

MULSANNE HOLDINGS (GIBRALTAR) LIMITED

SOLVENCY AND FINANCIAL CONDITION REPORT

As at 31 December 2025

Contents

Glossary.....	6
Executive Summary.....	7
A Business and Performance	11
A.1 Business Information	11
A.1.1 Company Details.....	11
A.1.2 Supervisory Authority	11
A.1.3 Auditor.....	11
A.1.4 Ultimate Shareholders.....	12
A.1.5 Group Structure.....	12
A.1.6 Material Lines of Business and Geographical Areas	13
A.1.7 Significant Business or Other Events	13
A.2 Underwriting Performance.....	13
A.3 Investment Performance.....	15
A.4 Performance of other Activities.....	16
A.5 Any other Information.....	16
B Systems of Governance	17
B.1 General Information on Systems of Governance	17
B.1.1 Structure of the Board and Committees.....	17
B.1.2 Key Functions.....	19
B.1.3 Changes during the Period.....	21
B.1.4 Remuneration Policy	22
B.1.5 Material Transactions	22
B.2 Fit and Proper Requirements	22
B.2.1 Requirements for Skills, Knowledge and Expertise.....	22
B.2.2 Policies and Processes with regard to Fit Requirements.....	23
B.2.3 Policies and Processes with regard to Proper Requirements	23
B.3 Risk Management System including ORSA	23
B.3.1 Risk Management System	23
B.3.2 Own Risk and Solvency Assessment	25
B.4 Internal Control System.....	27

B.4.1	Internal Control System	27
B.4.2	Compliance Function	27
B.5	Internal Audit Function	28
B.5.1	Implementation of the Internal Audit Function.....	28
B.5.2	Independence and Objectivity of the Internal Audit Function	29
B.6	Actuarial Function	29
B.6.1	Implementation of Actuarial Function.....	29
B.7	Outsourcing	30
B.7.1	Outsourcing Policy	30
B.7.2	Outsourced Functions and Activities	30
B.8	Any other Information.....	31
B.8.1	Adequacy of Systems of Governance	31
B.8.2	Any other Material Information	31
C.	Risk Profile	32
C.1	Underwriting Risk.....	32
C.1.1	Material Risks	32
C.1.2	Material Risk Concentrations.....	33
C.1.3	Risk Mitigations	33
C.1.4	Stress and Sensitivity Testing.....	34
C.2	Market Risk	34
C.2.1	Material Risks	34
C.2.2	Material Risk Concentrations	35
C.2.3	Risk Mitigations	35
C.2.4	Prudent Person Principle	35
C.2.5	Stress and Sensitivity Testing.....	36
C.3	Credit Risk.....	36
C.3.1	Material Risks	36
C.3.2	Material Risk Concentrations.....	36
C.3.3	Risk Mitigations	36
C.3.4	Stress and Sensitivity Testing.....	37
C.4	Liquidity Risk.....	37
C.4.1	Material Risks	37
C.4.2	Material Risk Concentrations.....	37
C.4.3	Risk Mitigations	37

C.4.4	Stress and Sensitivity Testing.....	37
C.4.5	Expected Profit in Future Premiums.....	37
C.5	Operational Risk	38
C.5.1	Material Risks	38
C.5.2	Material Risk Concentrations.....	38
C.5.3	Risk Mitigations	38
C.5.4	Stress and Sensitivity Testing.....	39
C.6	Other Material Risks.....	39
D.	Valuation for Solvency Purposes.....	40
D.1	Assets.....	40
D.1.1	Intangible Assets.....	41
D.1.2	Equities (Unlisted)	41
D.1.3	Bonds.....	41
D.1.4	Collective Investment Undertakings.....	42
D.1.5	Derivatives.....	42
D.1.6	Deposits, Cash and Cash Equivalents.....	42
D.1.7	Insurance and Intermediaries Receivables	42
D.1.8	Reinsurance receivables	43
D.1.9	Receivables (trade, not insurance)	43
D.1.10	Deferred Acquisition and Processing Costs	43
D.1.11	Other Assets.....	44
D.2	Technical Provisions.....	44
D.2.1	Bases, Methods and Assumptions.....	45
D.2.2	Simplifications.....	46
D.2.3	Uncertainty.....	47
D.2.4	Differences between Solvency II and GAAP Valuation	47
D.2.5	Changes over the Period.....	49
D.3	Other Liabilities	49
D.3.1	Insurance and Intermediaries Payables.....	51
D.3.2	Reinsurance Payables	52
D.3.3	Derivatives.....	52
D.3.4	Payables (trade, not insurance)	52
D.3.5	Deferred acquisition cost – reinsurer’s share	52
D.3.6	Deferred Co-insurance and Reinsurance Commission.....	52

