally performed in line with expectations or better.

GAP is only underwritten in the UK and GWP shrank by 91% in 2024 (2023: 9% increase). In February 2024, following a FCA review into GAP Insurance in the UK market, multiple insurance firms, including MICL, agreed to temporarily cease the sale of GAP Insurance. Following a review of the value provided by the product and an analysis of its target market, the FCA agreed that MICL could relaunch GAP in the second half of 2024. Retailer programmes have been redeveloped and re-launched but volumes have not yet returned to previous levels. However, there is an expectation that sales volumes will increase over the short-to-medium term as the market re-adjusts.

Alloy, Cosmetic and tyre (ACT) revenue increased during 2024, with GWP growing by approximately 18% (2023: 13% increase) with customers in the UK increasingly recognising the value provided by the product.

MICL made a technical profit in 2024 of £1.6m (2023: £6.3m). The technical result was down on 2023 due to sectoral inflation being higher than anticipated during the year exacerbated by some parts supply issues, the market-wide cessation of GAP from February 2024 and the combined effect of an ageing vehicle parc with newer vehicles with hybrid and electric powertrains resulting in increased claims costs.

A.2.4 Underwriting Performance – by material line of business in the AIL Group (LoB)

Description	Miscellaneous Financial loss	General Liability insurance	Legal Expenses Insurance	Other Motor Insurance	Fire and other damage to property insurance	Remaining LoBs	Total
2024	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross premiums written	236,179	70,160	112,082	18,369	132,522	25,887	595,199
Reinsurers' share	121,629	36,831	51,624	9,607	78,947	12,381	311,019
Net premiums written	114,550	33,329	60,458	8,762	53,575	13,506	284,180
Gross premiums earned	229,899	94,116	98,127	14,993	117,745	20,336	575,216
Reinsurers' share	120,707	57,591	55,988	7,280	67,372	11,817	320,755
Net premiums earned	109,192	36,525	42,139	7,713	50,373	8,519	254,461
Gross claims incurred	162,132	44,642	75,475	8,726	53,014	7,037	351,026
Reinsurers' share	83,528	29,513	49,421	4,513	26,682	3,467	197,124
Net claims incurred	78,604	15,129	26,054	4,213	26,332	3,570	153,902
Gross expenses	66,910	36,031	20,201	3,892	56,557	9,004	192,595
Reinsurers' share	32,873	22,224	10,117	2,132	30,251	2,094	99,691
Net expenses	34,037	13,807	10,084	1,760	26,306	6,910	92,904
Net technical result	(3,449)	7,589	6,001	1,740	(2,265)	(1,961)	7,655

Description	Miscellaneous Financial loss	General Liability insurance	Legal Expenses Insurance	Other Motor Insurance	Fire and other damage to property insurance	Remaining LoBs	Total
2023	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross premiums written	209,260	82,652	106,668	15,810	81,446	18,470	514,306
Reinsurers' share	107,809	42,447	63,076	8,135	41,986	11,235	274,688
Net premiums written	101,451	40,205	43,592	7,675	39,460	7,235	239,618
Gross premiums earned	199,992	107,441	91,119	13,077	53,494	16,153	481,276
Reinsurers' share	101,948	62,390	53,060	5,667	27,141	9,737	259,943
Net premiums earned	98,044	45,051	38,059	7,410	26,353	6,416	221,333
Gross claims incurred	116,497	54,469	53,913	7,209	24,035	3,344	259,467
Reinsurers' share	64,947	32,697	35,798	3,745	11,188	1,570	149,945
Net claims incurred	51,550	21,772	18,115	3,464	12,847	1,774	109,522
Gross expenses	61,083	44,309	23,976	5,016	30,803	6,970	172,157
Reinsurers' share	28,174	21,927	10,132	1,254	13,002	2,067	76,556
Net expenses	32,909	22,382	13,844	3,762	17,801	4,903	95,601
Net technical result	13,585	897	6,100	184	(4,295)	(261)	16,210

A.2.4.1 General Liability Insurance

ASL (100% of GEP)

The main lines of business in this class are Professional Indemnity (PI) and Structural Defects.

ASL's PI product protects professionals against their legal liability for claims arising as a result of negligence during the course of carrying out their professional duties. ASL distributes PI through brokers, binders and an AmTrust Group owned MGA, Collegiate Management Services Limited. These products almost exclusively target UK SMEs. ASL targets UK domiciled companies.

The Company has been focused on growing the PI book where appropriate, albeit paying appropriate attention to the conduct risk associated with the SME client base. The Company has continued to improve the renewal book through underwriting and risk selection.

ASL elected to exit the structural defects market in 2019 and issued notice of termination on its remaining contracts. All accounts were terminated during 2019 except for one, which terminated in March 2020. This is long-tail business with up to ten years cover, so the business will continue to run-off up until 2030.

A.2.4.2 Miscellaneous Financial Loss

ASL (35% of GEP)

The main line of business in this class is Warranty.

ASL offers a variety of warranty products including, but not limited to, motor, electrical device, home emergency and plant and equipment. The portfolio is balanced between coverholder-managing general agent (MGA) arrangements and reinsurance/contractual liability insurance policies (CLIPs); taking into account the conduct and compliance resources required to manage the business effectively. The majority of the portfolio is dedicated to consumer programmes, typically where the general public are purchasing insurable products from ASL's clients. ASL also offers warranties on commercial plant and machinery, where customers are small or large businesses.

Profitability in sub-segments has been steady, supported by receipt and analysis of detailed performance information. ASL's aim is to manage a smaller number of higher premium accounts, targeting a balanced portfolio mix in relation to short- and long-term risks.

MICL (65% of GEP)

MICL's core product lines in this class of business are MBI and GAP, primarily in UK and Europe, at 93% and 5% respectively.

MBI GWP grew by 7% (2023: 11% increase) in MICL's largest market (UK). MBI GWP in mainland Europe was nil in 2024 (2023: 27% increase) due to the termination of reinsurance arrangements with a fellow automotive insurer with effect from 31 December 2023. MBI GWP in other countries increased by 33% (2023: 16% increase) which mainly related to the reinsurance of Turkish programmes. The UK market saw the most pressure on profitability in 2024, whilst the international markets generally performed in line with expectations or better.

GAP is only underwritten in the UK and GWP shrank by 91% in 2024 (2023: 9% increase). The reasons for this change are articulated elsewhere within this report.

A.2.4.3 Legal Expense Insurance

ASL (100% of GEP)

ASL's legal expenses portfolio consists of a wide variety of products that fall into before the event (BTE), commercial and personal after the event (ATE) and litigation funding business segments. ASL predominately utilises coverholder-MGAs to write BTE legal expenses business; and mainly distributes directly or via brokers without delegation for ATE and Litigation Funding business. These products are primarily targeted at consumer and commercial customers; however, circa 25-30% of the consumer BTE business is through inwards reinsurance. Distribution varies for different products and is primarily focused in the UK, Canadian and Australian market.

This business continues to be a specific area of growth for the foreseeable future; and as an 'A-' rated insurer, ASL is well positioned to take advantage of this market. ASL has a broad range of experience and skills that have allowed the development of innovative solutions suited to its current customer base. Across segments, ASL's strategic objective is to be the leading provider, ensuring competitive edge is maintained through quality underwriting, providing a bespoke rather than commoditised service where possible and ensuring distribution is well considered.

Profitability in sub-segments has been steady. The markets for BTE and commercial ATE are highly competitive, whilst the personal ATE market has consolidated following government reforms.

A.2.4.4 Other Motor Insurance

MICL (100% of GEP)

The main lines of business within this class are Alloy Wheel Repair Insurance, Cosmetic Repair Insurance and Tyre Insurance (ACT).

ACT revenue increased during 2024, with GWP growing by approximately 18% (2023: 13% increase) with customers in the UK increasingly recognising the value provided by the product.

A.2.4.5 Fire and Other Damage to Property Insurance

ASL (100% of GEP)

ASL offers a range of specialist property insurance products, all of which are currently underwritten by coverholder-MGAs. Although ASL remains a small player in the overall property insurance sector, it is established in a number of smaller sub-segments of the market such as caravan, residential let (commercial and retail), tenants' contents, and unoccupied property insurance.

ASL also writes commercial property insurance covering predominantly small to medium size commercial premises and targeted at a mixture of retail and SME commercial customers.

The majority of ASL's customers are based in the UK.

The sub-segments of caravan and residential let are underserved niches in the market that have relatively low competition and have proved to be consistently profitable. ASL's strategic aim in the property insurance market is to grow its presence in existing niche segments where it operates (e.g. unoccupied, caravan) paying appropriate attention to the conduct risk associated with its client base.

A.2.4.6 Remaining Lines of business

The remaining lines of business are the following:

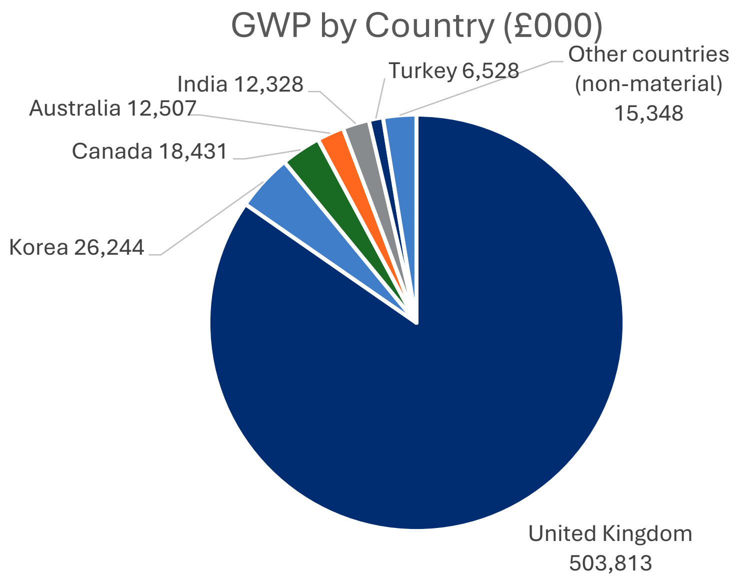
- Assistance;
- Credit and suretyship insurance;
- Medical Expense insurance; and
- Non-proportional property reinsurance

These lines of business account for the following:

- Gross Written Premium – 4%
- Gross Earned Premium - 4%
- Gross Claims Incurred – 2%
- Gross Expenses incurred – 4%

A.2.5 Material Geographic Locations

Performance in the top six material countries in which the AIL Group operates is summarised in the table below.



Country 2024	United Kingdom £'000	Korea £'000	Canada £'000	Australia £'000	India £'000	Turkey £'000	Other countries £'000	Total £'000
Gross premiums written	503,813	26,244	18,431	12,507	12,328	6,528	15,348	595,199
Reinsurers' share	277,176	13,318	(1,025)	6,132	6,164	3,264	5,990	311,019
Net premiums written	226,637	12,926	19,456	6,375	6,164	3,264	9,358	284,180
Gross premiums earned	490,604	11,033	13,333	14,785	6,232	5,446	33,783	575,216
Reinsurers' share	276,443	5,590	5,464	9,876	3,116	2,723	17,543	320,755
Net premiums earned	214,161	5,443	7,869	4,909	3,116	2,723	16,240	254,461
Gross claims incurred	305,120	9,862	2,616	13,866	0	7	19,555	351,026
Reinsurers' share	175,243	5,743	1,048	10,228	0	7	4,855	197,124
Net claims incurred	129,877	4,119	1,568	3,638	0	0	14,700	153,902
Net expenses	77,146	2,448	3,745	507	787	1,693	6,578	92,904
Net technical result	**7,138**	**(1,124)**	**2,556**	**764**	**2,329**	**1,030**	**(5,038)**	**7,655**

Country	United Kingdom	Australia	Canada	China	Korea	Vietnam	Other countries	Total
2023	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Gross premiums written	444,532	9,712	20,736	7,468	4,718	12,557	14,583	514,306
Reinsurers' share	240,514	7,319	9,863	1,439	2,148	6,219	7,186	274,688
Net premiums written	204,018	2,393	10,873	6,029	2,570	6,338	7,397	239,618
Gross premiums earned	428,836	13,148	(1,994)	11,530	3,523	6,466	19,767	481,276
Reinsurers' share	232,747	9,275	(2,010)	7,403	1,574	3,175	7,779	259,943
Net premiums earned	196,089	3,873	16	4,127	1,949	3,291	11,988	221,333
Gross claims incurred	245,086	(29,156)	28,868	(6,004)	12,060	1,463	7,150	259,467
Reinsurers' share	145,994	(25,803)	22,135	(2,945)	8,315	(816)	3,065	149,945
Net claims incurred	99,092	(3,353)	6,733	(3,059)	3,745	2,279	4,085	109,522
Net expenses	82,348	1,036	1,796	2,462	601	1,382	5,976	95,601
Net technical result	**14,649**	**6,190**	**(8,513)**	**4,724**	**(2,397)**	**(370)**	**1,927**	**16,210**

A.3 Investment Performance

The AIL Group invests mainly in corporate and government bonds, property as well as equity investments comprising mainly of subsidiary investments and associates.

The management of the bond portfolio is outsourced to another company within the AmTrust Group, which has a dedicated team of investment managers. A set of investment management guidelines exists for each of the regulated entities with reference to the prudent person principle. The respective Investment Management Committees monitor adherence to these guidelines.

Net income from the bond investments was a profit of £31.9m in 2024 (2023: £30.2m profit). This represents interest income, net of investment expenses, of £15.6 m (2023: £11.0m), unrealised gains of £11.2m (2023: gain of £18.2m) and realised gains on sale of £5.0m (2023: gain of £1.1m).

Income from equity instruments is derived from other AIL Group entities, which are not fully consolidated for Solvency UK purposes. Where dividends are paid by unconsolidated subsidiaries this is offset by corresponding falls in value of the underlying net assets and therefore carrying value of those subsidiaries. In net terms, the profitability of subsidiaries outweighs the dividends paid in the period.

The property investment is a building in Nottingham, which the Company occupies and rents out the remaining floors to other local businesses.

The AIL Group's material insurance subsidiaries which hold these investments are ASL and MICL.

Income and expenses during the year are shown in the table below.

2024	Dividends £'000	Interest £'000	Rent £'000	Net gains and losses £'000	Unrealised gains and losses £'000	Total £'000
Government Bonds	0	6,638	0	5,133	5,346	17,117
Corporate Bonds	0	8,984	0	(66)	5,850	14,768
Equity instruments	81,698	(2,098)	0	681	89,360	169,641
Investment funds	0	0	0	0	0	0
Collateralised securities	0	0	0	0	0	0
Cash and deposits	0	1,362	0	0	0	1,362
Mortgages and Loans	0	2,593	0	0	0	2,593
Properties	0	0	325	0	0	325
Total	81,698	17,479	325	5,748	100,556	205,806

2023	Dividends £'000	Interest £'000	Rent £'000	Net gains and losses £'000	Unrealised gains and losses £'000	Total £'000
Government Bonds	0	3,416	0	1,254	9,667	14,337
Corporate Bonds	0	7,540	0	(202)	8,560	15,898
Equity instruments	106,021	6	0	(8,052)	(72,924)	25,051
Investment funds	0	0	0	0	0	0
Collateralised securities	0	0	0	0	0	0
Cash and deposits	0	(4,502)	0	6	0	(4,496)
Mortgages and Loans	0	4,153	0	0	0	4,153
Properties	0	0	764	0	(1,337)	(573)
Total	106,021	10,613	764	(6,994)	(56,034)	54,370

A.4 Performance of other activities

AmTrust Management Services Ltd. (AMSL), a subsidiary of AIL, earned £0.0m (2023: £1.2m) in respect of fee income in the year for services performed in relation to the whole account quota share reinsurance programme in ASL with AIIL. The fee income is received from entities outside the insurance group for activities not strictly as an insurance company and therefore is not considered as part of underwriting performance discussed in section A.2 above.

ASL, a subsidiary of AIL, is a lessor in relation to its investment property portfolio. The related rental income has been reflected as income on property in the investment performance analysis in section A.3.

Additionally, Car Care Plan Limited, a subsidiary of Car Care Plan (Holdings) Limited, the parent entity of MICL, administers and markets motor vehicle warranty products.

A.5 Any other information

A.5.1 Subsequent Events

On 1 April 2025, AIL transferred ownership of its subsidiaries, AmTrust Korea Insurance Brokers Limited, a Korean registered entity, and AmTrust International Holdings Limited (change of name from AmTrust Lloyd's Holdings (UK) Limited on 26 March 2025), a UK registered entity, and its subsidiaries to AES, the sole shareholder of the Company.

On the same day, AES transferred its ownership of AmTrust Korea Insurance Brokers Limited to AmTrust Ireland Holdings II Limited, an Irish registered entity, by means of an irrevocable, non-refundable and unconditional Capital Contribution. On the same day, following the aforementioned Capital Contribution, AES transferred its ownership of AmTrust Ireland Holdings II Limited and its subsidiaries to AmTrust Bermuda I Limited, a company incorporated and registered in Bermuda.

On the same day AES transferred its ownership of AmTrust International Holdings Limited and its subsidiaries to AmTrust Bermuda I Limited.

On 1 April 2025, ANV Global Services Inc. acquired the Cyber business and assets of AFSI for $24.6m.

System of Governance

Section B

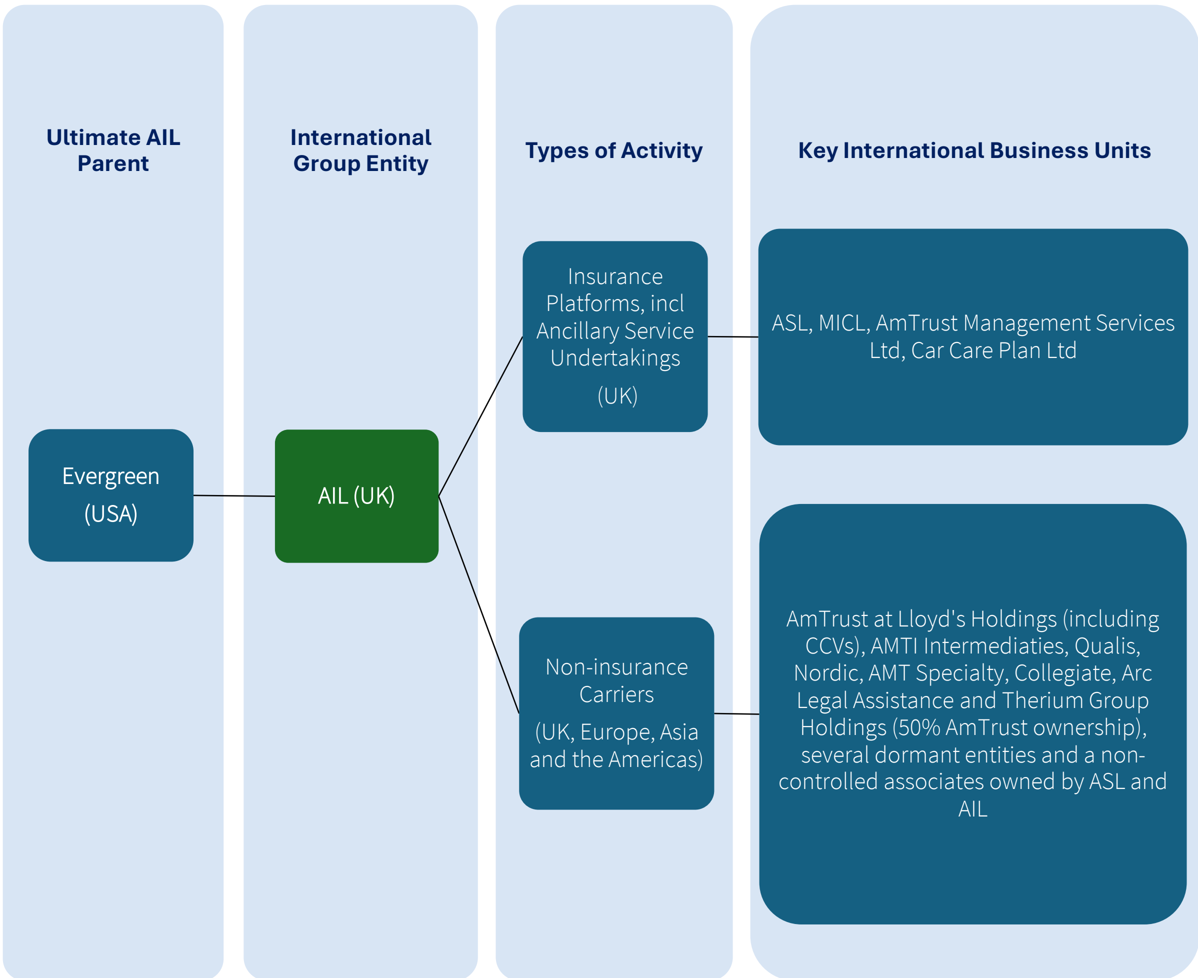
B. System of Governance (unaudited)

B.1 General information on the system of governance

AIL is the holding company that sits above a number of AmTrust's insurance carriers and activities within the UK, Europe, Asia, the Middle East and the Americas. The AIL Group manages two fully owned legal subsidiaries that carry out insurance and/or reinsurance activities, as well as a number of non-insurance carriers based in the UK, Asia and the Americas. AIL is a holding company and does not carry out any insurance and reinsurance activities itself. Its primary purpose is to provide alignment and economic efficiencies at a group level by identifying shared services that can be performed centrally for its primary insurance businesses. The AIL Executive Committee oversees the operations of its subsidiaries in the UK, Asia and the Americas though the day-to-day operations of those entities are monitored more closely by the Boards of those solo entities.

The AIL insurance carriers include ASL and MICL. All insurance carriers are UK regulated entities operating under the Solvency UK regime.

The diagram below outlines the high-level structure of the AIL Group as at 31 December 2024:

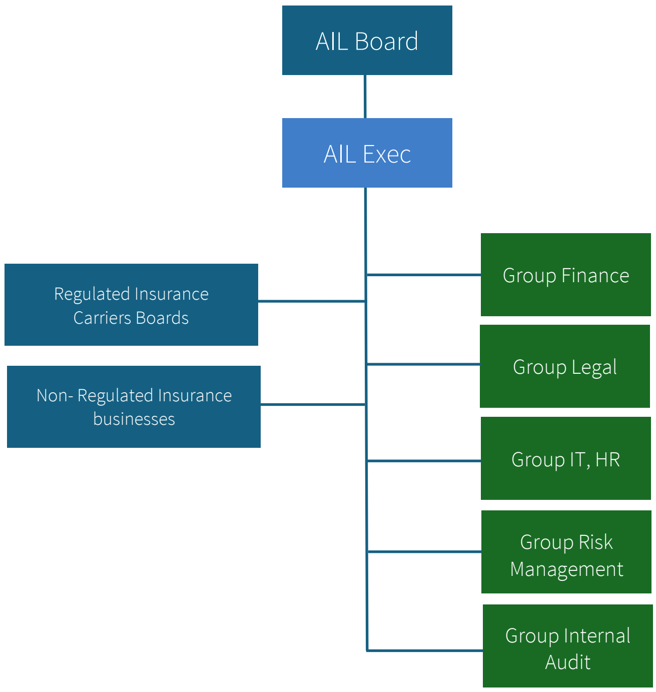


B.1.1 The Board and System of Governance

AIL operates a decentralised Group Governance model where the primary accountability and day-to-day decision-making is carried out at a local subsidiary level. AIL's regulated insurance entities are all compliant with Solvency UK, on a solo basis, and are managed by standalone local boards, which are composed of executive directors, group non-executive directors and independent non-executive directors. They also have formal sub-committee structures that report into the board of directors. Members of the AIL Executive Committee hold non-executive roles on the regulated insurance platforms to provide support from a Group strategic oversight perspective. The SFCRs for AIL's regulated insurance entities can be found on its website (https://www.amtrustinternational.com/corporate-governance/solvency-financial-condition-reports).

All significant subsidiaries within the AIL Group follow a 'three lines of defence' model from a local corporate governance point of view.

Responsibility for underwriting, day-to-day control and decision-making is maintained at a local entity level by independent boards, but the annual Business Plans for 2024 received strategic input and oversight from AIL.



B.1.1.1 Board

The AIL Board is made up of the AmTrust Group CEO, the AmTrust International CEO and the AmTrust International Legal Counsel. The Board delegates its day-to-day activities across the AIL Group to the AIL Executive Committee.

B.1.1.2 Executive Committee

The key purpose of the Executive Committee is to support the AIL CEO in delivering AIL's strategic goals and objectives. The main responsibilities of the Committee include:

- the generation of underwriting and operating income, including premium and revenue generation and loss and expense management;
- the development and implementation of strategy, operational plans, policies, procedures and budgets;
- the monitoring of operating and financial performance;
- the assessment and control of risk; and
- the prioritisation and allocation of resources.

The Committee is composed of the following Executive Members:

Executive Member	Key Role
AIL Group CEO	Chairing the AIL Executive Committee, Business Unit Management and managing the AIL Executive team
AIL Group CFO	Finance & Capital Management across the AIL Group
AIL Group Legal Counsel	Compliance with International Laws & Regulations and Group M&A activity

The following functions are not direct members of the AIL Executive Committee, but will report in on various issues from time to time:

- AIL Risk Management;
- AIL Group Actuarial;
- AIL Group HR;
- AIL Group IT;
- AIL Group Internal Audit;
- Underwriting; and
- Entity CEOs.

B.1.1.3 Key Control Functions

AIL complies with the AIL Group governance requirements from Solvency UK by operating a decentralised governance model where the local solo entities maintain the primary responsibility for complying with the Systems of Governance requirements. The AIL Group ensures that, where appropriate there is commonality around the standards of operation and that the local entities follow business plans that are consistent with the wider AmTrust strategy and risk appetite. The AIL Group also ensures that AmTrust unlocks efficiencies by offering shared services, considering optimal corporate and capital structures, and local board accountability and ownership of business plans.

The four key control functions are Risk Management, Compliance, Internal Audit and Actuarial. Further information on each of these key functions is detailed in sections B.3, B.4, B.5 and B.6 respectively.

B.1.2 Governance Structures of the Insurance Carriers within the AIL Group

A summary of the Governance Structures of the insurance carriers reporting to AIL is provided below. Each company operates a system of corporate governance to ensure that there is a clear process of decision-making combined with accountability and transparency. In line with established best practices within the Insurance market, each company follows the “Three Lines of Defence” model of corporate governance. More detailed information on the Systems of Governance of the insurance carriers within AIL can be found in Section B.1 of the SFCR reports for each insurance entity.

Key Entities within the AIL Group	AmTrust Specialty Ltd (ASL)	Motors Insurance Company Ltd (MICL)	Non-Insurance Carrying Entities
Company Overview	UK Insurance Company writing multiple classes of business in UK & The Rest of the World (Non-EU)	UK Insurance Company writing primarily UK Extended Motor Warranty	A number of intermediaries or fee earning entities. Largest entities include Car Care Plan (CCP), Arc Legal and Collegiate
Key Classes of Business	PI, Legal Expenses, Property, Warranty, Mortgage & Credit	Mechanical Breakdown Insurance (MBI) and Guaranteed Asset Protection (GAP)	
Board of Directors	●	●	●
Independent Non-Executive Directors	●	●	
Executive Committee	●	●	
Board Audit Committee	●	●	
Board Risk Committee	●	●	
Board Reserving Committee	●	●	
Board Remuneration Committee	●	●	
Dedicated Risk Function	●	●	
Dedicated Actuarial Function	●	●	
Standalone Compliance Function	●	●	

B.1.2.1 Material changes in the system of governance that have taken place over the reporting period

Whilst the companies that comprise the AIL Group have made appointments to fill key roles, no other significant changes in the overall AIL system of governance were noted during 2024.

B.1.3 Remuneration

The Remuneration and Nomination Committees for the applicable subsidiary entities are responsible for the adoption and oversight of a fit for purpose Remuneration Policy for the respective entity. The Committees are authorised to review and approve the remuneration plans and programmes that fall within the Remuneration Policy, which is an AIL wide Remuneration Policy. These are typically either defined at the AIL Group level or follow the AmTrust Group principles (as outlined below) with variation as appropriate to the entity and with regard to prevailing regulatory and/or legislative requirements.

B.1.3.1 Key Principles

- Provide market-competitive pay, typically aimed at market median for the business sector, role and location of the relevant employees. Individual pay rates may fall above or below market median based upon experience, tenure and performance in the role as well as the market supply and demand for a particular skill set;

- Enable the respective company to attract and retain the right talent for the business at a business-appropriate and sustainable cost;
- Provide market-appropriate pay structures which include a role-appropriate level of variable pay in line with market norms and an appropriate benefits programme;
- Ensure that pay programmes are aligned to the respective company's business strategy, risk appetite statements, codes of conduct and applicable regulations and reward only appropriate behaviour with both short and long-term performance taken into consideration as appropriate;
- Ensure the appropriate governance and independence as it relates to pay decisions and the appropriate scrutiny as it relates to key employees including those designated as Solvency UK employees; and
- No member of the Remuneration Committee is involved in deliberations or decision making on their own pay or the pay.
- Pay must be affordable and sustainable with any remuneration awards not threatening the Company's ability to maintain an adequate capital base.

B.1.3.2 Variable Pay

- Variable pay and the associated programmes and awards are structured according to the nature of the role and its position within the business;
- Fixed and variable pay are broadly aligned to market norms, with a sufficiently high proportion of pay delivered in fixed base pay as relevant to remit and seniority;
- The proportion of pay delivered through variable remuneration generally increases with seniority within the organisation. This reflects the increased ability to impact the success of the organisation with increased seniority, and is in line with general market practice;
- Variable pay awards are designed to take into consideration both individual and business performance (financial and non-financial) as appropriate for the role with assessment (including values-based competencies) and reward frameworks designed to drive desired behaviours, including advancing the Company's culture, risk management and complying with the requirements of the applicable regulatory regimes;
- All variable pay programmes allow for no awards to be made based upon either individual and/or business performance;
- The variable pay structures ensure that AmTrust's senior employees are aligned not only to the annual goals but also to the long-term success of the relevant business and the AmTrust Group through deferral and long-term incentive arrangements linked to AmTrust Group performance over a multi-year period, typically three years; and
- All programmes allow flexibility and discretion to ensure alignment to risk and performance of the business with provisions (as applicable to the business and/or population) enabling the relevant Boards or Remuneration Committees to make a downward adjustment to proposed awards at either aggregate or individual level in line with the performance of either the individual or business and increase exposure to current or future risk. Boards or Remuneration Committees may also prevent the vesting of some or all of a tranche of a deferred award in the event of proven misconduct or significant risk management failure.

B.1.3.3 Supplementary pension scheme for Board members

Across the AIL Group, Board members who are also employees are entitled to join an applicable and appropriate workplace pension scheme. The AIL Group does not provide any supplementary pension to its Independent Non-Executive Directors.

B.1.4 Material transactions with Directors and Shareholders during the reporting period

AIL did not enter into any material transactions with persons with significant influence or members of the Board during the reporting period.

AIL also has had no material transactions with members of the Board during the reporting period.

B.1.5 Adequacy of the system of governance

The Board is satisfied that the system of governance of the Company is adequate for the nature, scale and complexity of the risks inherent in its business.

B.2 Fit and Proper Requirements

AIL is an insurance holding company, as classified under Solvency UK. AIL does not carry out any regulated insurance activities in its own right. All of AIL's regulated insurance activities take place through its two main insurance carrying subsidiaries. Each insurance subsidiary is regulated independently by the PRA and FCA, and subject to the requirements of the Senior Manager and Certification Regime (SMCR).

Within this framework, the PRA and FCA expect that individuals performing Senior Management Function (SMF) or, Certified Person roles remain fit and proper to undertake the role. Each of AIL's regulated insurance subsidiaries has a Fit and Proper Policy in place that outlines the various checks conducted at recruitment and throughout employment. In particular, when deciding whether a person is fit and proper, each AIL entity satisfies itself that the individual:

- has the required personal characteristics (including being of good repute and integrity);
- possesses the appropriate level of competence, knowledge and experience;
- has the qualifications to undertake the role; and
- has undergone or is undergoing all training required to enable such person to perform his or her key function effectively and in accordance with any relevant regulatory requirements, including those under the regulatory system, and to enable sound and prudent management of that company.

When deciding whether the Board is fit and proper, each AIL entity seeks to ensure that the Directors collectively possess appropriate qualifications, experience and knowledge about at least:

- Insurance and financial markets;
- Business strategy and business model;
- Systems of governance;
- Financial and actuarial analysis; and
- Regulatory framework and requirements.

Fitness and propriety is checked at recruitment stage through appropriate due diligence and challenge of an individual's experience, skills and competencies. Appropriate financial and criminal checks are carried out prior to recruitment of an individual and during the course of their employment as applicable to the role, and probation periods are set commensurate with the role. Ongoing assessment of fitness and propriety of all employees is assessed through the annual appraisal process with a periodic formal re-assessment conducted for any role holders where there is a regulatory requirement to do so. Performance of the Board is also assessed annually through the Board performance review process.

Office Holders and employees have a duty to advise the Company of any circumstances that might affect their fitness and propriety. Appropriate actions and notifications will be made to the Board and regulator as applicable to the remit fulfilled by the post-holder.

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

Each of AIL's regulated insurance subsidiaries maintains a dedicated risk function, that works in collaboration with the Group Risk Management function. The standalone risk functions are led by a Chief Risk Officer or Head of Risk, and are responsible for the co-ordination of the identification, management, monitoring and reporting of risks to the local entity boards.

The standalone risk functions ensure that the interests of the regulated legal entities within the AIL Group are protected with risks captured at the legal entities level and risk management reporting provided to the dedicated Risk & Compliance Committees.

B.3.1 Risk Management Strategy

Each regulated insurance entity within the AIL Group follows the "three lines of defence" model: risk taking and management in the first line; risk control and oversight in the second line; and independent assurance in the third line.