E.	Capital Management	54
E.1	Own funds	54
E.1.1	Management of Own Funds	54
E.1.2	Description of Own Funds	54
E.2.1	SCR and MCR	56
E.2.2	SCR by Risk Module	57
E.2.3	Simplifications	58
E.2.4	Inputs used to Calculate the MCR	59
E.2.5	Changes over the Period.....	61
E.3	Non-Compliance with Minimum Capital Requirement or Solvency Capital Requirement	61

Glossary

ENIDs	Events Not in Data
GAAP	Generally Accepted Accounting Practice
GFSC	Gibraltar Financial Services Commission
Key	Key Claims and Administration Services Limited
MCR	Minimum Capital Requirements
MHGL	Mulsanne Holdings (Gibraltar) Limited
MICL	Mulsanne Insurance Company Limited
QRT	Quarterly Reporting Template
SCR	Solvency Capital Requirements
SFCR	Solvency and Financial Condition Report
XoL	Excess of Loss Reinsurance

Executive Summary

Introduction

This is the second Solvency and Financial Condition Report for Mulsanne Holdings (Gibraltar) Limited.

Mulsanne Holdings (Gibraltar) Limited ('MHGL' or 'the Group' or 'the Holding Company') is an insurance holding company domiciled in Gibraltar. MHGL is not a trading entity, and its sole purpose is that of a group holding company. Its subsidiaries are Mulsanne Insurance Company Limited ('MICL' or 'the Company' or 'the insurer') a GFSC authorised insurer underwriting UK motor insurance business, and Key Claims and Administration Services Limited ('KCASL' or 'Key Claims') a company providing claims handling services to MICL and one insurance company external to the wider Group. The only company within the insurer group carrying out regulated activities is Mulsanne Insurance Company Limited.

All companies with the Group carry out their functions via the Board of Directors, various Committees and carefully selected, experienced outsourced service providers.

The purpose of this report is to satisfy the public disclosure requirements under the Solvency II directive, as adopted into Gibraltar law by the Financial Services (Insurance Companies) Regulations 2020 "Solvency II") including the Delegated Regulations of the European Parliament and any other local Gibraltar laws and regulations as appropriate. The elements of the disclosure relate to business performance, governance, risk profile, solvency, and capital management.

Business and Performance

During the year ended 31 December 2025, Mulsanne underwrote £44.2m of net premiums. This was a decrease on the 2024 written premium of £89.4m. The reduction in written premiums was driven by a continued reduction in the level of capacity offered to external distributors and a desire to maintain underwriting discipline with a continued focus on delivering an underwriting profit rather than headline premium volumes. Throughout 2025, the insurer continued to witness a softening in market rates, but the Board took a conscious decision to focus on underwriting margins rather than reducing primary rates in line with the competition. The Group made a consolidated unaudited loss for the year of £5.6m (2024 – £19.3m loss). This was primarily driven by losses within the insurer. On a GAAP basis, the Group net assets as at 31 December 2025 amounted to £21.8m (2024 – £26.6m) which included capital injections of £5.5m during the year.

Underwriting activities produced a loss of £8.8m (2024 - £10.59m loss). The performance was impacted by loss ratio deterioration in prior periods, largely driven by externally distributed businesses in run-off. Following a remediation plan which increased focus on internally distributed businesses, the underlying performance has improved substantially and is expected to be profitable in the future.