The table below presents an overview of the key risk management activities that take place in the key operating regulated insurance subsidiaries within the AIL Group:

ERM Process	ASL	MICL	Summary Description of the ERM Processes
Risk Registers & Risk and Control Self- Assessment (RCSAs)	●	●	Entity records its key risks and controls within a risk register and periodically communicates with the risk owners to verify the accuracy of the risk registers
Risk and ORSA Policies	●	●	Documented Risk and ORSA Policies in place, owned and signed off by the entity level boards
Top-down Risk Assessment	●	●	Ground up assessments of risks, captured on risk registers, are supplemented by top-down risk assessments that include Executives, Non-Executives and Internal Audit
Key Risk Indicators (KRIs) Reporting	●	●	KRIs measure amount of risk using risk tolerances. These are monitored by Risk Management and reported to the Executive Committee and Risk & Compliance Committee
Stress Tests	●	●	Periodic stress testing, including reverse stress, to determine the impact to the entity's balance sheet and capital position of various events. The Risk Management function and Capital Management function work collaboratively to consider a range of scenarios based on the risks identified in the RCSAs and top-down risk assessments
Incident Reporting and Escalation	●	●	Capturing, reporting, and escalating of incidents (risk events) for the purpose of analysis, reporting and improvement of internal controls
Controls & Compliance Monitoring	●	●	Key controls subjected to regular independent testing by Internal Audit and Compliance
Capital Modelling and Capital Allocation	●	●	Economic or Regulatory capital modelling using a stochastic capital model or the Solvency UK Standard Formula calculation. Results are regularly reviewed with representation from both the Risk and Capital Management functions to ensure all material risks are considered.
ORSA	●	●	Formal ORSA process in line with Solvency UK, signed off by the Board. The process brings together all aspects of Risk Management and Capital Management.
Recovery and Resolution Plan	●	●	The recovery plan aims to prevent the business from failing, while it is a going concern and includes: triggers at which point the recovery plan would be invoked; example scenarios that would cause the triggers to be breached; and a set of management actions which can be used to restore the solvency and liquidity position and allow the Company to continue its operations The resolution plan aims to ensure orderly closure of a business in the event of a failure and includes identification of critical economic functions; key dependencies between entities and functions; and preferred resolution strategies and their implications. Both plans are formulated with input from the Capital Management function.
Emerging Risk Reporting	●	●	Identify primarily external factors that give rise to new challenges, uncertainties and opportunities that are already having, or may at some stage in the future, have an impact on the Company's strategic objectives. The Risk Management function maintain a log of all identified emerging risks and associated action plans.

B.3.2 Own Risk and Solvency Assessment (ORSA)

The ORSA brings together the ERM processes described above, enabling the Board of each entity to assess, monitor, manage, and report the short and long-term risks that it faces or may face and to determine the Own Funds necessary to ensure the their overall solvency needs are met at all times.

The ORSA processes at each entity are strongly linked to the Board's approval of their strategy and business plans, which ensures that the ORSA is embedded in strategy and decision-making. Risks identified through the RCSA process and the "top-down" risk assessment form the basis of stress test scenarios, which are selected and approved by the entity Board. This allows the entity to test risks to its strategy.

Currently all UK insurers within the AIL Group adhere to Solvency UK requirements and use the Standard Formula to calculate their individual solvency capital requirements and available capital (Own Funds). Under Solvency UK, regulated companies must maintain capital above the Solvency Capital Requirement (SCR) and must calculate and submit their respective SCRs as part of a quarterly regulatory return. Each UK insurer within the AIL Group completes an ORSA process annually, on a 'business as usual' basis, or if there is a material change in risk profile.

AIL's indirect parent, AIIL, is registered in Bermuda, a Solvency UK equivalent jurisdiction. It completes a Commercial Insurer's Solvency Self-Assessment (CISSA) report for the Bermuda Monetary Authority (BMA) on at least an annual basis, assessing risk governance and capital adequacy under normal and stressed conditions. AIL is included within this assessment and, as such, does not produce its own ORSA.

B.4 Internal control system

B.4.1 Internal control system

The Board of Directors of each Group Insurance Entity has overall responsibility for the system of internal control and its ongoing effectiveness, though the responsibility for its execution lies with its respective Executive Management Team. Together with senior management, the Board is responsible for setting the tone for the organisation surrounding internal control.

On behalf of the Boards, the Audit Committees and the Risk and Compliance Committees monitor the effectiveness of the organisation's system of internal control through a variety of activities, including Risk Management, Compliance, Internal Audit, External Audit, Independent Subject Matter Experts and self-assessments from the first line of defence. The Boards monitor that necessary actions are taken to remedy any significant control failings or weaknesses identified.

Independent assurance over the entity level internal control systems is provided by the Group Internal Audit function. Further assurance around the controls over financial risks is obtained from external audit.

The entity specific internal controls systems operate as follows:

- Primary responsibility for the identification, monitoring, control and reporting of significant risk rests with the heads of the various business functions on an ongoing basis;
- Risk and control owners are identified for all significant risks and controls. The Enterprise Risk Management framework ensures that these risks and controls are reviewed on a regular basis;
- The Internal Audit function is responsible for auditing the control environment as part of the internal audit plan agreed by the entity level Audit Committees; and
- On behalf of the entity level Boards, the respective Audit Committees and the Risk & Compliance Committees regularly review the systems of internal control. The review covers all controls, including financial, operational and compliance controls, completeness and accuracy of data and the risk management process. Necessary actions are taken to remedy any significant control failings or weaknesses identified.

B.4.2 Compliance function

The Compliance functions of the entities within the AIL Group is independent of any business unit and is (with Risk Management) within the second line of defence for the AIL Group.

The AIL Compliance Functions service the AmTrust insurance carriers via dedicated Compliance teams based in the principal business locations of London (ASL) and Bradford (MICL). Each local team has a Head of Compliance, holding regulatory approval and with ultimate recourse to the relevant regulated entity Board, directly or through their Committees. Compliance Officers operate under the umbrella of the AIL Group's legal and compliance framework led by the AIL Group's Head of Legal & Compliance. These arrangements are aimed at providing leadership and facilitating consistent policy, standards and independence both at the group level and across regulated entities within the AIL Group.

Under these arrangements, common compliance protocols operate as a minimum standard throughout the AIL Group. Each subsidiary Compliance function is responsible for advising the Executive and the Boards on compliance with existing and emerging legal, regulatory and administrative provisions. This includes monitoring compliance risks, assessing the impact of any future changes in the regulatory environment on the AIL Group and overseeing resulting action, setting and advising on associated policy and monitoring to evaluate the effectiveness of compliance controls. Through this framework, risks can be reported at the AIL Group level.

Regular reports are provided to the subsidiary governing bodies. In carrying out its duties, the AIL Compliance functions have unfettered access to all relevant systems, staff and information as well as the Boards and Non-Executive Directors, including any records necessary to enable it to carry out its responsibilities.

B.5 Internal audit function

The internal audit function is a global AmTrust Group function that reports independently to each entity's Audit Committee. Internal audit provides senior management and the Audit Committees with information, analysis and recommendations about the adequacy, effectiveness and efficiency of the business operations and internal control environment.

The mission of the AmTrust Internal Audit function is to help the Board and Executive Management to protect the assets, reputation and sustainability of the organisation.

This is achieved by:

- Assessing whether all significant risks are identified and appropriately reported by management and the Risk function to the Board and Executive Management;
- Assessing whether they are adequately controlled; and
- Challenging Executive Management to improve the effectiveness of governance, risk management and internal controls.

Internal Audit is independent from the business and is directly responsible to the Chair of the Audit Committees of the standalone entities, with a day-to-day administrative reporting line to the Group Chief Audit Officer of the AmTrust Group. Internal Audit has free and unrestricted access to the Chairs of the Boards, the Chairs of the Audit Committees and the Chief Executive Officers. The Head of Internal Audit has full and free access to the Audit Committees including attending all Audit Committee meetings, meeting privately with members at least annually (or more frequently as needed), and individual meetings on a regular basis.

Those working within Internal Audit are not permitted to perform day-to-day control procedures or take operational responsibility for any part of AmTrust's operations outside Internal Audit. Management is responsible for the establishment and ongoing operation of the internal control system. The Audit Committees review the scope and nature of the work performed by Internal Audit to confirm its independence.

B.6 Actuarial function

Under Solvency UK, the Actuarial function is a Key Function, the Group Chief Actuary being the Key Function Holder. The Group Chief Actuary is a qualified actuary and a member of the Institute and Faculty of Actuaries. The members of the entity level actuarial teams are either qualified actuaries; working towards becoming a qualified actuary; or sufficiently qualified by experience to undertake the duties assigned to the individual.

The AIL Actuarial Function is comprised of some individuals with entity specific duties and others with cross entity responsibilities. The MICL Actuarial department is managed by a local Chief Actuary who provides all relevant information to the Group Chief Actuary.

The purpose of the Actuarial function is to provide support in many areas including reserving, pricing and capital management. In addition to the core actuarial work, other statistical and management information support is provided to management where necessary. This work is required to be undertaken in an objective and independent manner whilst incorporating feedback from the business where appropriate.

The Chief Actuary or an appropriate representative attends the Underwriting Committee and the Reserving Committee, where one exists. The Actuarial function is also involved in supporting the reinsurance purchasing process where necessary. The Chief Actuary will rely on work produced by other members of the Actuarial function to fulfil the necessary roles and responsibilities.

The Actuarial function for each regulated insurance entity has the following specific responsibilities:

- Production of the Technical Provisions in accordance with Solvency UK principles and ensuring that methodologies and underlying models used are appropriate for the specific lines of business of the undertaking and for the way the business is managed, having regard to the available data;

- Assessment of whether the information technology systems used in the calculation of the Technical Provisions sufficiently support the actuarial and statistical procedures;
- Monitoring the actuarial best estimate reserves against actual experience;
- Reporting to the entity level boards on the reliability and adequacy of the Technical Provisions calculation;
- Expressing an opinion regarding the underwriting policy at entity level;
- Providing a statistical framework to price various lines of business;
- Reviewing new business opportunities and providing feedback on the underlying models and assumptions or any external actuarial models used;
- Working with underwriters to provide support on product performance;
- Providing input to the Performance Committee as appropriate, where one exists;
- Providing assistance in the preparation of the business plans including independent input into the Ultimate Loss Ratios for each line of business;
- Providing inputs into the calculation(s) of the Standard Formula Solvency Capital Requirement;
- Working closely with the Risk Management Function to facilitate the implementation of an effective risk management system;
- Support to the Risk Management Function to quantify the risks identified;
- Building and maintaining an economic capital model(s) for the various entities;
- Assessment of risk parameters used in the economic capital model(s);
- Validating the inputs into the economic capital model(s); and
- Reviewing reinsurance arrangements.

On an annual basis, the Actuarial function prepares and submits an Actuarial Function Report to the Board that sets out its work in the above areas and, in particular expresses an opinion on underwriting policy and reinsurance arrangements in accordance with Solvency UK requirements.

B.7 Outsourcing

Key outsourcing risk refers to those functions that are performed for AIL; either by external or by intra-group providers, which are essential to AIL's operations and without which AIL would be unable to deliver its services to policyholders.

The PRA requires insurance companies to take reasonable steps to avoid undue additional operational risk and not to undertake the outsourcing of key functions in such a way as to either: impair AIL's internal controls; or interfere with the PRA's ability to monitor AIL's compliance obligations under the regulatory system.

AIL itself carries out limited outsourcing activity, but its regulated insurance entities operate specific controls to manage their relevant third parties. These controls include:

- Due diligence undertaken of a prospective provider in order to identify the potential operational, prudential and conduct of business regulatory risks that may be associated with the placement of the outsourced function to specific provider(s);
- Formal and disciplined authorities for the appointment of coverholders;

B.7.1 Material Intra-Group Outsourcing Arrangements

At the subsidiary level, the following material intra-group outsourcing arrangements are in place:

- Local subsidiaries outsource a range of support functions to UK based shared services (including Exposure Management, Legal, Finance, HR, IT, Operations and Procurement & Facilities, Risk Management and Internal Audit) provided by the AIL Group;
- The US based software development team within the AmTrust Group provides services for development, modifications and upgrade of IT systems;
- AII Insurance Management, the in-house AmTrust Group investment management company, manages investments on behalf of the AIL subsidiaries in line with their respective investment mandates; and

- MICL relies on its sister company CCP to provide policy and claims administration, distribution, policy fulfilment and IT services.

B.8 Any other information

None noted.

Risk Profile

Section C

C. Risk Profile (unaudited)

The table below sets out the quantification as at 31 December 2024 of the Company's modelled risk categories and the related movements over the preceding twelve months. The figures represent the loss for each risk category that is likely to be exceeded only once in two hundred years. Due to diversification, the total risk of the Group is lower than the sum of the individual categories.

Solvency Capital Requirement	2024 £000	2023 £000	Change £000	Change %
Health NSLT underwriting risk	0	0	0	0
Non-Life underwriting risk	141,434	122,524	18,910	15%
Market risk	48,602	47,613	989	2%
Counterparty default risk	37,841	40,257	(2,416)	(6%)
Undiversified Basic SCR	**227,877**	**210,394**	**17,483**	**8%**
Diversification credit	(44,830)	(43,938)	(892)	2%
Basic SCR	**183,047**	**166,456**	**16,591**	**10%**
Operational risk	20,643	21,929	(1,286)	(6%)
Loss absorbing capacity of deferred taxes	(15,094)	(13,336)	(1,758)	13%
SCR Diversified	**188,596**	**175,049**	**13,547**	**8%**
Capital requirement for residual undertakings	19,851	18,590	1,261	7%
Overall SCR	208,447	193,639	14,808	8%
Own Funds	378,840	401,206	(22,366)	(6%)
Ratio of Own Funds to SCR	182%	207%	(25%)	

C.1 Underwriting risk

Underwriting risk refers to fluctuations in the timing, frequency and severity of insured events, relative to the expectations of the firm at the time of underwriting.

C.1.1 Material risk exposures

Through its insurance carriers, the AIL Group is exposed to premium risk, that is the risk that premiums are insufficient to cover the value of claims made; and reserve risk, the risk that ongoing claims are settled at a higher value than previously expected. The AIL Group SCR quantifies the potential for adverse development as part of the calculation of the premium risk and reserve risk calculation.

C.1.2 Material risk concentrations

The majority of the AIL Group's material concentration of underwriting risk is attributed to the following business segments:

- Miscellaneous financial loss, which includes extended warranties written by MICL and ASL;
- General liability, which includes PI and other liability business;
- Fire & other property damage was the largest class of business for ASL in 2024;
- Legal Expenses; and

- Run-off (or Legacy) portfolio of programs that are no longer actively underwritten but represent significant exposure, including Structural Defects in ASL.

C.1.3 Material risk mitigation

This risk is mitigated through a range of management controls. The Actuarial Pricing teams at each of the AIL Group's insurance entities review new business to determine that rates are adequate. Within underwriting teams, a peer review also takes place. There is continual monitoring of underwriting performance by management, which allows corrective action to be taken if a piece of business is not performing as expected.

Insurance entities within the AIL Group also use external and internal reinsurance to mitigate underwriting risk. The largest internal reinsurance contracts within the AIL Group relates to the agreements between AIIL and ASL on its back book. Obligations under these arrangements are either protected by collateral or through a funds withheld structure in which the capital remains with ASL until settlement.

The largest external reinsurance arrangement within the AIL Group is between ASL and Swiss Re, an "AA-" rated global reinsurer. For capacity to write new business, ASL is reliant on a 50% whole account quota share with this reinsurer. The current contract ends on 30 June 2025, although ASL intends to renew either with the current reinsurer or with an alternative partner. This contract was on a reserves withheld basis in the 2024/25 treaty year.

The reinsurance strategy is reviewed by management on a regular basis to ensure it remains effective and appropriate and is approved by the relevant entity Board at least annually.

C.1.4 Risk sensitivities

AIL has performed a series of sensitivity tests on its solvency position; these are shown in Section C.7.1.

C.1.5 Other material information

None noted.

C.2 Market risk

Market risk is the risk of loss of income or decrease in the value of assets caused by movements in the level and prices of financial instruments. Market risk includes factors such as equity or bond values, property values, interest rates, foreign exchange and spread risk.

Entity level risk management processes, including monitoring of KRIs, identify and measure the key market risk exposures by closely monitoring the currency and duration mismatch to capture exposure to currency and interest rate risks, as well as the composition of the bond portfolio holdings by credit ratings to capture exposure to spread risk.

Investments are reviewed quarterly at the subsidiary level Risk and Compliance Committees, and through Investment Management Committees.

C.2.1 Material risk exposures

The material exposures of the AIL Group to market risk are interest rate risk and spread risk on the underlying insurance entities' bond portfolios, and foreign exchange risk on underlying currency exposures.

The bond portfolios of the insurance entities consist largely of corporate and government bonds. Fluctuations in rates of inflation influence interest rates, which in turn affect the market value of these investment portfolios and yields on new investments. Thus, rising interest rates would have an adverse impact on the bond portfolio and would drive the value of the bonds down. Whereas, widening credit spreads would also negatively affect the value of the bond portfolio.

AIL manages its foreign exchange risk against its functional currency, which is presented in Pounds Sterling. Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. Entities within the AIL Group are exposed to currency risk in respect of their respective liabilities under policies of insurance denominated in currencies other than Sterling.

C.2.2 Material risk concentrations

AIL's material exposures to market risk relate to interest rate and spread risk on its investment portfolio and foreign exchange risk on its currency exposures.

C.2.3 Material risk mitigation

AIL Group entities operate a conservative investment strategy, investing primarily in fixed rate corporate or government bonds, money market deposits and cash. There is limited appetite for investments in equities (other than subsidiaries and strategic participations) and complex investments such as derivatives. By investing in relatively simple assets for which the investment exposure is easily understood, the companies fulfil the Prudent Person principle.

Investment management for all AIL entities is outsourced to another company within the AmTrust Group. Each entity has a set of investment management guidelines in place with the investment managers, adherence to which is monitored by the Investment Management Committees of the respective entity.

Entities monitor interest rate risk as part of their regulatory reporting process by monitoring duration of assets and liabilities. Any gap between the mean duration of the assets and the estimated mean duration of the liabilities is minimised by means of buying and selling fixed interest securities of different durations.

Entities seek to mitigate foreign exchange risk by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency. The entities' currency matching strategies are well protected against depreciation of Pounds Sterling.

Any equity investments are strategic in nature, being investments in subsidiaries and affiliates and are approved by the Board.

C.2.4 Risk sensitivities

AIL has performed a series of sensitivity tests on its solvency position; these are shown in Section C.7.1.

C.2.5 Other material information

None noted.

C.3 Credit risk

Credit risk is the potential loss arising principally from adverse changes in the financial condition of intermediaries who sell the Company's policies, the issuers of fixed maturity securities and the financial condition of third-party reinsurers.

Each entity identifies and measures its own credit risk exposure by monitoring the ratings of banks; ratings and/or solvency positions of reinsurers; bond ratings; exposures to individual external reinsurer counterparties; exposures to a single bank as a percentage of the SCR; and credit extended to intermediaries.

C.3.1 Material risk exposures

The AIL Group is subject to material risk exposures with respect to its reinsurers, banks and bond counterparties.

C.3.2 Material risk concentrations

AIL's primary credit exposure relates to the credit risk faced by ASL in relation to material accounts with Reinsurance counterparties, the largest being Swiss Re and AII.

Through its subsidiaries, AIL is exposed to general economic, business and industry conditions. Adverse general economic conditions may cause, among other things, significant reductions in available capital and liquidity from banks and other credit providers. The AIL Group's largest bank exposures are to Lloyds Bank and JP Morgan.

C.3.3 Material risk mitigation

In order to reduce the exposure to reinsurance credit risk, the financial condition of reinsurers is evaluated and reinsurance is placed with a diverse group of companies and syndicates that are believed to be financially sound. The exposure to AII is fully collateralised or protected through a funds withheld structure, and the exposure to the Swiss Re is on a reserves withheld basis. The credit quality of reinsurers is monitored when placing new and renewal reinsurance, as well as on an ongoing, current basis. Entities use objective criteria to select and retain reinsurers, including requiring a financial strength rating of "A-" or better by the Company's nominated external credit assessment institutions (ECAIs), sufficient Solvency UK (or equivalent) Solvency Ratio or the posting of acceptable collateral.

To reduce credit risk, ongoing evaluations of the counterparties' financial condition are performed.

Credit risk related to the issuers of fixed maturity securities is addressed by investing primarily in securities that are rated "A-" or better by the Company's nominated ECAIs. Exposure is limited by the employment of diversification policies that limit the credit exposure to any single issuer.

The AIL Group manages the levels of credit risk it accepts by reviewing and managing exposures regularly at an individual entity level. Credit limits are also in place for certain counterparties as is deemed appropriate within the business.

Exposures to banks are limited to those whose credit ratings are "A" or higher by the Company's nominated ECAIs, except where required for business reasons, typically in jurisdictions where there are no "A" rated banks available. In this case, exposures are kept to a minimum.

C.3.4 Risk sensitivities

AIL has performed a series of sensitivity tests on its solvency position; these are shown in Section C.7.1.

C.3.5 Other material information

None noted.

C.4 Liquidity risk

Liquidity risk represents the AIL Group's potential inability to meet all payment obligations when they become due and the risk stemming from the lack of marketability of an investment security that cannot be bought or sold quickly enough to realise cash.

At the subsidiary level, the respective Finance teams carry out regular cash flow forecasting and analysis to monitor the liquidity needs of the standalone entities within the AIL Group.

C.4.1 Material risk exposures

There is a material exposure to liquidity risk through investments in times of severe market stress. If premium payments are not received from coverholders and policyholders, this could also lead to a liquidity risk event. In any such event, the frequency of cash flow forecast updates and cash holdings are increased when deemed appropriate to ensure entities are in a position to honour all eligible obligations to all stakeholders as they come due. Reinsurance may additionally pose a residual liquidity risk with delays in payment by the reinsurer or their default that, while classed as a credit risk event, also poses major liquidity issues for the firm. This is effectively mitigated for the two largest reinsurer exposures (AII and Swiss Re) by the collateral trust and funds withheld. The collateral contains a high proportion of liquid assets.

C.4.2 Material risk concentrations

AIL's liquidity risk exposure is concentrated in reinsurance contracts and financial assets (bonds).

C.4.3 Material risk mitigation

Entities manage their positions within an asset liability management (ALM) framework that has been developed to minimise the risk of significant deterioration of the investment portfolio while earning profitable returns from those investments.

The insurance subsidiaries invest mainly in highly rated corporate and government bonds, which are normally readily convertible into cash, so AIL holds relatively small amounts of cash. It accepts the risk that during times of stress, there may be market value losses realised by liquidating bonds.

The insurance carriers within the AIL Group maintain sufficient cash and highly rated marketable securities, to fund claim payments and operations.

C.4.4 Risk sensitivities

AIL has performed a series of sensitivity tests on its solvency position; these are shown in Section C.7.1.

C.4.5 Other material information

None noted.

C.5 Operational risk

Operational risk is the risk that AIL will not be able to operate in a fashion whereby the strategic objectives of the AIL Group can be met due to inadequate or failed internal processes, people and systems, or from external events. It arises out of actions undertaken within the AIL Group entities, brokers, investment management companies or outsourced agencies and individuals.

The AIL Group entities have risk management processes in place, such as third-party audit, internal audit, controls testing, project management, RCSA, and data governance to assess and monitor operational risk exposures. In addition, the insurance companies are in the process of formalising Operational Resilience risk assessments.

The AIL Executive Committee also monitors the operational risk associated with the various group and shared service functions provided centrally.

C.5.1 Material risk exposures

The AIL Group is exposed to operational risk through IT, data, outsourcing, underwriting, reinsurance, fraud and conduct.

As a result of limitations inherent in all control systems, it may not be possible to entirely prevent fraud or errors from occurring. Judgments in decision-making can be faulty, and breakdowns may occur through simple human error.

In addition, any ineffectiveness in internal controls could have a material adverse effect on the Company's business. For instance, failure to maintain pricing disciplines and robust underwriting controls; poor quality Management Information or IT systems to capture data and business performance; failure to identify appropriate opportunities in a soft insurance cycle and prolonged competition; a potential reduction of control over the actions of third parties operating on its behalf (outsourcing).

C.5.2 Material risk concentrations

AIL's material risk concentration is in IT.

IT is an integral aspect of AIL's day-to-day business operations and as such, any system failure can pose a serious threat to the AIL Group's operations. This reliance is even greater while employees are working remotely.

C.5.3 Material risk mitigation

AIL does not seek to take on operational risk to generate a return. However, it recognises that some degree of operational risk is an unavoidable consequence of remaining in business. It therefore seeks to mitigate this risk through its corporate governance and internal control mechanisms, due diligence and business continuity deployed at the subsidiary level.

C.5.4 Risk sensitivities

AIL has performed a series of sensitivity tests on its solvency position; these are shown in Section C.7.1.

C.5.5 Other material information

None noted.

C.6 Other material risks

C.6.1 Legal and Regulatory risks

This relates to the risk of non-compliance with regulation and legislation.

AIL does not seek to take on legal and regulatory risk to generate a return. However, it recognises that some degree of legal and regulatory risk is an unavoidable consequence of remaining in business. It therefore seeks to mitigate this risk through its corporate governance and internal control mechanisms operated at the subsidiary level. Awareness of the risks and the control mechanisms are maintained through the policies and procedures framework and training programmes.

C.6.2 Strategic risk

Strategic risk arises from AIL's failure to sufficiently define its direction and objectives, together with the resourcing and monitoring of the achievement of the same.

Insurance carriers within AIL have well developed business planning processes and their business plans are approved by the Board. The business plans are also used in the ORSA process.

C.6.3 Governance risk

Governance risk arises from AIL's failure to demonstrate its independent and proper stewardship of its affairs to safeguard the assets of its shareholders and the overall interests of its stakeholders.

The AIL Group regards a strong Governance framework to be vital in the achieving of its objectives as well as providing transparency and accountability to its various stakeholders. The systems of internal control and governance at the entities within the AIL Group operate in line with the "three lines of defence" model.

C.6.4 Other Group risks

Other Group risks arise from AIL's interaction with or reliance on other parts of the AmTrust group, through parental influence, changes in overall A.M. Best rating, or direct contagion.

AIL maintains a good relationship with its ultimate parent and expects that, at all times, it will remain suitably apprised of all of the material risks within the AmTrust Group that may, if crystallised, have a negative impact upon the business strategy and/or cause detriment to its customers.

Regular meetings take place within the Global Risk department to ensure risks are shared between AIL and the wider Group. The AmTrust Group CEO also holds approved person status under the SMCR within a number of the subsidiary entities at AIL.

C.6.5 Solvency risk

Solvency risk is the risk that the Company fails to maintain adequate levels of capital resources of sufficient quality and quantity in order to carry out its business objectives and in order to meet all domestic and international regulatory considerations regarding the capital resource requirements.

AIL ensures it is solvent at all times through: monitoring of its solvency position; financial accounts; and quarterly solvency forecasting (including the annual entity level ORSA processes) and prior to any strategic decision-making.

C.6.6 Reputational risk

Reputational risk relates to potential losses resulting from damages to the AIL Group's reputation, which could be manifested in terms of lost revenue; increased operating, capital or regulatory costs; or destruction of shareholder value.

AIL manages reputational risk by operating to high standards across its business activities, and continuously monitoring feedback from its key stakeholders, including customers and regulators.

C.7 Any other information

C.7.1 Risk sensitivities

AIL has performed sensitivity tests to show the impact on SCR and solvency coverage by changing the assumptions associated with each risk type in the SCR calculation. These are independent stresses to individual risks, although in practice risks may occur in combination, but the impact would differ from the combination of impacts of the individual stresses. No future management actions, which could mitigate the impacts shown, have been taken into account. The impacts of each stress are non-linear and the results shown should not be used to extrapolate the effects of larger or smaller changes in the assumptions.

AIL has performed the following sensitivity tests on its solvency position:

Risk category	Test	Own Funds (£m)	Increase/ (decrease) in Own Funds (£m)	SCR (£m)	Increase/ (decrease) in SCR (£m)	Solvency Ratio %	Increase/ (decrease) in Solvency ratio (% points)
	Solvency position	378.8		208.4		181.7%%	
Underwriting	25% increase in volume of GWP in next 12 months	378.5	(0.3)	215.4	7.0	175.7%	(6.0%)
Underwriting	25% decrease in volume of GWP in next 12 months	379.1	0.3	202.1	(6.3)	187.5%	5.8%
Underwriting	25% increase in Claims provisions	346.5	(32.3)	220.3	11.9	157.3%	(24.4%)
Underwriting	25% decrease in Claims provisions	411.2	32.4	196.6	(11.8)	209.1%	27.4%
Market	25% increase in asset durations	378.8	0.0	210.6	2.2	179.9%	(1.8%)
Market	25% decrease in asset durations	378.8	0.0	206.4	(2.0)	183.6%	1.9%
Market	10% of investment portfolio moved to the two most concentrated exposures	378.8	0.0	210.5	2.1	180.0%	(1.7%)
Market	Yield curve upshock	365.8	(13.0)	210.0	1.6	174.2%	(7.5%)
Credit	Fall in rating of one credit step for three largest reinsurers	378.7	(0.1)	211.6	3.2	179.0%	(2.7%)
Operational	Increase in technical provisions expenses of 50%	365.6	(13.2)	213.9	5.5	170.9%	(10.8%)

The risk category with the biggest effect on the SCR and solvency ratio is Underwriting Risk, particularly in respect of increases and decreases in Claims Provisions, which impact on Reserve risk, Operational risk, Default risk and the level of Own Funds, and consequently both the SCR and solvency ratio. The Group monitors premium volumes against plan at entity level and has robust reserving processes in each operating insurance entity to mitigate these risks. The other significant risk is the operational risk charge, which is driven by the level of Technical Provisions. The Group has a robust system of internal controls to mitigate operational risk, which is described in section B.4.1.

C.7.2 Subsequent Events

None noted.

Valuation for Solvency Purposes

Section D

D. Valuation for solvency purposes

The table below shows the valuation on a Solvency UK basis of AIL's assets and liabilities as at 31 December 2024. Note that AIL will not prepare consolidated statutory financial accounts for the year ended 2024 as it is taking the exemption available under Section 401 of the Companies Act 2006. Consolidated UK GAAP results have been prepared for the purpose of this disclosure (hereafter referred to as the 'consolidated UK GAAP financial statements.')

Description	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Deferred acquisition costs	0	81,152
Intangible assets	0	189
Deferred tax assets	0	792
Property, plant & equipment held for own use	32,414	16,989
Property (other than for own use)	3,701	3,701
Holdings in related undertakings, including participations	63,739	80,016
Equities	4,828	4,828
Government Bonds	423,441	423,441
Corporate Bonds	354,685	354,685
Loans and mortgages	40,861	44,939
Reinsurance recoverables from:		
Non-life and health similar to non-life	469,168	773,041
Deposits to cedants	533	552
Insurance and intermediaries receivables	56,769	419,122
Reinsurance receivables	88,852	82,708
Receivables (trade, not insurance)	99,673	92,885
Cash and cash equivalents	146,663	146,663
Any other assets, not elsewhere shown	13,085	9,662
Total assets	1,798,412	2,535,365

Description	Solvency UK Value	Consolidated UK GAAP Value
Liabilities	*£000*	*£000*
Technical provisions – non-life	706,404	1,126,731
Best estimate – non-life	693,233	0
Risk margin – non-life	13,171	0
Provisions other than technical provisions	11,605	25,232
Deposit from reinsurers	414,480	424,116
Deferred Tax Liabilities	15,094	0
Insurance & intermediaries payables	40,261	105,886
Reinsurance payables	1,732	284,647
Payables (trade, not insurance)	24,757	24,757
Any other liabilities, not elsewhere shown	205,239	196,535
Total liabilities	1,419,572	2,187,904
Excess of assets over liabilities	378,840	347,461

D.1 Assets

AIL's assets and liabilities are attributed different values when calculating the excess of assets over liabilities on a Solvency UK basis compared to the similar consolidation approach applied to UK GAAP balances. The Solvency UK Balance Sheet requires the application of the valuation rules from the PRA Rulebook with the UK GAAP Balance Sheet applying the valuation rules under Generally Accepted Accounting Principles (GAAP) in the UK.

As a high-level principle, the focus of a Solvency UK valuation is on reflecting the economic valuation of an asset/liability whilst the focus of UK GAAP is on fair presentation of all assets and liabilities. According to the PRA Rulebook an insurance entity shall value assets and liabilities as follows:

a) *assets shall be valued at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction; and*
b) *liabilities shall be valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.*

When valuing liabilities under point (b), no adjustment to take account of the own credit standing of the insurance or reinsurance undertaking shall be made.

The valuation rules from the PRA Rulebook use International Financial Reporting Standards (IFRS) as a starting position with various changes applied to move to an economic balance sheet position. UK GAAP is largely equivalent to the accounting principles applied under IFRS, although differences do exist which will be explained in more detail below where required. All differences between UK GAAP and IFRS are also considered adjustments necessary to move the position to a Solvency UK economic balance sheet.

This section highlights how AIL values its assets using the Solvency UK valuation principles and, where relevant, explains any material differences to the UK GAAP valuation approach. As per the PRA Rulebook the following approaches are taken to consolidate entities in the Solvency UK group balance sheet:

- Insurance undertakings are fully consolidated on a line-by-line basis based on their Solvency UK balance sheets reported within their individual regulated entity Solvency UK returns;
- Insurance holding companies are fully consolidated on a line-by-line basis based on their Solvency UK balance sheets, which have been prepared using their UK GAAP balance sheets as a starting point and then adjusting for Solvency UK Valuation principles;
- Ancillary service undertakings are fully consolidated on a line-by-line basis based on their Solvency UK balance sheets, which have been prepared using their UK GAAP balance sheets as a starting point and then adjusting for Solvency UK Valuation principles;
- All other entities are included as investments in participations valued in accordance with the PRA Rulebook, which is further described in Section D.1.4.1 below. Note that holding companies owning entities that participate within the Society of Lloyd's are not considered to be insurance holding companies as the Syndicates and their respective Corporate Capital Vehicles are not considered insurance companies. This point was clarified in EIOPA Q&A 549 on the Guidelines on group solvency; and
- Intra-group balances are eliminated between those entities which are fully consolidated on a line-by-line basis.

Management do not consider that any other entities, apart from the insurance undertakings, within the AIL Group should be considered regulated entities within the definitions of Solvency UK nor are there any material non-regulated entities performing financial activities.

All companies consolidated on a line-by-line basis are 100% owned related subsidiary undertakings of AIL. Companies included as participations are included proportionately based on the level of control held by the AIL Group.

The differences in asset and liability values between the consolidated AIL UK GAAP financial statements and the Solvency UK balance sheets are driven by one primary factor:

- Adjustments made to UK GAAP values to reflect Solvency UK's economic valuation principles as described in the introductory paragraph to this section.

D.1.1 Deferred acquisition costs

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Deferred acquisition costs	0	81,152

Deferred acquisition costs are valued at nil for Solvency UK purposes. Instead, all cashflows related to expenses due to servicing recognised insurance obligations are considered in the best estimate technical provisions.

D.1.2 Deferred tax asset

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Deferred tax asset	0	792

Deferred taxation is provided in full on timing differences which result in an obligation at the date of this report to pay more tax, or a right to pay less tax, at a future date. These timing differences have resulted in a deferred tax asset in the statutory accounts.

As a result of adjusting the UK GAAP balance sheet to an economic balance sheet for Solvency UK, additional gains and losses are created within the AIL Group. The Solvency UK framework permits deferred tax balances to be created on the differences between the tax base of assets and liabilities and the valuation based on Solvency UK principles.