The Insurer continues to hold an investments portfolio split between liquid assets such as money market funds, and more illiquid strategic investments which include unlisted bonds, loans and equities. The Insurer is focused on having a more liquid portfolio in the future, and the Board is overseeing a liquidation plan to achieve this. The portfolio generated investment returns of £2.6m (2024 – £4.3m) which was ahead of budget due to gains on illiquid assets.

Mulsanne purchases both Excess of Loss and Quota Share reinsurance to protect the business against the impact of large losses and to assist with the effective management of capital. Excess of Loss retention is £1m on the most recent underwriting years. During 2025 the Quota Share ceding percentage remained unchanged such that for the most recent underwriting year the Company retains 30% of each and every motor risk.

In April 2019 the Company purchased a Loss Portfolio Transfer (LPT) reinsurance contract in respect of the 2017 and prior underwriting years. This contract remained in force during 2024. Since the purchase of this LPT, the associated outstanding claims reserves have reduced materially, naturally reducing the risk management effects of the LPT. As part of the Company's wider risk management processes, the LPT strategy is under review, with consideration being given to commutation and renewal.

During 2025, MICL's solvency coverage deteriorated, primarily due to adverse development in third party property damage loss ratios, a bad and doubtful debt provision in respect of profit commissions attaching to a historical quota share treaty, and a restatement of co-insurance balances relating to claims recoveries on the 2019 and 2020 treaties. The Company also applied a capital add-on in respect of sliding scale commission arrangements with reinsurers, which further reduced the solvency ratio. To strengthen the capital position, a £500k Tier 1 capital infusion was made in November 2025, followed by £8.5 million of net new capital in February 2026, with a further cash injection planned for September 2026. As at 31 December 2025, the Company had an unaudited solvency coverage of 103.9% of the SCR on a solo entity basis and 100.1% on a Group basis. As at the end of March 2026, the insurer had a capital ratio of 130% of the SCR.

As at 31 December 2025, the Group had an unaudited solvency ratio of 100.1% of the Solvency Capital Requirement ("SCR") as at 31 December 2024, on a group basis the SCR coverage was 126.3% for the same period.

During 2025 the Insurer continue to price for claims inflation as it sought to prioritise maximising the contribution to fixed expenses above writing for top line premium growth. In 2026 Q1 the escalating conflict involving the United States and Iran has led to disruptions in oil supply through the Strait of Hormuz, causing oil prices to become volatile. This has contributed to higher fuel costs, resulting in a material inflation risk. This represents a risk for claims inflation, which we are monitoring closely.

Given the nature of the Company's investment portfolio, the Company has not suffered any material falls in the value of its investments due to geo-political challenges. In more recent periods, trade tariffs implemented by the US administration has caused uncertainty and disruption to both international trade and global financial markets, whilst it is too early to ascertain the long-term impact of these measures, the Board continues to monitor the potential impacts to the Group in terms of both inflation and investments.

Systems of Governance

The Group operates a partially outsourced business model, and a material proportion of the Company's expenses reflect charges from its outsourced service providers. Some day-to-day operational management during the year was outsourced to Mulsanne's insurance manager in Gibraltar, SRS Management (Gibraltar) Limited ("SRS") in conjunction with the Company's local employees. This service continues assistance with risk management, Solvency II reporting, company secretarial and compliance services, with the accounting function being fully transferred in house from the 1 January 2025. In addition, other key outsourced services comprise policy administration, the provision of management information, claims handling and information technology services. These services are outsourced to other entities within the wider group or Key Claims.

The Company has in place systems of governance which are proportionate to the size and complexity of the operation. Such systems, and the underlying processes and procedures, are subject to ongoing review to ensure any required improvements are made.

The business is structured into a group of companies within the Insurer Group, with certain matters being reserved for the Board of MHGL. However, as MHGL is a holding company with no day-to-day trading activity and with the regulated underwriting activities being conducted by MICL, the day-to-day responsibility for governance rests with MICL's Board of Directors. At the time of writing, the MICL Board is comprised of four Executive Directors and two Independent Non-Executive Directors (including the Non-Executive Chair who is also the Consumer Duty Champion). The Insurer also operates via three sub-committees of the Board: Claims and Underwriting Committee, Risk, Audit and Compliance Committee (Chaired by an independent non-executive director) and Investment Committee. There are also a number of specialised supporting committees allowing more detailed discussions which report up to the relevant committee.