The adjustments at the year-end resulted in an overall increase in the tax base of net assets and therefore a valuation adjustment to reduce the deferred tax asset, and reflect the resulting deferred tax liability, has been made at the appropriate rate.

D.1.3 Property, plant and equipment held (held for own use and other than for own use)

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Property, plant & equipment held for own use	32,414	16,989
Property (other than for own use)	3,701	3,701

Property

For both Solvency UK and the comparable consolidated UK GAAP financials, the valuation methodology for property, regardless of whether or not it is held for own use, is fair market value.

Under UK GAAP lease obligations and right of use asset related to the period after 31 December 2019 are off balance sheet obligations. However, the basis for Solvency UK valuation is IFRS. Therefore, a Solvency UK adjustment of £18.9m has been made to show the fair value of leased property in accordance with IFRS 16 which came into force on 1 January 2019.

Under IFRS 16, lessees are required to recognise lease assets and liabilities on the statement of financial position for all leases, with the exception of short-term and low-value leases. Where the Company is the lessee, a lease liability equal to the present value of outstanding lease payments and a corresponding right-of-use equal to the costs are initially recognised. The right-of-use asset is subsequently measured at amortised cost and depreciated on a straight-line basis over the length of the lease term.

The mitigating liability is shown in any other liabilities, not elsewhere shown, which is the reason for the increase shown in that Solvency UK balance sheet caption to prior year.

Plant and equipment

Plant and equipment is valued in the UK GAAP accounts at cost less depreciation and provision for impairment where appropriate. Solvency UK requires property and equipment to be valued at fair value. In all respects, the UK GAAP carrying value is deemed not materially different from the fair value under Solvency UK.

D.1.4 Investments

D.1.4.1 Holdings in related undertakings, including participations, and unaffiliated equities

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Holdings in related undertakings, including participations	63,739	80,016
Unaffiliated equities	4,828	4,828

AIL has investments in i) wholly-owned subsidiaries, ii) partially-owned subsidiaries, iii) an associate entity in which it does not have a dominant influence, and iv) unaffiliated entities. Under UK GAAP, subsidiary undertakings considered as part of the Solvency UK group of companies are consolidated on a line-by-line basis using the acquisition method of accounting. This approach requires measurement of the cost of the acquisition and allocating that cost to the identifiable assets acquired and liabilities and contingent liabilities assumed. The residual difference between the cost of the acquisition and net assets acquired is goodwill.

All entities which are not consolidated on a line-by-line basis are held as participations within the balance sheet line item 'Holdings in related undertakings, including participations'. In accordance with the PRA Rulebook, AIL is valuing its holdings in related undertakings, in accordance with the following order of hierarchy:

- Level 1 - values based on quoted prices in active markets where available;
- Level 2 - where quoted prices in active markets are not available, valued on an adjusted equity method. This is based either on (a) a Solvency UK valuation of underlying net assets, or (b) for related undertakings other than insurers where this is not practicable on an IFRS equity basis with the deduction of goodwill and intangibles; and
- Level 3 - for related undertakings other than subsidiaries, where quoted prices in active markets are not available and where it is not possible to apply an adjusted equity method, an alternative valuation method (e.g. mark to model) may be used.

As none of the related undertakings are listed in active markets, Level 1 is not appropriate. As a result of the required valuation approach, all participations are valued on the adjusted equity method based on applying Solvency UK valuation principles to the assets and liabilities they hold.

In accordance with the PRA Rulebook, the adjusted equity method allows for valuation to be based on the excess of assets over liabilities using Solvency UK valuation principles. The assets and liabilities of each entity have been evaluated and adjustments made for material differences between the UK GAAP position and the allowable value under the adjusted equity method. These adjustments include the unwinding of certain assets and liabilities to arrive at an economic balance sheet view of value instead of an accounting-based matching of income and expenses or amortisation principles.

Where an entity's economic balance sheet results in a net liability position, the investment is held at nil. In the event that a constructive obligation may exist, any contingent liability is estimated using the probability weighted cash-flow method defined in the PRA Rulebook.

These valuation methods are a departure from the approach used under UK GAAP and therefore an adjustment is required to arrive at the Solvency UK balance sheet.

The associate holding in the consolidated UK GAAP financial statements is carried using the equity method of accounting using cost plus post-acquisition movements in reserves. Under Solvency UK the same investment is carried at the AIL Group's proportional share of its excess of assets over liabilities valued on a Solvency UK basis. Note that the other amount in this line item is not considered material at a group level.

Irrespective of whether subsidiaries are fully consolidated on a line-by-line basis or carried under the adjusted equity method, the accounting policies which follow have been applied to the underlying assets and liabilities of all subsidiaries.

D.1.4.2 Bonds, other investments and loans and mortgages

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Government Bonds	423,441	423,441
Corporate Bonds	354,685	354,685
Loans and Mortgages	40,861	44,939

The subsidiaries of AIL have investment portfolios primarily made up of highly rated corporate and government bonds.

For the purpose of the consolidated UK GAAP financials, the AIL Group elects to carry its investments at fair value through the profit and loss account at inception. These assets are managed, and their performance evaluated on a fair value basis, and information about their fair values is provided internally to key management personnel on a regular basis including the relevant Boards and Investment Committees within the relevant entities. For the purpose of Solvency UK this same fair value approach is appropriate.

Investments are classified into three tiers of fair value hierarchy based on the characteristics of inputs available in the marketplace. The following valuation hierarchy is used:

- Level 1 – Quoted market prices in active markets for the same assets;

- **Level 2 –** Quoted market prices in active markets for similar assets with adjustments to reflect differences. The adjustments reflect factors specific to the asset including the condition or location of the asset, the extent to which inputs relate to items that are comparable with the asset and the volume or level of activity in the markets within which the inputs are observed; and
- **Level 3 –** Alternative valuation methods which make use of relevant market inputs including:
  - Quoted prices for identical or similar assets traded on markets which are not active;
  - Inputs other than quoted prices that are observable for the asset, including interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads; and
  - Market-corroborated inputs, which may not be directly observable but are based on or supported by observable market data.

For the purposes of the above, active markets are determined by trading volumes which allow pricing information to be provided on an ongoing basis. Of the Group's bond holdings at 31 December 2024, £3.1m is classified as Level 1 investments and £775.0m is classified as Level 2 investments. No adjustment is made to move accrued interest which is included for both UK GAAP and Solvency UK purposes within the value of the bonds.

Loans and mortgages are measured at amortised cost using the effective interest method for UK GAAP and at fair value using the income approach through the discounted cash flow method for the purpose of Solvency UK. Therefore, a valuation adjustment is required from the UK GAAP basis.

A valuation adjustment of £4.1m was made to loans and mortgages at the balance sheet date in line with the Company's discounted cash flow method of valuation for loans and mortgages. The unfavourable adjustment is due to the effect of positive PRA risk-free interest rate term structures used in the discounted future cash flow calculation used to value loans and mortgages assets in line with the Company's valuation methodology.

D.1.5 Reinsurance recoverables

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Reinsurance recoverables from:		
Non-life and health similar to non-life	469,168	773,041

Reinsurance recoverables are valued as part of technical provisions and separated out for disclosure purposes on the Solvency UK balance sheet. Most reinsurance cover is provided by quota share contracts and the recoverables are calculated as a fixed proportion of the gross liabilities. For the non-proportional cover, the recoverable amount has been estimated, by class, based on the attachment point and limits of each contract and a review of the historical recoveries made under each contract.

An adjustment is made in respect of future premiums held within reinsurance payables in the UK GAAP balance sheet. These balances are reclassified within technical provisions on the Solvency UK balance sheet.

Further valuation adjustments made to reinsurance recoverables are described within section D.2.

D.1.6 Insurance and Intermediaries Receivables, Reinsurance Receivables and Non-Insurance Trade Receivables

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Insurance and intermediaries receivables	56,769	419,122
Reinsurance receivables	88,852	82,708
Receivables (trade, not insurance)	99,673	92,885

Receivables relating to insurance and intermediaries, reinsurance and other trade debtors are valued at amortised cost, consistent with the approach under UK GAAP. This approach is not considered to be materially different to the fair value approach under Solvency UK valuation principles since debtor balances are short term, with no discounting impact and are convertible into a cash balance.

The movement from UK GAAP to Solvency UK is attributable to the following reclassifications:

- Receivables, which are not yet due, are reclassified and dealt with as part of the Technical Provisions, described below. This adjustment is illustrated in the significant reduction in value between the consolidated UK GAAP value and the Solvency UK value. This represents £351.6m of the movement in insurance and intermediaries receivables;
- Other reclassifications between the UK GAAP and Solvency UK balance sheet in order to correctly classify certain items under the Solvency UK categories.

D.1.7 Cash and other assets

	Solvency UK Value	Consolidated UK GAAP Value
Assets	*£000*	*£000*
Cash and cash equivalents	146,663	146,663
Any other assets, not elsewhere shown	13,085	9,662

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash and cash equivalents are considered to be held at fair value.

Any other assets relates are valued at amortised cost consistent with the approach under UK GAAP.

D.1.8 Changes made to recognition and valuation basis of assets during the year

No changes were made to the recognition and valuation basis of assets during 2024.

D.2 Technical Provisions

Technical Provisions represent a valuation of the AIL Group's obligations towards policyholders. Under Solvency UK these are required to be calculated as the sum of:

a) best estimate equal to the probability-weighted average of all future cash-flows, taking account of the time value of money; and
b) a risk margin equivalent to the amount that an insurance undertaking would be expected to require in order to take over and meet the capital requirements on the acquired obligations.

On a Solvency UK basis the total Net Technical Provisions, including the Risk Margin, amounts to £237.2m compared to £353.7m on a statutory basis due largely to valuation on a best estimate basis with no allowance for margins except the Risk Margin.

The following tables show a summary of AIL's Technical Provisions as at 31 December 2024 and 2023 under Solvency UK:

2024 Line of business	Gross of reinsurance (£000)	Recoverable from reinsurance (£000)	Net of reinsurance (£000)	Risk Margin (£000)	Total Technical Provisions (£000)
Assistance	2,157	880	1,277	75	1,352
Credit & suretyship	948	816	132	131	263
Fire & other damage to property	54,960	17,613	37,347	1,850	39,197
Legal expenses	25,059	8,886	16,173	3,427	19,600
Medical expense	(40)	(39)	(1)	0	(1)
Miscellaneous financial loss	211,937	114,163	97,774	4,287	102,061
Other motor	20,967	11,363	9,604	332	9,936
General liability	377,245	315,486	61,759	3,069	64,828
Total	693,233	469,168	224,065	13,171	237,236

2023 Line of business	Gross of reinsurance (£000)	Recoverable from reinsurance (£000)	Net of reinsurance (£000)	Risk Margin (£000)	Total Technical Provisions (£000)
Assistance	743	394	349	15	364
Credit & suretyship	5,810	5,088	722	56	778
Fire & other damage to	35,629	18,284	17,345	1,357	18,702
Legal expenses	57,141	40,930	16,211	1,269	17,480
Medical expense	1,108	1,690	(582)	(46)	(628)
Miscellaneous financial loss	187,090	106,544	80,546	3,498	84,044
Other motor	15,685	8,393	7,292	257	7,549
General liability	433,490	358,708	74,782	5,853	80,635
Total	736,696	540,031	196,665	12,259	208,924

AIL's insurance entities' UK GAAP reserving policies require the Actuarial function to calculate ultimate loss ratios with no margins for prudence or optimism. These loss ratios are calculated at the homogenous class of business level, which is consistent with the way the business is underwritten and managed separately for each entity. This provides an estimate of the expected future cash outflows from earned business and expected future cash inflows from any associated reinsurance as at the valuation date. An explicit additional margin is added based on the separate entity level Reserving Committee recommendations. This margin is removed for Solvency UK Technical Provisions.

D.2.1 Underlying Uncertainties

The Actuarial function has employed techniques and assumptions that it believes are appropriate for estimating the Technical Provisions. However, the results of these techniques are subject to uncertainty and it should be recognised that future claim emergence is likely to deviate, perhaps materially, from the estimates. The uncertainties in the estimates for the AIL Group are increased due to:

- The small size of some (sub)lines of business;
- The lack of development history and hence reliance on benchmarks in some classes;
- An increased reserve uncertainty on long-tailed lines of business;
- Uncertainty over the losses on remaining unearned exposures, particularly for the classes earning over extended periods such as the structural defects business or the warranty business;
- Uncertainty over the number and magnitude of potential large losses on long-tailed business;
- The existence of profit caps and profit shares for some programs which also adds to the uncertainty in aggregate estimates; and
- Any increase in unanticipated inflation potentially impacting a number of lines of business.

D.2.2 Solvency UK Related Uncertainties

Additional uncertainties because of the Solvency UK adjustments include:

- Uncertainty over the number and magnitude of potential large losses (and catastrophes) on all business that is unexpired at the valuation date;
- Uncertainty over the provision for Events Not in Data (ENIDs) where, by their very nature, there is no data available;
- Potential for deviation in the expected profits on un-incepted and unearned business;
- Potential for deviation in payment patterns from expectations, resulting in an over or under-estimation of the level of discount;
- Uncertainty over the volume of unincepted business;
- Uncertainty surrounding the future premium receivable; and
- Estimation of the risk margin due to uncertainty in the run-off of the capital requirements.

D.2.3 Other Uncertainties

AIL believes the impact of rising inflation, fuelled by growing geopolitical tensions impacting on the UK economy, is a risk to the company across most classes of business. Where the effects are being seen immediately, we have allowed for this appropriately in the best estimate. In addition, AIL holds ENID loads specifically to allow for this uncertainty in a number of classes including miscellaneous financial loss (warranty), fire & other damage to property (property) and general liability (structural defects).

D.2.4 Differences between UK GAAP and Solvency UK Valuation

Technical Provisions (net of reinsurance)	2024 £m	2023 £m
UK GAAP	352.7	323.8
Removal of Margins	(13.8)	(17.8)
GAAP Adjustments	(4.5)	(85.7)
Premium Provision Profits	(61.2)	5.2
Future Premiums	(75.0)	(77.0)
ENIDs	8.2	6.1
Solvency UK Expenses	37.5	42.0
Reinsurance Bad Debt	1.0	1.2
Lapse Provision	0.1	16.8
Discounting	(21.0)	(18.0)
Risk Margin	13.2	12.3
Solvency UK	237.2	208.9

As discussed above, AIL's insurance entities' UK GAAP reserving policies require the Actuarial function to calculate ultimate loss ratios with no margins for prudence or optimism. An explicit margin is added following the recommendations of the Reserving Committees.

Solvency UK technical provisions are evaluated on a best estimate cash flow basis with items such as unearned premium reserves removed. To move the UK GAAP estimates to a Solvency UK basis the following adjustments are made:

D.2.4.1 Removal of any margins in the UK GAAP reserves

The AIL Group, through its insurance companies, holds an additional margin above the actuarial best estimate to allow for the uncertainty in the estimates on both a gross and net of reinsurance basis. These are removed for Solvency UK purposes.

D.2.4.2 Recognition of profit in the Unearned Premium Reserve (UPR)

The full amount of unearned premiums is removed from the technical provisions. The best estimate of the claims liabilities associated with the Unearned Premium Reserve (UPR) is added back and expected reinsurance recoveries are allowed for separately for both proportional and non-proportional reinsurance.

D.2.4.3 Recognition of profits in business written prior to, but incepting after, the valuation date

The Bound But Not Incepted (BBNI) profits reduce the technical provisions. The best estimate of the claims liabilities associated with these premiums are added to the technical provisions. Expected reinsurance recoveries are allowed for separately for both proportional and non-proportional reinsurance.

D.2.4.4 Allowance for future premiums

Future premium cash flows are derived from the individual insurance entities in the AIL Group's financial systems for both gross cash inflows and reinsurance cash outflows.

D.2.4.5 Allowance for Events Not In Data

Under UK GAAP, technical provisions only make allowance for items that are implicitly included within the data or are "reasonably foreseeable". Under Solvency UK the best estimate must have reference to "all possible outcomes" including latent claims or very extreme high severity, low probability claims. Gross and ceded technical provisions are estimated separately.

D.2.4.6 Allowance for expenses required to service the run-off of the technical provisions

All expenses expected to be incurred in running-off the technical provisions including a proportion of fixed overheads are allowed for. These have been estimated using the latest financial projections and an estimate of the expected time to run-off the Technical Provisions based on the estimated claims payment patterns.

D.2.4.7 Allowance for Reinsurance Bad Debt (non-recoverable reinsurance)

Expected non-payment of reinsurance recoveries continues to be made but is calculated by allowing for the probability of default using external credit ratings. The expected default under Solvency UK takes into account the timing of the expected payment by reinsurer and hence allows for a change in rating over time.

D.2.4.8 Allowance for the Future Cost of Reinsurance in Respect of Written Business

Some future reinsurance purchases will benefit business written at the valuation date and the expected cost of this spend is included in the technical provisions.

D.2.3.9 Allowance for the Impact of Policies Lapsing

Some lines of business are subject to policies lapsing (or being cancelled) before the policy has expired or a claim has been made. An allowance for this reduction in future profits (or losses) is made based on historical data.

D.2.4.10 Allowance for Discounting

Cash flows are discounted for the time value of money based on the expected timing of all cash flows. The yield curves (discount rates) for major currencies which are used to discount the cash flows are provided by the supervisors.