At the time of writing, the MHGL Board is comprised of four Executive Directors and one Independent Non-Executive Director.

At the time of writing, the Key Claims Board is comprised of two Executive Directors.

Mulsanne complies with all requirements with regards to key functions and fitness and propriety, with full details provided in section B.

The Insurer outsources internal audit services to an independent third-party company, Mazars LLP and also utilises SX3 for specialised claims audits. Both relationships are overseen by the Regulated Individual for Internal Audit.

During the year there were changes to the Board composition of MHGL, MICL and KCASL and the Regulated Individuals of the insurer.

Risk Profile

Mulsanne has a strong risk management system, with close involvement of the entire MICL Board. Risk is classified into strategic, insurance, investment, liquidity, credit, concentration, operational, conduct and regulatory.

Some of the key risks identified by management comprise:

- Volume risk, resulting in cashflow risks and insufficient income to cover costs
- Increased cost of claims as a result of failure in claims processes
- Claims inflations increasing average costs of claims
- Claims inflationary pressures
- Accuracy in the range of ultimate claims provisions
- Loss of key staff
- Risks priced too low and undesirable market segments written
- Under reserving by the claims handler
- Over reserving by the claims handler
- Breach of GFSC or other regulatory requirements
- Small portfolio size
- Oversight risk of contracted third parties
- Company has insufficient cash to pay claims and liabilities as they fall due
- Group and MICL reliant on the support of the UBO
- Adequacy of pricing feedback loop
- Fraudulent claims that are not detected

Full detail on risk management is provided in Section C.

Valuation for Solvency Purposes

Section D of this report sets out in detail the inputs, bases and methods of recognition and valuation of assets and liabilities, including a comparison between Solvency II and GAAP valuation. The main valuation differences arise from reclassifications and from differences in the valuation of technical provisions.

Capital and Risk Management

During 2025, MICAL's financial position deteriorated, resulting in a reduction in solvency coverage. To strengthen the capital position, a £500k Tier 1 capital infusion was made in November 2025. As at 31 December 2025, the Company had an unaudited solvency coverage of 103.9% of the SCR on a solo entity basis. In February 2026, £8.5 million of net new capital was infused into MICAL, with a further cash injection planned for September 2026. As at the end of March 2026, the insurer had a capital ratio of 130% of the SCR.

In April 2019, Mulsanne purchased a retrospective Loss Portfolio Transfer ("LPT") cover to provide protection against adverse development of reserves on the 2017 and prior underwriting years. As part of the Company's capital management and risk management plans, this LPT arrangement has remained in place during 2025 but is under review.

The Company continues to use reinsurance as part of the risk management and capital management policy. In addition to the LPT protection, the Company continues to purchase Excess of Loss and Quota Share Reinsurance with reinsurers that have a credit rating of A- or better.

A Business and Performance

A.1 Business Information

A.1.1 Company Details

Companies Included in this SFCR:

Mulsanne Holdings (Gibraltar) Limited

Incorporated in Gibraltar
Company limited by shares
5/5 Crutchett's Ramp Gibraltar
GX11 1AA
Registered Number 101653

Mulsanne Insurance Company Limited

Incorporated in Gibraltar
Company limited by shares
5/5 Crutchett's Ramp Gibraltar
GX11 1AA
Registered Number 101673

Key Claims and Administration Services Limited

Incorporated in the United Kingdom
Company limited by shares
Mara House
Tarpoley
England
Registered Number 9959613

This Solvency and Financial Condition Report covers MHGL and its subsidiaries on a group basis and MICL on a solo basis.