D.2.4.11 Allowance for a risk margin

This adjustment increases the overall value of the technical provisions from the discounted best estimate to an amount equivalent to the theoretical level needed to transfer the obligations to another insurance undertaking. It is calculated based on approximating the individual risks and sub-risks within all modules and sub modules to be used for the calculation of future solvency capital requirements. The cost of capital rate applied in the calculation of the risk margin is 4.0%.

D.2.5 Differences Between UK GAAP and Solvency UK Valuation by Line of Business

The differences by line of business between net UK GAAP and net Solvency UK technical provisions are set out in the table below. Movements by line of business are because of the adjustments described in section D.2.4.

31 December 2024 Class	Solvency UK (£'000)	UK GAAP (£'000)	Difference (£'000)
Assistance	1,352	2,121	(769)
Credit and suretyship	263	4,358	(4,095)
Fire and other damage to property	39,197	48,669	(9,472)
Legal expenses	19,600	91,542	(71,942)
Medical expense	(1)	0	(1)
Miscellaneous financial loss	102,063	129,290	(27,227)
General liability	64,825	64,618	207
Other motor insurance	9,936	13,092	(3,156)
Total	237,235	353,690	(116,455)

D.2.6 Adjustments to Technical Provisions

The Company does not apply the Matching Adjustment, Volatility Adjustment, Transitional Risk-Free Interest Term Structure or the Transitional Deduction when calculating its Solvency UK technical provisions.

D.2.7 Reinsurance

The AIL Group has significant reinsurance assets. Since mid-2019, its ASL subsidiary has had a 50% whole account quota share with Swiss Re, an "AA-" Standard and Poor's rated global third-party reinsurer, with the exception of business related to the credit and suretyship Solvency UK line of business, in particular mortgage and credit, which has its own third-party quota share arrangements, and certain lines of business in which the Company exited. The reinsurance arrangement in place with the Swiss Re renewed during 2024.

The Solvency UK technical provisions also make allowance for potential recoveries from non-proportional reinsurance for the professional indemnity and structural defects classes .

During 2022 a reinsurance arrangement was put in place with AIIL covering all ASL's outstanding liabilities from underwriting years 2019 and prior. Subsequently this arrangement has been renewed in 2024 to cover the underwriting years up to 2021. In addition, the treaty also covers all underwriting years for the run-off lines of business.

D.2.8 Significant changes in assumptions

In respect of the ASL book, the most significant changes in the assumptions used to calculate the Technical Provisions are:

- The LPT reinsurance was renewed and hence the net liabilities for the 2021 underwriting year are now zero.
- ULRs for Legal business increased during the year to allow for a large policy (approximately £9m) that was lost during Q2 2024.
- Throughout 2024 the Professional Indemnity book continued to perform better than anticipated and ULRs were reduced across many of the more mature years as a result.

D.3 Other liabilities

D.3.1 Provisions other than technical provisions

	Solvency UK Value	Consolidated UK GAAP Value
Liabilities	*£000*	*£000*
Provisions other than technical provisions	11,605	25,232

Included within provisions other than technical provisions are amounts due to agents for profit sharing and similar agreements. These provisions are based on management's best estimates of the amounts due under those contracts. All balances are short term in nature therefore their valuation for Solvency UK purposes is consistent with those under UK GAAP.

Also included is contingent consideration on the acquisitions of Alan Blunden & Co. Limited and Marley Risk Consultants Limited during 2023. This has been recognised under UK GAAP at fair value, given the outflows associated with it are probable in nature and can be reliably measured, which is an appropriate valuation method for Solvency UK.

D.3.2 Loans, Payables and Other Liabilities

	Solvency UK Value	Consolidated UK GAAP Value
Liabilities	*£000*	*£000*
Deposit from reinsurers	414,480	424,116
Deferred Tax Liabilities	15,094	0
Insurance & intermediaries payables	40,261	105,886
Reinsurance payables	1,732	284,647
Payables (trade, not insurance)	24,757	24,757
Any other liabilities, not elsewhere shown	205,239	196,535

Deposit from reinsurers relates to the Swiss Re reserves withheld fund, as well as the funds withheld balance pertaining to the reinsurance agreement ASL has with AIIL.

Deferred tax liabilities relates to deferred taxation that is provided in full on timing differences which result in an obligation at the date of this report to pay more tax, or a right to pay less tax, at a future date. These timing differences have resulted in a deferred tax asset in the statutory accounts.

As a result of adjusting the UK GAAP balance sheet to an economic balance sheet for Solvency UK, additional gains and losses are created within the Company. The Solvency UK framework permits deferred tax balances to be created on the differences between the tax base of assets and liabilities and the value based on Solvency UK principles.

The adjustments at the year-end resulted in an overall increase in the tax base of net assets. Due to the size of this increase, the Company has booked a deferred tax liability. This adjustment has been made at the appropriate rate

Payables to insurance and intermediaries, reinsurance and **other trade**, are valued at amortised cost under UK GAAP. Given the short term nature of these creditors, there is not a material difference between this and the fair value approach under Solvency UK, no adjustment has therefore been made.

For the following, other liabilities balances the valuation method applied is fair value with reference to the amortised cost, which is used in the UK GAAP statutory accounts:

- Insurance & intermediaries payables;
- Reinsurance payables;
- Payables (trade, not insurance); and
- Any other liabilities, not elsewhere shown.

For short term payables, the amortised cost method used for UK GAAP is not considered to be materially different to the Solvency UK valuation since creditor balances are short term, with no discounting impact and quickly convertible into a cash balance. No material adjustments have thus been made to these amounts to account for Solvency UK valuation differences.

Where appropriate, long-term payables have been moved to their fair value as is stipulated in the Solvency UK valuation principles. Fair values have been derived by applying a discounted cash flow model. The material movement within any other liabilities relates to the lease adjustment made in relation to Exchequer Court.

Management have concluded there is no material estimation uncertainty surrounding the loans payable and other liabilities due to the nature of the liabilities, which do not contain complex terms.

Furthermore, the exclusion of all "other liabilities" existing in entities which are not consolidated line-by-line accounts for a significant amount of the variation noticed between the UK GAAP balance sheet.

D.3.4 Changes made to recognition and valuation basis of other liabilities during the year

No changes were made to the recognition and valuation basis of other liabilities during 2024.

D.4 Alternative methods for valuation

D.4.1 Property, Plant and Equipment

Within the UK GAAP annual accounts, property held other than for own use is valued at fair market value while property held for own use is valued at fair market value less accumulated depreciation. The latest valuation was performed as part of the year end process for 31 December 2024.

Valuations are performed by an independent, professionally qualified valuer who has applied a traditional income capitalisation method, having regard to appropriate yields to the various income streams.

The above method is used as an approximation to derive Solvency UK values.

The valuation is subject to a number of uncertainties around the market environment and the wider macro-economic position, but the valuer has not highlighted any reason the valuation performed should not be relied upon.

Leased properties are measured in accordance with the discounted value of the contract as at 1st of January 2019 when IFRS 16 first came into force and are then depreciated over the contractual period of the lease. A Solvency UK adjustment of £16.3m has been made to show the fair value of leased property in accordance with IFRS 16.

The above method is used as an approximation to derive Solvency UK values.

D.4.2 Loans and Mortgages

Within the UK GAAP annual accounts, loans and mortgages are measured at amortised cost using the effective interest rate method. Under Solvency UK loans and mortgages are measured at fair value using the income approach through the discounted cash flow method.

The Solvency UK valuation has been performed with reference to contractual interest rates and discounted using the prevailing PRA risk-free interest rate term structures at the date of valuation, in line with Solvency UK guidelines.

D.5 Any other information

None noted.

Capital Management

Section E

E. Capital Management

E.1 Own Funds

AIL manages its Own Funds with the objective of always being able to satisfy both the Minimum Consolidated Group Solvency Capital Requirement and the SCR. With this in mind, AIL prepares solvency projections for the following three years as part of its business planning process. In addition, short-term solvency projections will be calculated and discussed with the AIL Executive Committee whenever a significant transaction is considered by the AIL Group.

AIL's capital management policies and objectives have remained unchanged over the year.

Solvency calculations are prepared following the end of each quarter and compared with available Own Funds and this will be reviewed by the AIL Group CFO and reported to the AIL Executive Committee.

AIL's Own Funds are made up of Tier 1 - Unrestricted capital instruments and are comprised of fully paid ordinary share capital and the reconciliation reserve (accumulated comprehensive income on a Solvency UK valuation basis, equal to the excess of assets over liabilities excluding other basic own fund items at the reporting date). AIL has no Tier 1 – Restricted, Tier 2 or Tier 3 Own Funds.

AIL's Solvency UK Tier 1 – Unrestricted Own Funds position at the end of the year and the prior year is shown in section E.1.1 below. The movement in Own Funds, and thus the movement in the reconciliation reserve given no movement in ordinary share capital, is explained in that section.

E.1.1 Composition of Own Funds

The AIL Group's Solvency UK capital at the end of the year and the prior year is shown in the table below.

£'000	31 December 2024	31 December 2023
Ordinary share capital – Tier 1 unrestricted	0*	0*
Reconciliation reserve – Tier 1 unrestricted	378,840	401,206
Own funds	378,840	401,206

*Share capital is made up of 1 £1 ordinary share

There are certain differences between the value of own funds under Solvency UK and the value of equity shown in the Group's consolidated UK GAAP financial statements. These arise due to:

- The difference in valuation of assets and liabilities as represented by the reconciliation reserve and described in Section D of this report; and
- Differences in the treatment of related undertakings within the group balance sheet for UK GAAP and Solvency UK purposes.

A reconciliation between the two bases is shown in the table below.

	2024 (£000)	2023 (£000)
Equity per UK GAAP financial statements	347,461	505,818
Adjustment in respect of moving to adjusted equity method of accounting for relevant subsidiaries	(16,277)	(157,151)
Differences in valuation of technical provision related items within insurance undertakings	35,303	26,164
Valuation differences on other assets and liabilities, including treatment of intercompany balances under the Solvency UK consolidation method	28,238	44,032
Deferred tax adjustments relating to the above items	(15,885)	(17,657)
Own Funds per Solvency UK Balance Sheet	378,840	401,206

None of the AIL Group's Own Funds are subject to transitional arrangements. AIL has no Ancillary Own Funds.

E.1.2 Composition of Available and Eligible Own Funds

E.1.2.1 Own Funds is net of intra-group transactions

In line with the principles applicable to Method 1 – the accounting consolidation method, the AIL Group's Own Funds has been calculated with due care taken to ensure that any intra-group transactions are eliminated. The consolidated UK GAAP financial statements are used as a starting point for the Solvency UK Group balance sheet but specific adjustments are processed in order to eliminate intra-group balances as they relate to the entities within the scope of full line-by-line consolidation in Solvency UK.

E.1.2.2 Potential double-counting of capital has been eliminated

The Solvency UK framework provides that there shall be no double use of Own Funds eligible for the Group SCR. Specifically in compiling the AIL Solvency UK Group balance sheet, special consideration has been taken to ensure that the following types of items have not been double counted within the Group's Own Funds eligible to cover the Group SCR.

1. The value of any asset of one group member (AIL, its related insurers and intermediate holding companies) which represents the financing of Own Funds eligible for the SCR of another Group member;
2. The rules applicable to surplus funds and subscribed but not paid in share capital (in the case where the capital of one group member may represent a potential obligation on the part of another group member) have been considered in an AIL context but these are not applicable to the AIL Group.

E.1.3 Assessment of the restrictions on fungibility and transferability of Solo Own Funds

Solvency UK Group reporting has introduced the concepts of fungibility and transferability of own funds items within a Group Solvency calculation. In principle, these concepts imply that certain components of Solo Own Funds cannot effectively be made available to cover the losses of the AIL Group. The main factors which need to be considered in assessing the availability of Own Funds items at a group level are the following:

1. Whether the own-fund item is subject to legal or regulatory requirements that restrict the ability of the item to absorb all types of losses within the AIL Group, regardless of where in the AIL Group the losses arise;
2. Whether there are legal or other regulatory requirements that restrict the transferability of assets to another insurer within the AIL Group; and
3. Whether it would be possible to make those own funds available to cover the Group SCR within nine months.

AIL have assessed the Group's Own Funds in detail in line with the constraints above and have determined that there should be no restriction on the availability of capital for the purpose of absorbing losses around the AIL Group.

E.2 SCR and Minimum Consolidated Group Capital SCR

AIL uses an off the shelf system to calculate its SCR using the Standard Formula. The AIL Group does not use any Undertaking Specific Parameters (USPs). The AIL Group does use a simplified calculation for the Risk Mitigating Effect in the Type 1 Counterparty Default risk module.

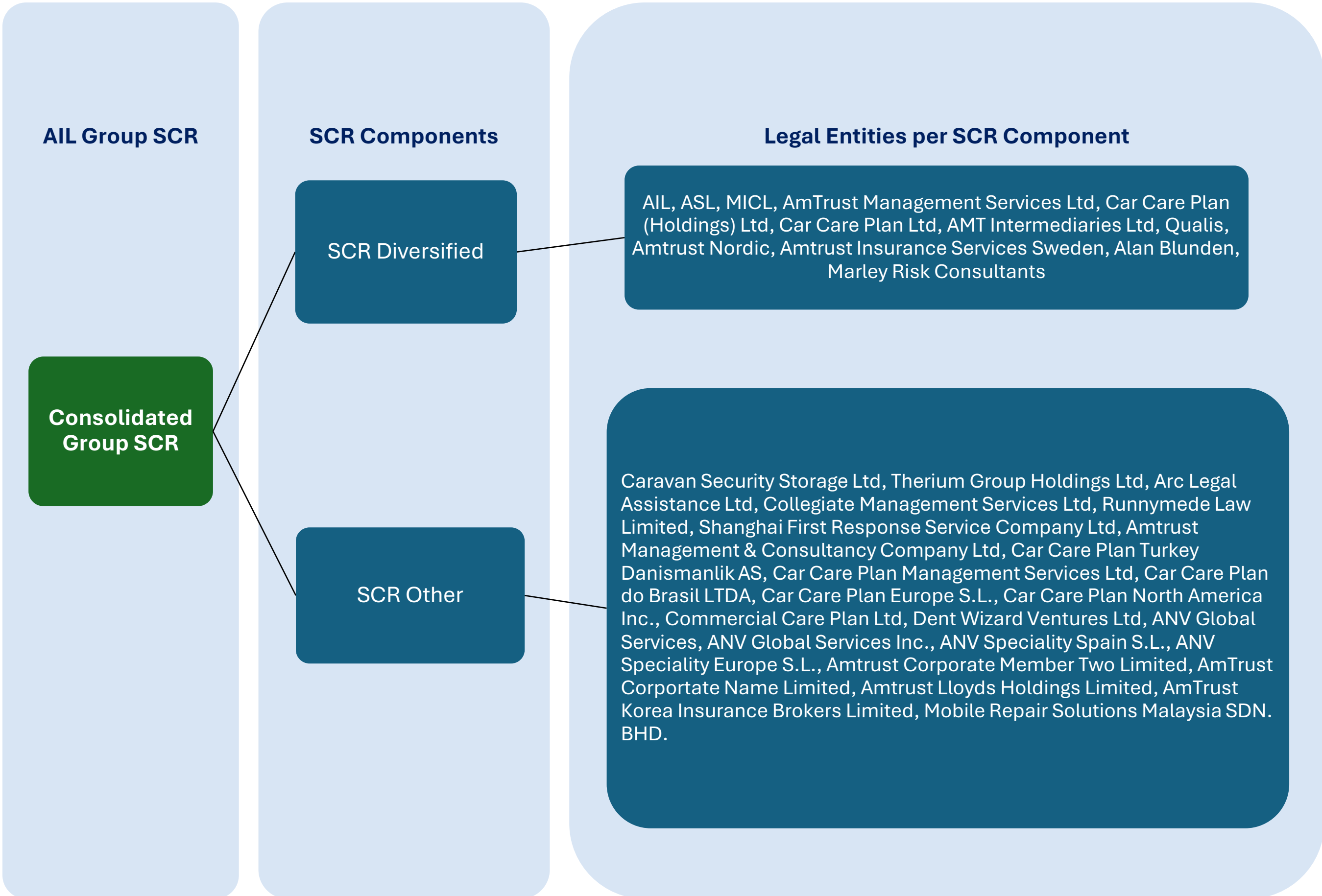
In order to properly reflect the risk exposures of a group, the consolidated Group SCR should take into account the global diversification of risks that exist across all insurers in the AIL Group.

Consideration is also given to the existence of risks which only exist at the level of the AIL Group and these are factored into the SCR calculations.

The relevant extracts from the PRA Rulebook have been applied to determine the method of consolidated data (Method 1 Accounting Consolidation Method) when calculating the consolidated Group SCR. In order to follow Method 1 and the Guidelines on Group Solvency, to calculate the consolidated Group SCR, two separate calculations are required, i) SCR Diversified and ii) SCR Other.

i) The SCR Diversified calculation is derived from line-by-line data for those entities included on a consolidated basis, as described above. These insurance entities will contribute to the diversification effects recognised at group level within this calculation.
ii) The SCR Other calculation aggregates all other undertakings, including related but not subsidiary ancillary services undertakings, and applies certain market risk charges to the equity values of these other undertakings in accordance with the PRA Rulebook.

Below is a diagram to illustrate which entities fall within the respective SCR calculations.



As shown, there are a significant number of entities, including the Lloyd's CCVs included in the SCR Other calculation.

E.2.1 Diversification

Within SCR Diversified, the same diversification as within the solo standard formula model applies.

In accordance with the PRA Rulebook, where this component of the AIL Group solvency capital requirement is the solvency capital requirement of the other undertakings, SCR Other, no diversification effect is recognised at group level between 'Other' entities. However, correlation coefficients apply within individual 'Other' entities between Equity, Currency and Concentration Risk.

The resulting AIL Group SCR and Minimum Consolidated Group SCR are as follows:

Capital Requirements 31 December	2024 £000	2023 £000
SCR Diversified	188,596	175,049
SCR Other	19,851	18,590
SCR Total	208,447	193,639
Minimum Consolidated Group SCR	49,811	42,771

E.2.2 Material change in SCR and Minimum Consolidated Group SCR

The increase in the SCR Diversified during the year is driven by increases in the ASL SCR, which increased due to the following factors in the year:

- Increase in Non-Life Underwriting Risk mainly driven by an increase in Natural Catastrophe Risk as a result of increased retentions on the Property book, alongside increase in Premium and Reserve exposure due to higher budgeted volumes at 31 December 2024;
- Market Risk Currency Risk increased as a result of higher Canadian Dollar and Korean Won exposure in 2024;
- The partial repayment of the AIIL loan agreement resulted in a decrease in Market Concentration Risk; and
- The level of outstanding and overdue debt decreased in the year, which resulted in a decrease in the Counterparty Default Risk Type 2 charge;

E.2.3 Solvency Coverage Ratio

On a standalone basis, the SCR, Own Funds and solvency ratios for the solo insurance entities as reported in their standalone SFCRs for 31 December 2024 are as follows:

As reported (£000)	ASL	MICL
Solvency Requirement	130,135	51,828*
Own Funds	207,557	73,787*
Solvency Ratio	159%	142%

*MICL makes use of USPs in its audited SCR and Own Funds, which are not considered in AIL's SCR and Own Funds calculations. The above SCR and Own Funds values for MICL do not make use of USPs, in line with the AIL approach.

The solvency ratios for the solo insurance entities are therefore well in excess of 100%, and the combined Lloyd's CCVs (unaudited), are in excess of 135%. As discussed above, the Own Funds of the individual insurance entities can fully contribute to the Group's Own Funds after taking into account the necessary consolidation adjustments.

The AIL Group's eligible amount of Own Funds eligible to cover the SCR as of 31 December 2024 is listed in the table below.

Solvency Overview (in £000s)					
	Tier	Available Own Funds	Eligible %	Eligible Own Funds	Solvency Ratio
SCR 208,447	1	378,840	100%	378,840	
	2	0	0	0	
	3	0	0	0	
	Total	378,840		378,840	182%

The AIL Group's eligible amount of Own Funds to cover the Minimum Consolidated Group SCR as of 31 December 2024 is listed in the table below.

Solvency Overview (in £000s)					
	Tier	Own Funds	Eligible %	Eligible Own Funds	Minimum Consolidated Group SCR Ratio
Minimum Consolidated Group SCR 49,811	1	378,840	100%	378,840	
	2	0	0	0	
	3	0	0	0	
	Total	378,840		378,840	761%

The AIL Group's eligible amount of Own Funds eligible to cover the SCR as of 31 December 2023 is listed in the table below.

Solvency Overview (in £000s)					
	Tier	Available Own Funds	Eligible %	Eligible Own Funds	Solvency Ratio
SCR 193,639	1	401,206	100%	401,206	
	2	0	0	0	
	3	0	0	0	
	Total	401,206		401,206	207%

The AIL Group's eligible amount of Own Funds to cover the Minimum Consolidated Group SCR as of 31 December 2023 is listed in the table below.

Solvency Overview (in £000s)					
	Tier	Own Funds	Eligible %	Eligible Own Funds	Minimum Consolidated Group SCR Ratio
Minimum Consolidated Group SCR 42,771	1	401,206	100%	401,206	
	2	0	0	0	
	3	0		0	
	Total	401,206		401,206	938%

E.2.4 Solvency Capital Requirement

The AIL Group's SCR split by risk module at the end of the year and the prior year is shown in the table below

Solvency Capital Requirement	2024 £000	2023 £000
Health NSLT underwriting risk	0	0
Non-Life underwriting risk	141,434	122,524
Market risk	48,602	47,613
Counterparty default risk	37,841	40,257
Undiversified Basic SCR	**227,877**	**210,394**
Diversification credit	(44,830)	(43,938)
Basic SCR	**183,047**	**166,456**
Operational risk	20,643	21,929
Loss absorbing capacity of deferred taxes	(15,094)	(13,336)
SCR Diversified	**188,596**	**175,049**
Capital requirement for residual undertakings	19,851	18,590
Overall SCR	208,447	193,639

E.2.5 Minimum Consolidated Group SCR

The Minimum Consolidated Group SCR represents the minimum level of security below which the amount of financial resources available to the AIL Group should not fall. In line with the PRA regulations the Minimum Consolidated Group SCR is the sum of the Minimum Capital Requirements (MCR) of the participating insurance undertakings consolidated within the AIL Group.

For each of the insurance undertakings, the MCR is calculated by aggregating across all lines of business, a specified percentage of net technical provisions (excluding risk margin) and a specified percentage of net premiums. This linear calculation is, however, subject to the following:

- The MCR shall not fall below the prescribed minimum referred to as the 'absolute floor'; and
- Subject to not falling below the 'absolute floor', the MCR shall fall within a prescribed 'corridor' of between 25% and 45% of the solo SCR of the insurance undertakings.

E.2.6 Loss-absorbing capacity of deferred taxes

The SCR has been reduced by £15.1m (2023: £13.3m) for the loss-absorbing capacity of deferred taxes. This is equal to the amount of the existing net deferred tax liability of £15.1m on the Solvency UK balance sheet.

E.2.7 Standard Formula Simplifications

In calculating the Type 1 Counterparty Default Risk charge, AIL has adopted the simplification for the risk-mitigating effect of reinsurance arrangements.

E.3 Difference between the standard formula and the internal model used

AIL does not have an Internal Model to calculate its SCR.

E.4 Non-compliance with the Minimum Consolidated Group Solvency Capital Requirement and non-compliance with the Solvency Capital Requirement

The company has been in compliance with the both the Minimum Consolidated Group SCR and SCR throughout the reporting period.

E.5 Any other information

None noted.

Annex

Quantitative Reporting Templates

Annex 1 – Summary of Quantitative Reporting Templates (QRTs)

The following pages contain QRTs for AIL as at 31 December 2024.

All figures are presented in thousands of pounds with the exception of ratios, which are in decimal. Please note that totals may differ from component parts due to rounding. All items disclosed are consistent with the information provided to the regulators privately.

QRT number	QRT name
IR.02.01.02	Balance sheet
IR.05.02.01	Premiums, claims and expenses by country
IR.05.04.02	Non-life income and expenditure
IR.23.01.04	Own funds
IR.25.04.22	Solvency Capital Requirement
IR.32.01.22	Undertakings in the scope of the group

Annex 2

IR.02.01.02.01

Balance sheet

					Solvency II value
					C0010
Assets	Goodwill			R0010	
	Deferred acquisition costs			R0020	
	Intangible assets			R0030	0
	Deferred tax assets			R0040	0
	Pension benefit surplus			R0050	0
	Property, plant & equipment held for own use			R0060	32,414
	Investments (other than assets held for index-linked and unit-linked contracts)			R0070	850,395
		Property (other than for own use)		R0080	3,701
		Holdings in related undertakings, including participations		R0090	63,739
		Equities		R0100	4,828
			Equities - listed	R0110	0
			Equities - unlisted	R0120	4,828
		Bonds		R0130	778,127
			Government Bonds	R0140	423,441
			Corporate Bonds	R0150	354,685
			Structured notes	R0160	0
			Collateralised securities	R0170	0
		Collective Investments Undertakings		R0180	0
		Derivatives		R0190	0
		Deposits other than cash equivalents		R0200	0
		Other investments		R0210	0
	Assets held for index-linked and unit-linked contracts			R0220	0
	Loans and mortgages			R0230	40,861
		Loans on policies		R0240	0
		Loans and mortgages to individuals		R0250	0
		Other loans and mortgages		R0260	40,861
	Reinsurance recoverables from:			R0270	469,168
		Non-life and health similar to non-life		R0280	469,168
		Life and health similar to life, excluding index-linked and unit-linked		R0315	0
		Life index-linked and unit-linked		R0340	0
	Deposits to cedants			R0350	533
	Insurance and intermediaries receivables			R0360	56,769
	Reinsurance receivables			R0370	88,852
	Receivables (trade, not insurance)			R0380	99,673
	Own shares (held directly)			R0390	0
	Amounts due in respect of own fund items or initial fund called up but not yet paid in			R0400	0
	Cash and cash equivalents			R0410	146,663
	Any other assets, not elsewhere shown			R0420	13,084
	Total assets			R0500	1,798,412

Annex 2
IR.02.01.02.01
Balance sheet

				Solvency II value
				C0010
Liabilities	Technical provisions - total		**R0505**	706,403
		Technical provisions - non-life	**R0510**	706,403
		Technical provisions - life	**R0515**	0
	Best estimate - total		**R0542**	693,233
		Best estimate - non-life	**R0544**	693,233
		Best estimate - life	**R0546**	0
	Risk margin - total		**R0552**	13,171
		Risk margin - non-life	**R0554**	13,171
		Risk margin - life	**R0556**	0
	Transitional (TMTP) - life		**R0565**	0
	Other technical provisions		**R0730**	0
	Contingent liabilities		**R0740**	0
	Provisions other than technical provisions		**R0750**	11,605
	Pension benefit obligations		**R0760**	0
	Deposits from reinsurers		**R0770**	414,480
	Deferred tax liabilities		**R0780**	15,094
	Derivatives		**R0790**	0
	Debts owed to credit institutions		**R0800**	0
	Financial liabilities other than debts owed to credit institutions		**R0810**	0
	Insurance & intermediaries payables		**R0820**	40,261
	Reinsurance payables		**R0830**	1,732
	Payables (trade, not insurance)		**R0840**	24,757
	Subordinated liabilities		**R0850**	0
		Subordinated liabilities not in Basic Own Funds	**R0860**	0
		Subordinated liabilities in Basic Own Funds	**R0870**	0
	Any other liabilities, not elsewhere shown		**R0880**	205,240
	Total liabilities		**R0900**	1,419,572
Excess of assets over liabilities			**R1000**	378,840

Annex 2

IR.05.02.01.01 (unaudited)

Premiums, claims and expenses by country - Home Country - non-life obligations

			Home country
			C0080
Premiums written	Gross - Direct Business	**R0110**	480,772
	Gross - Proportional reinsurance accepted	**R0120**	12,271
	Gross - Non-proportional reinsurance accepted	**R0130**	10,770
	Reinsurers' share	**R0140**	277,176
	Net	**R0200**	226,638
Premiums earned	Gross - Direct Business	**R0210**	467,506
	Gross - Proportional reinsurance accepted	**R0220**	12,076
	Gross - Non-proportional reinsurance accepted	**R0230**	11,022
	Reinsurers' share	**R0240**	276,443
	Net	**R0300**	214,161
Claims incurred	Gross - Direct Business	**R0310**	293,178
	Gross - Proportional reinsurance accepted	**R0320**	9,660
	Gross - Non-proportional reinsurance accepted	**R0330**	2,282
	Reinsurers' share	**R0340**	175,243
	Net	**R0400**	129,877
Net expenses incurred		**R0550**	77,146

Annex 2

IR.05.02.01.02 (unaudited)

Premiums, claims and expenses by country - Top 5 countries (by amount of gross premiums written) - non-life obligations

			Republic of Korea	Canada	Australia	India	Turkey
			C0090	**C0100**	**C0110**	**C0120**	**C0130**
Premiums written	Gross - Direct Business	**R0110**	0	18,431	12,479	0	5,148
	Gross - Proportional reinsurance accepted	**R0120**	26,244	0	0	12,328	1,380
	Gross - Non-proportional reinsurance accepted	**R0130**	0	0	28	0	0
	Reinsurers' share	**R0140**	13,318	(1,025)	6,132	6,164	3,264
	Net	**R0200**	12,926	19,456	6,375	6,164	3,264
Premiums earned	Gross - Direct Business	**R0210**	0	13,333	14,785	0	5,148
	Gross - Proportional reinsurance accepted	**R0220**	11,033	0	0	6,232	298
	Gross - Non-proportional reinsurance accepted	**R0230**	0	0	22	0	0
	Reinsurers' share	**R0240**	5,590	5,464	9,876	3,116	2,723
	Net	**R0300**	5,444	7,868	4,931	3,116	2,723
Claims incurred	Gross - Direct Business	**R0310**	0	2,616	13,866	0	0
	Gross - Proportional reinsurance accepted	**R0320**	9,862	0	0	0	7
	Gross - Non-proportional reinsurance accepted	**R0330**	0	0	0	0	0
	Reinsurers' share	**R0340**	5,743	1,048	10,228	0	7
	Net	**R0400**	4,119	1,568	3,638	0	0
Net expenses incurred		**R0550**	2,448	3,745	507	787	1,693

Annex 2
IR.05.02.01.03 (unaudited)
Premiums, claims and expenses by country - Total Top 5 and home country - non-life obligations

			Total Top 5 and Home Country
			C0140
Premiums written	Gross - Direct Business	**R0110**	516,830
	Gross - Proportional reinsurance accepted	**R0120**	52,223
	Gross - Non-proportional reinsurance accepted	**R0130**	10,798
	Reinsurers' share	**R0140**	305,028
	Net	**R0200**	274,822
Premiums earned	Gross - Direct Business	**R0210**	500,772
	Gross - Proportional reinsurance accepted	**R0220**	29,638
	Gross - Non-proportional reinsurance accepted	**R0230**	11,044
	Reinsurers' share	**R0240**	303,212
	Net	**R0300**	238,243
Claims incurred	Gross - Direct Business	**R0310**	309,660
	Gross - Proportional reinsurance accepted	**R0320**	19,530
	Gross - Non-proportional reinsurance accepted	**R0330**	2,282
	Reinsurers' share	**R0340**	192,269
	Net	**R0400**	139,203
Net expenses incurred		**R0550**	86,326

Annex 2

IR.05.04.02.01

Non-life income and expenditure: reporting period

					All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)	All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)	Line of Business for: non-life insurance and accepted proportional reinsurance obligations							
							Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance - personal lines	Motor vehicle liability insurance - non-personal lines	Motor vehicle other motor insurance - personal lines	Motor vehicle other motor insurance - non-personal lines	Marine, aviation and transport insurance
					C0010	**C0015**	**C0110**	**C0120**	**C0130**	**C0140**	**C0141**	**C0150**	**C0151**	**C0160**
Income	Premiums written	Gross written premiums		**R0110**		595,200	1	0	0	0	0	18,369	0	0
			Gross written premiums - insurance (direct)	**R0111**		520,073	1	0	0	0	0	18,369	0	0
			Gross written premiums - accepted reinsurance	**R0113**		75,127	0	0	0	0	0	0	0	0
		Net written premiums		**R0160**		284,182	0	0	0	0	0	8,761	0	0
	Premiums earned and provision for unearned	Gross earned premiums		**R0210**		575,216	1	0	0	0	0	14,993	0	0
		Net earned premiums		**R0220**		254,461	0	0	0	0	0	7,713	0	0
Expenditure	Claims incurred	Gross (undiscounted) claims incurred		**R0610**		351,026	(529)	0	0	0	0	8,697	28	0
			Gross (undiscounted) direct business	**R0611**		306,379	(417)	0	0	0	0	8,697	28	0
			Gross (undiscounted) reinsurance accepted	**R0612**		44,647	(113)	0	0	0	0	0	0	0
		Net (undiscounted) claims incurred		**R0690**		153,902	(4)	0	0	0	0	4,199	14	0
		Net (discounted) claims incurred		**R0730**	153,902	153,902								
	Analysis of expenses incurred	Technical expenses incurred net of reinsurance ceded		**R0910**	92,904									
		Acquisition costs, commissions, claims management costs		**R0985**	26,646									
	Other expenditure	Other expenses		**R1140**	15,198									
	Total expenditure			**R1310**	272,316									

Annex 2

IR.05.04.02.01

Non-life income and expenditure: reporting period

					All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)									
					All non-life business (ie excluding annuities stemming from accepted insurance and reinsurance contracts)									
					Line of Business for: non-life insurance and accepted proportional reinsurance obligations									
							General liability insurance							
					Fire and other damage to property insurance - personal lines	Fire and other damage to property insurance - non-personal lines	Employers Liability	Public & products Liability	Professional Indemnity	Other general liability	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
					C0170	**C0180**	**C0190**	**C0200**	**C0210**	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**
Income	Premiums written	Gross written premiums		**R0110**	111,020	21,501	0	288	69,872	0	9,211	112,082	5,759	236,179
			Gross written premiums - insurance (direct)	**R0111**	111,020	21,501	0	288	69,872	0	5,308	100,943	5,759	187,012
			Gross written premiums - accepted reinsurance	**R0113**	0	0	0	0	0	0	3,903	11,139	0	49,167
		Net written premiums		**R0160**	46,148	7,427	(0)	0	33,328	0	6,285	60,458	1,677	114,550
	Premiums earned and provision for unearned	Gross earned premiums		**R0210**	100,812	16,933	0	17,192	76,924	0	4,805	98,127	4,371	229,899
		Net earned premiums		**R0220**	43,941	6,432	(0)	0	36,524	0	1,476	42,139	1,377	109,192
Expenditure	Claims incurred	Gross (undiscounted) claims incurred		**R0610**	48,906	4,108	225	21,547	22,870	0	1,909	75,475	3,375	162,132
			Gross (undiscounted) direct business	**R0611**	48,906	4,108	225	21,547	22,926	0	(122)	67,551	3,375	129,553
			Gross (undiscounted) reinsurance accepted	**R0612**	0	0	(0)	0	(56)	0	2,031	7,924	0	32,579
		Net (undiscounted) claims incurred		**R0690**	24,303	2,029	1	(216)	15,345	0	396	26,055	2,025	78,604
		Net (discounted) claims incurred		**R0730**										
	Analysis of expenses incurred	Technical expenses incurred net of reinsurance ceded		**R0910**										
		Acquisition costs, commissions, claims management costs		**R0985**	13,393	(542)	113	(1,898)	4,950	0	1,092	(3,432)	(396)	8,386
	Other expenditure	Other expenses		**R1140**										
	Total expenditure			**R1310**										