A.1.2 Supervisory Authority

The Company and the Group Supervisory Authority is:

Gibraltar Financial Services Commission
P.O. Box 940
Suite 3, Ground Floor Atlantic Suites Europort Avenue Gibraltar

A.1.3 Auditor

The Insurer and Group auditors are:

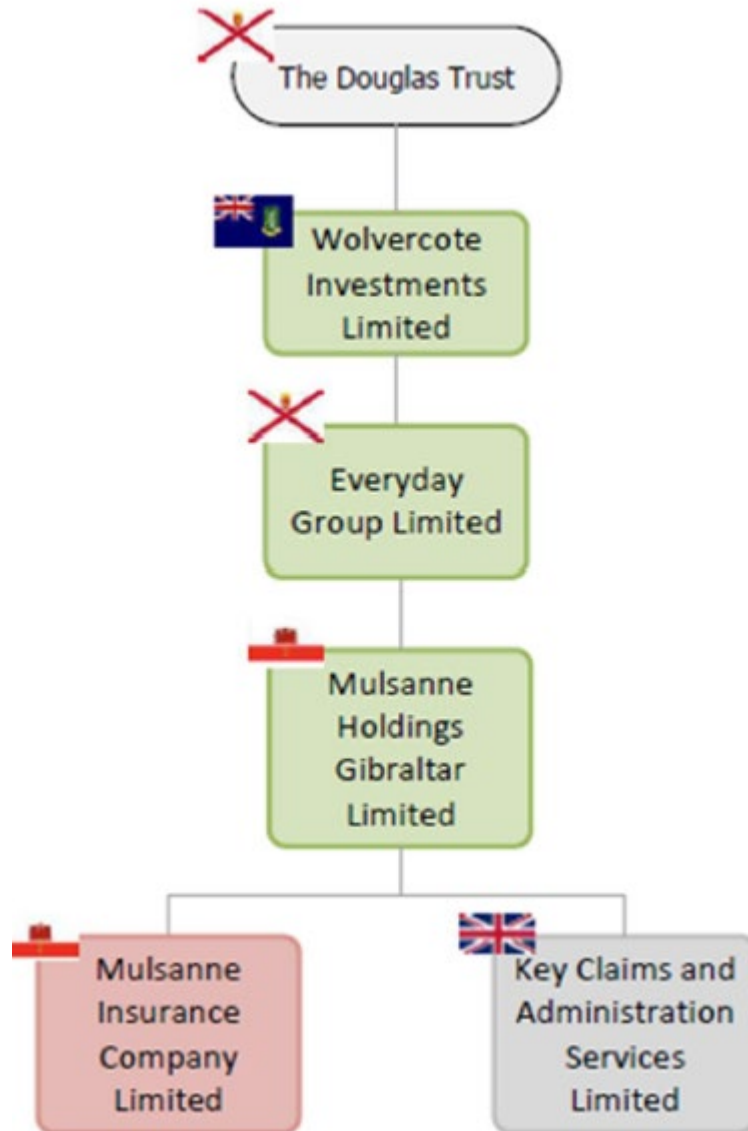
PKF Canillas
Europort Avenue
Suite 2.1.09
Building 2
Eurotowers
Gibraltar

mulsanneholdings

A.1.4 Ultimate Shareholders

MICL and KCASL are 100% owned by MHGL. MHGL is 100% owned by Everyday Group Limited.

A.1.5 Group Structure



A.1.6 Material Lines of Business and Geographical Areas

MICL is the only insurance company in the Group, and the Company's only business is UK motor insurance. The following table shows the insurance business by class for the year ended 31 December 2025. All business has been conducted in the UK. Whilst the Company holds permissions to write Assistance and Miscellaneous Financial Loss business, no business has been written under these licenced classes since 2023.

	Period ended 31 December 2025		Period ended 31 December 2024	
	£'000s	%	£'000s	%
Premium				
Gross Written Premiums				
Motor	45,594	100.0%	95,907	100.0%
Assistance	-	0.0%	-	0.0%
Miscellaneous Financial Loss	-	0.0%	-	0.0%
Total	45,594	100.0%	95,907	100.0%
Net Written Premiums				
Motor	5,365	100.0%	11,243	100.0%
Assistance	-	0.0%	-	0.0%
Miscellaneous Financial Loss	-	0.0%	-	0.0%
Total	5,365	100.0%	11,243	100.0%

A.1.7 Significant Business or Other Events

During the year the Company experienced deteriorating financial performance and a reduction in solvency coverage, driven by underwriting performance and the application of capital add-ons during the financial year. To restore the capital position, the ultimate shareholder injected £8.5 million of net new capital in the form of ordinary paid-up share capital into the Company in February 2026, comprising cash and other assets, and committed to a further £1.5 million capital injection planned for September 2026.

Continuing from the Company's investment approach, the investment strategy continued to focus on reducing MICL's exposure to illiquid assets and as a result, surplus cashflows have been invested into highly liquid short term cash deposits.

A.2 Underwriting Performance

MICL underwrote only motor business during the year, with a small amount of add-on products in the prior year, now in run-off. All business was written in the United Kingdom.

The Company mitigates its risk through a mixture of Quota Share reinsurance, Excess of Loss reinsurance and on prior years an LPT contract and co-insurance arrangement. This provides protection both against adverse performance from attritional losses and from large claims.

The Group prepares its financial statements in accordance with Generally Accepted Accounting Principles in Gibraltar

("GAAP") and the underwriting performance information given in this section is therefore on a GAAP basis.

The following table summarises the technical account performance for the year ended 31 December 2025 with a comparison for 2024.

	Period ended 31 December 2025					Total
	£000s					
	Motor liability	Other Motor	Misc Financial Loss	Assistance		
Gross Written Premiums	41,491	4,103	-	-	-	45,594
Outward reinsurance premiums	(36,608)	(3,621)	-	-	-	(40,229)
Gross Written Premiums	4,882	483	-	-	-	5,365
Earned premiums, net of reinsurance	6,052	599	-	-	-	6,651
Other Technical Income	8,534	844	-	-	-	9,378
Claims incurred gross	(48,858)	(4,832)	-	-	-	(53,690)
Claims incurred reinsurers share	35,668	3,528	-	-	-	39,196
Net claims incurred	(13,190)	(1,304)	-	-	-	(14,494)
Net operating expenses	(8,873)	(878)	-	-	-	(9,750)
Balance on the technical account	(7,476)	(739)	-	-	-	(8,216)

	Period ended 31 December 2024					Total
	£000s					
	Motor liability	Other Motor	Misc Financial Loss	Assistance		
Gross Written Premiums	87,276	8,632	-	-	-	95,907
Outward reinsurance premiums	(77,045)	(7,620)	-	-	-	(84,665)
Gross Written Premiums	10,231	1,012	-	-	-	11,243
Earned premiums, net of reinsurance	9,494	939	-	-	-	10,433
Other Technical Income	10,262	1,015	-	-	-	11,277
Claims incurred gross	(90,535)	(8,954)	-	-	-	(99,489)
Claims incurred reinsurers share	70,414	6,964	-	-	-	77,378
Net claims incurred	(20,121)	(1,990)	-	-	-	(22,111)
Net operating expenses	(21,148)	(2,092)	-	-	-	(23,240)
Balance on the technical account	(21,513)	(2,128)	-	-	-	(23,640)

The Insurer has continued to execute its philosophy of protecting the loss ratio against adverse movements, streamlining the portfolio, focusing on internally distributed products and maintaining technical excellence. The core distribution avenue, managed by our internally built granular control cycle, accounted for the bulk of net written premium. Portfolio simplification continued as the number of products and distribution partners were reduced, allowing the company to focus on core growth areas. In addition, the distribution of short-term motor insurance products has been scaled down, refocusing resources on the annual propositions.

The company has prioritised loss ratio over net written premium levels in the face of a softening market which has led to a reduction in net written premium levels during the year. Material attention continues to be given to enhancing the rates and pricing ecosystem; the appropriate use of data enrichment; and anti-fraud control. The strategic imperatives of; maintaining both pricing discipline, and full control of all underwriting levers, remain central to the company.

In addition to pricing, Mulsanne has implemented a number of processes to increase oversight of its claims handling operation and drive operational efficiencies. Working closely with its strategic outsourcing partners, via a partial outsourcing model, MICL's claims handling operation has improved across a number of metrics during 2025. Mulsanne now has greater oversight and cooperation with this area and there is a detailed schedule of strategic improvements planned to continually improve this area.