Annex 2
IR.05.04.02.01
Non-life income and expenditure: reporting period

					All business (including annuities stemming from accepted non-life insurance and reinsurance contracts)					
					All non-life business (ie excluding annuities stemming from accepted insurance and				Annuities stemming from non-life insurance contracts	Annuities stemming from non-life accepted reinsurance contracts
					Line of Business for: accepted non-proportional reinsurance					
					Health	Casualty	Marine, aviation and transport	Property		
					C0310	C0320	C0330	C0340	C0525	C0545
Income	Premiums written	Gross written premiums		R0110	0	0	0	10,917		
			Gross written premiums - insurance (direct)	R0111						
			Gross written premiums - accepted reinsurance	R0113	0	0	0	10,917		
		Net written premiums		R0160	0	0	0	5,546		
	Premiums earned and provision for unearned	Gross earned premiums		R0210	0	0	0	11,158		
		Net earned premiums		R0220	0	0	0	5,667		
Expenditure	Claims incurred	Gross (undiscounted) claims incurred		R0610	0	0	0	2,282		
			Gross (undiscounted) direct business	R0611						
			Gross (undiscounted) reinsurance accepted	R0612	0	0	0	2,282		
		Net (undiscounted) claims incurred		R0690	0	0	0	1,152		
		Net (discounted) claims incurred		R0730					0	0
	Analysis of expenses incurred	Technical expenses incurred net of reinsurance ceded		R0910						
		Acquisition costs, commissions, claims management costs		R0985	0	0	0	3,314	0	0
	Other expenditure	Other expenses		R1140						
	Total expenditure			R1310						

Annex 2

IR.23.01.04.01

Own funds

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds	Ordinary share capital (gross of own shares)	R0010	0	0		0	
	Non-available called but not paid in ordinary share capital at group level	R0020					
	Share premium account related to ordinary share capital	R0030	0	0		0	
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0		0	
	Subordinated mutual member accounts	R0050	0		0	0	0
	Non-available subordinated mutual member accounts at group level	R0060	0		0	0	0
	Surplus funds	R0070	0	0			
	Non-available surplus funds at group level	R0080	0	0			
	Preference shares	R0090	0		0	0	0
	Non-available preference shares at group level	R0100	0		0	0	0
	Share premium account related to preference shares	R0110	0		0	0	0
	Non-available share premium account related to preference shares at group level	R0120	0		0	0	0
	Reconciliation reserve	R0130	378,840	378,840			
	Subordinated liabilities	R0140	0		0	0	0
	Non-available subordinated liabilities at group level	R0150	0		0	0	0
	An amount equal to the value of net deferred tax assets	R0160	0				0
	The amount equal to the value of net deferred tax assets not available at the group level	R0170	0				0
	Other items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0
	Non available own funds related to other own funds items approved by supervisory authority	R0190	0	0	0	0	0
	Minority interests (if not reported as part of a specific own fund item)	R0200	0	0	0	0	0
	Non-available minority interests at group level	R0210	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	R0220	0				
Deductions	Deductions for participations where there is non-availability of information	R0250	0	0	0	0	0
	Deduction for participations included by using D&A when a combination of methods is used	R0260	0	0	0	0	0
	Total of non-available own fund items	R0270	0	0	0	0	0
Total deductions		R0280	0				
Total basic own funds		R0290	378,840	378,840	0	0	0

Annex 2

IR.23.01.04.01

Own funds

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2
			C0010	C0020	C0030	C0040
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300	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	R0310	0			0
	Unpaid and uncalled preference shares callable on demand	R0320	0			0
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0
	Letters of credit and guarantees	R0340	0			0
	Letters of credit and guarantees - other	R0350	0			0
	Supplementary members calls	R0360	0			0
	Supplementary members calls - other	R0370	0			0
	Non available ancillary own funds at group level	R0380	0			0
	Other ancillary own funds	R0390	0			0
Total ancillary own funds		R0400	0			0
Own funds of other financial sectors	Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410	0	0	0	0
	Institutions for occupational retirement provision	R0420	0	0	0	0
	Non regulated entities carrying out financial activities	R0430	0	0	0	0
	Total own funds of other financial sectors	R0440	0	0	0	0
Own funds when using the D&A, exclusively or in combination of method 1	Own funds aggregated when using the D&A and combination of method	R0450	0	0	0	0
	Own funds aggregated when using the D&A and combination of method net of IGT	R0460	0	0	0	0
	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	378,840	378,840	0	0
	Total available own funds to meet the minimum consolidated group SCR	R0530	378,840	378,840	0	0
	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	378,840	378,840	0	0
	Total eligible own funds to meet the minimum consolidated group SCR	R0570	378,840	378,840	0	0
Consolidated Group SCR		R0590	208,447			
Minimum consolidated Group SCR		R0610	49,811			
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)		R0630	182%			
Ratio of Eligible own funds to Minimum Consolidated Group SCR		R0650	761%			
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)		R0660	378,840	378,840	0	0
SCR for entities included with D&A method		R0670	0			
Group SCR		R0680	208,447			
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A		R0690	182%			

Annex 2

IR.23.01.04.02

Reconciliation Reserve

			C0060
Reconciliation Reserve	Excess of assets over liabilities	**R0700**	378,840
	Own shares (held directly and indirectly)	**R0710**	0
	Foreseeable dividends, distributions and charges	**R0720**	0
	Deductions for participations in financial and credit institutions	**R0725**	0
	Value of participations deducted - total	**R0726**	0
	Other basic own fund items	**R0730**	0
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	**R0740**	0
	Other non available own funds	**R0750**	0
Reconciliation Reserve		**R0760**	378,840

Annex 2
IR.25.04.22.01
Solvency Capital Requirement

				C0010
Net of loss-absorbing capacity of technical provisions	Market risk		R0140	48,602
		Interest rate risk	R0070	24,441
		Equity risk	R0080	11,759
		Property risk	R0090	6,194
		Spread risk	R0100	10,030
		Concentration risk	R0110	3,051
		Currency risk	R0120	22,973
		Other market risk	R0125	0
		Diversification within market risk	R0130	(29,846)
	Counterparty default risk		R0180	37,841
		Type 1 exposures	R0150	8,926
		Type 2 exposures	R0160	30,683
		Other counterparty risk	R0165	0
		Diversification within counterparty default risk	R0170	(1,768)
	Life underwriting risk		R0270	0
		Mortality risk	R0190	0
		Longevity risk	R0200	0
		Disability-Morbidity risk	R0210	0
		Life-expense risk	R0220	0
		Revision risk	R0230	0
		Lapse risk	R0240	0
		Life catastrophe risk	R0250	0
		Other life underwriting risk	R0255	0
		Diversification within life underwriting risk	R0260	0
	Total health underwriting risk		R0320	0
		Health SLT risk	R0280	0
		Health non SLT risk	R0290	0
		Health catastrophe risk	R0300	0
		Other health underwriting risk	R0305	0
		Diversification within health underwriting risk	R0310	0
	Non-life underwriting risk		R0370	141,434
		Non-life premium and reserve risk	R0330	112,421
		Non-life catastrophe risk	R0340	62,026
		Lapse risk	R0350	5,605
		Other non-life underwriting risk	R0355	0
		Diversification within non-life underwriting risk	R0360	(38,617)

Annex 2
IR.25.04.22.01
Solvency Capital Requirement

				C0010
Intangible asset risk			R0400	0
Operational and other risks			R0430	20,643
	Operational risk		R0422	20,643
	Other risks		R0424	0
Total before all diversification			R0432	318,751
Total before diversification between risk modules			R0434	248,520
Diversification between risk modules			R0436	(44,830)
Total after diversification			R0438	203,690
Loss-absorbing capacity of technical provisions			R0440	0
Loss-absorbing capacity of deferred taxes			R0450	(15,094)
Other adjustments			R0455	0
Solvency capital requirement including undisclosed capital add-on			R0460	188,596
Disclosed capital add-on - excluding residual model limitation			R0472	0
Disclosed capital add-on - residual model limitation			R0474	0
Solvency capital requirement including capital add-on			R0480	188,596
Biting interest rate scenario			R0490	Increase
Biting life lapse scenario			R0495	
Information on other entities	Capital requirement for other financial sectors (Non-insurance capital requirements)		R0500	0
		Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	0
		Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	0
		Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial activities	R0530	0
	Capital requirement for non-controlled participation requirements		R0540	0
	Capital requirement for residual undertakings		R0550	19,851
Information on other entities	Solvency capital requirement (consolidation method)		R0555	208,447
	SCR for undertakings included via D and A		R0560	0
	SCR for sub-groups included via D and A		R0565	0
Solvency capital requirement			R0570	208,447

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Undertakings in the scope of the group

							Ranking criteria (in the group currency)						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0020	**C0010**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0180**	**C0190**	**C0200**	**C0210**	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**
LEI/213800KSJ3J7VKL8XX45	ES	ANV Specialty Europe SL	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800TO5FZ1FYSPNN55	ES	ANV Specialty Spain SL	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800ZZFXM7IZ7TLQ53	GB	AMTRUST CORPORATE MEMBER TWO LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/2138003U97HLJXOYD682	GB	AMTRUST SPECIALTY LIMITED	Non life insurance undertaking	Limited by shares	Non-mutual	Prudential Regulation Authority	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/213800N3OVSKK29Z9E45	GB	AMTRUST INTERNATIONAL LIMITED	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual	Prudential Regulation Authority	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/2138003Y1SHAOUN23T50	GB	AMTRUST LLOYD'S HOLDINGS (UK) LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800Z475SUIFEKI251	CN	AMTRUST MANAGEMENT & CONSULTANCY (CHINA) CO LIMITED	Other	Other	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800JNJKQTFD2SIV03	GB	AMTRUST MANAGEMENT SERVICES LIMITED	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/2138008S52RFQHDYFJ48	GB	ANV CORPORATE NAME LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800ZSMRPEDQOYZF86	US	ANV GLOBAL SERVICES INC.	Other	Other	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800XE3GQKYRI8H521	GB	ANV GLOBAL SERVICES LTD	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800UVNUE977IUSD84	GB	ARC LEGAL ASSISTANCE LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800ME9SD7CRAMXE32	GB	CAR CARE PENSION TRUSTEES LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800EPHXW81B9LVP37	GB	CAR CARE PLAN (HOLDINGS) LIMITED	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual	Prudential Regulation Authority	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/213800EFE8VSCHLHOR24	BR	CAR CARE PLAN DO BRASIL PARTICIPACOES LTDA - ME	Other	Other	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/21380024M1VGR273P787	GB	CAR CARE PLAN LIMITED	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/213800SPAABNRD25NY61	GB	CAR CARE PLAN MANAGEMENT SERVICES LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/2138006ZW5PCXKWTCM42	TR	Car Care Plan Turkey Danisanlik Anonim Sirketi	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800GNMMMMW8MMSL37	GB	CARAVAN SECURITY STORAGE LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800KQS22OQ88IKR39	GB	Collegiate Management Services Limited	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/2138002PM3FSSSXPR140	GB	COMMERCIAL CARE PLAN LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45GB00027	GB	Dent Wizard Ventures Limited	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800JBVQCXYM2TYT90	MY	Mobile Repair Solutions Malyasia Sdn BHD	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800K6RCIWYV4CZ691	GB	MOTORS INSURANCE COMPANY LIMITED	Non life insurance undertaking	Limited by shares	Non-mutual	Prudential Regulation Authority	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
SC/213800N3OVSKK29Z9E45US00023	US	New Chapter Capital Inc	Other	Other	Non-mutual		25%	25%	25%	Due to board composition the entity is not controlled and no longer consolidated	Significant	19%	Included in the scope		Method 1: Adjusted equity method
LEI/213800WOMSPUZJ8AMS23	CN	SHANGHAI FIRST RESPONSE SERVICE COMPANY Ltd	Other	Other	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45MT00035	MT	Therium (Malta) Limited	Other	Limited by shares	Non-mutual		50%	100%	50%		Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45MT00033	MT	Therium (Melita) Limited	Other	Limited by shares	Non-mutual		50%	100%	50%		Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45GB00011	GB	THERIUM (UK) HOLDINGS LIMITED	Other	Limited by shares	Non-mutual		50%	50%	50%	Loan from AmTrust to Therium Finance ICC giving AmTrust casting vote while loan remains outstanding	Dominant	50%	Included in the scope		Method 1: Adjusted equity method

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Undertakings in the scope of the group

							Ranking criteria (in the group currency)						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if excluded	Method used and under method 1, treatment of the undertaking
C0020	**C0010**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0180**	**C0190**	**C0200**	**C0210**	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**
SC/213800N3OVSKK29Z9E45GB00031	GB	Therium Australia Limited	Other	Limited by shares	Non-mutual		50%	50%	50%		Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45GB00012	GB	THERIUM CAPITAL MANAGEMENT LIMITED	Other	Limited by shares	Non-mutual		50%	50%	50%	Loan from AmTrust to Therium Finance ICC giving AmTrust casting vote while loan remains outstanding	Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45DE00036	DE	Therium Deutschland GMBH	Other	Limited by shares	Non-mutual		40%	80%	40%		Dominant	40%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00038	JE	Therium Deutschland IC	Other	Limited by shares	Non-mutual		40%	80%	40%		Dominant	40%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00021	JE	THERIUM FINANCE (No.1) – IC	Other	Other	Non-mutual		32%	100%	32%		Significant	32%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00002	JE	THERIUM FINANCE HS IC	Other	Other	Non-mutual		25%	50%	25%		Significant	25%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00006	JE	THERIUM FINANCE AG – IC	Other	Other	Non-mutual		25%	50%	25%		Significant	25%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00004	JE	THERIUM FINANCE AHVHM – IC	Other	Other	Non-mutual		25%	50%	25%		Significant	25%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00007	JE	THERIUM LITIGATION Finance MIF IC	Other	Other	Non-mutual		50%	50%	50%		Significant	25%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00009	JE	THERIUM FINANCE ICC	Other	Other	Non-mutual		50%	100%	50%	Loan from AmTrust to Therium Finance ICC giving AmTrust casting vote while loan remains outstanding	Dominant	50%	Included in the scope		Method 1: Adjusted equity method
LEI/213800PI137JQZX5SR78	JE	THERIUM GROUP HOLDINGS LIMITED	Other	Other	Non-mutual		50%	50%	50%	Loan from AmTrust to Therium Finance ICC giving AmTrust casting vote while loan remains outstanding	Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45US00029	US	Therium Capital Management (USA) Inc	Other	Limited by shares	Non-mutual		50%	40%	50%		Dominant	40%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00008	JE	THERIUM LITIGATION Funding IC	Other	Other	Non-mutual		50%	100%	50%	Loan from AmTrust to Therium Finance ICC giving AmTrust casting vote while loan remains outstanding	Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45US00034	US	Therium Litigation Finance Inc	Other	Limited by shares	Non-mutual		50%	50%	50%		Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45LU00018	LU	Therium Luxembourg Sarl	Other	Other	Non-mutual		50%	40%	50%		Significant	40%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45AU00039	AU	Therium Capital Management (Australia) Pty Limited	Other	Limited by shares	Non-mutual		50%	50%	50%		Dominant	50%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45AU00040	AU	VIE Legal Insurance Pty Limited	Other	Limited by shares	Non-mutual		34%	34%	34%		Significant	0%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45JE00041	JE	Therium Secretarial Limited	Other	Limited by shares	Non-mutual		50%	50%	50%		Dominant	50%	Included in the scope		Method 1: Adjusted equity method
LEI/98450079D9F504B5DB90	IT	QUALIS EUROPE S.r.l.	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/213800FFC76BFU6OBD49	GB	QUALIS UK LIMITED	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
SC/213800N3OVSKK29Z9E45GB00045	GB	RUNNYMEDE LAW LIMITED	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800Q6R8X6RJR6RP48	GB	AMT INTERMEDIARIES LIMITED	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/2138007KKFSO92PGH430	SE	AMTRUST NORDIC AB	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
SC/213800N3OVSKK29Z9E45SE00053	SE	AMTRUST INSURANCE SERVICES SWEDEN AB	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/2138005L1AAOML6D1E51	US	CAR CARE NORTH AMERICA INC	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800N8E4P9L66ZRH51	ES	CAR CARE PLAN EUROPE S.L.	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
SC/213800N3OVSKK29Z9E45KR00055	KR	Amtrust Korea Insurance Brokers Limited (Korea)	Other	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Adjusted equity method
LEI/213800TCODWJLVNWC652	GB	Alan Blunden & Co. Ltd.	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation
LEI/2138008BRO8VTVRZLH75	GB	Marley Risk Consultants Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Limited by shares	Non-mutual		100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full consolidation

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