A.3 Investment Performance

During 2025 the Company continued to run-off certain investments in accordance with the firm's liquidity management policy. The remaining investments continue to be diversified. Additionally, during the year the Company has a relatively small exposure to a small of property related loans via a protected cell company investment structure, however by the end of 2025 this investment had been almost entirely liquidated at a profit in the year. The company also holds several discounted bond investments whose performance is related to the underlying performance of a small number of residential property developments in the United Kingdom.

The Company continues to invest new funds in accordance with the Prudent Person Principle, and investments supporting technical provisions remain highly liquid. The Company also holds investments in a small number of less liquid unlisted investments. On an annual basis the Company obtains an independent valuation of these illiquid assets, and the value of these assets is reflected in the financial statements of the Company.

The Company's investment portfolio comprises:

	Period ended 31 December 2025		Period ended 31 December 2024	
	£000s	%	£000s	%
Investible Assets				
Corporate bonds	9,248	16.6%	9,555	11.9%
Government bonds	-	0.0%	-	0.0%
Equities	10,836	19.4%	10,883	13.5%
Funds	4,704	8.4%	2,183	2.7%
Derivatives	-	0.0%	-	0.0%
Cash and cash equivalents	15,221	27.3%	38,196	47.6%
Loans and Mortgages	15,819	28.3%	19,504	24.3%
Total	55,829	100.0%	80,321	100.0%

The Company's investment returns were:

	Period ended 31 December 2025		Period ended 31 December 2024	
	£000s	%	£000s	%
Investment Income				
Corporate bonds	603	22.9%	606	14.0%
Government bonds	-	0.0%	-	0.0%
Equities	94	3.6%	-	0.0%
Funds	(10)	(0.4%)	(32)	(0.7%)
Derivatives	-	0.0%	-	0.0%
Cash and cash equivalents	933	35.5%	1,148	26.5%
Property income	293	11.2%	2,617	60.3%
Loans and Mortgages	713	27.2%		0.0%
Total	2,626	100.0%	4,339	100.0%

The Company uses the services of experienced investment managers to advise on its portfolio. Investments are reviewed by the Investment Committee who are currently overseeing a plan to reduce illiquid assets and focus on more traditional, easily valued, liquid assets.

Mulsanne does not invest in securitisations and has not recognised any gains or losses taken directly to equity.

A.4 Performance of other Activities

The Company receives co-insurance and reinsurance commission with respect to costs incurred by the Company. The table below shows the net amounts in the year. The value of commissions received is in part linked to the underlying underwriting result of the company.

	31 December 2025	31 December 2024
	£000s	£000s
Commissions		
Reinsurance Commission	8,020	10,628
Reinsurance Profit Commission	1,099	943
Coinsurance Commission	259	(294)
Total	9,378	11,277

A.5 Any other Information

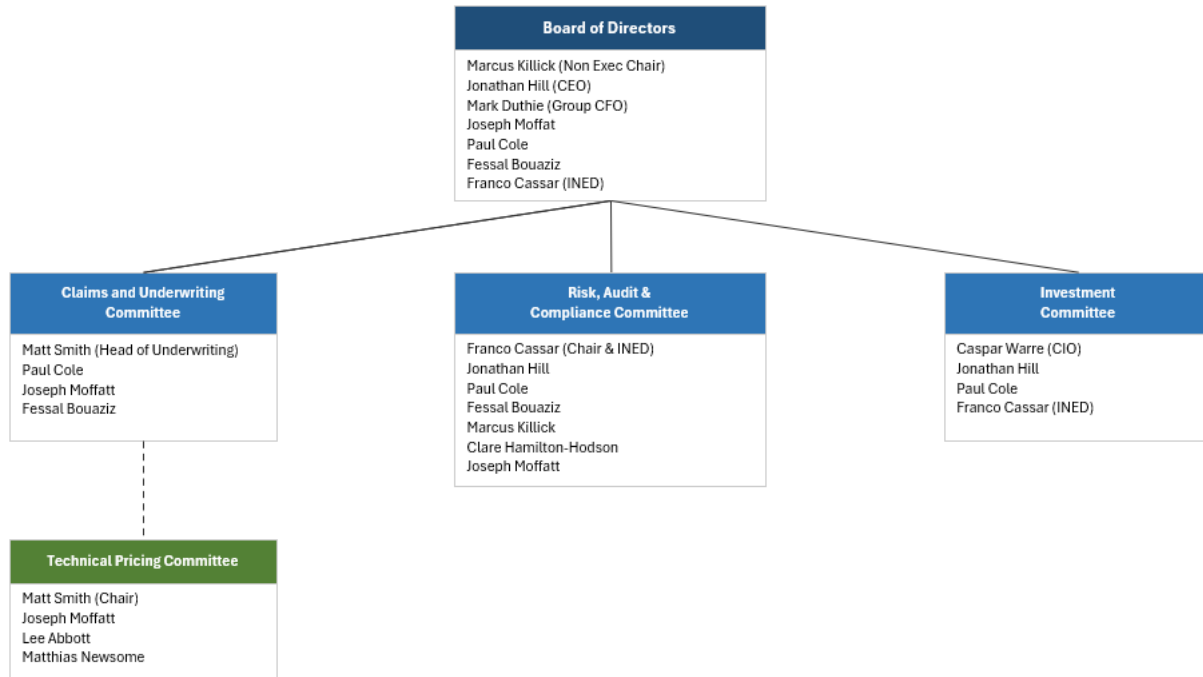
Previously it was reported that the Insurer was in dispute with two FCA authorised distribution businesses in the United Kingdom in connection with commission amounts due to the Company under existing terms of business. During 2025 one of these disputes was concluded and the financial effect of this matter has been recorded in full. The Company continues to review the position in respect of the remaining open dispute, but management believe the Company is fully provided for in respect of any downside that may arise from this dispute.

B Systems of Governance

B.1 General Information on Systems of Governance

B.1.1 Structure of the Board and Committees

MICL operates through a main Board and three Sub-Committees, at the time of writing the membership is as set out below:



In addition to the above committees, there are several sub-committees as follows:

- Reserving Committee
- Reinsurance Committee
- Claims Committee
- Customer and Product Committee
- Financial Reporting and Solvency Committee

KCASL forms part of the wider MICL governance environment and is subject to a simplified governance structure that reflects its role, scale and functional relationship within the Group. In practice, a number of governance matters relevant to KCASL are considered through MICL's governance framework, supported by MICL's oversight of KCASL and by management forums that feed into that framework. This avoids unnecessary duplication while ensuring that key operational, risk and control matters are appropriately escalated and discussed. KCASL also convenes regular Board meetings to consider issues specific to KCASL, maintain appropriate Board oversight at entity level, and ensure decisions are taken with due regard to KCASL's own legal, operational and governance responsibilities.

The directors of KCASL are:

- Joseph Moffatt
- Clare Hamilton-Hodson

mulsanneholdings

Since October 2024, MHGL has assumed over-arching responsibility for the governance of the Group. The Group has common directors between MHGL and the various subsidiaries, thus ensuring appropriate oversight and governance.

The directors of MHGL are:

- Marcus Killick
- Jonathan Hill
- Paul Cole
- Mark Duthie

All of the above are also MICL Directors.

The MICL Board is responsible for overseeing the business of activities Mulsanne, for providing strategic direction and for supervising management. While the MICL Board delegates certain functions to Sub-Committees, this does not absolve the Directors of their responsibility to the Company.

The Board of the Company operates under agreed Terms of Reference which set out the following key responsibilities:

- Setting the strategic direction and objectives of the Company
- Ensuring the integrity and reliability of the Company's finances, including:
 - Business planning.
 - Capital and Solvency position.
 - Director's remuneration.
 - Dividend policy.
 - Accounting policies.
 - Approval of public documents.
- Approving, managing and monitoring the internal and external audit strategy and the performance and effectiveness of the external and internal auditors
- Establishing an appropriate internal control system and monitoring its effectiveness
- Approving the underwriting strategy and policy and monitoring its implementation
- Overseeing the calculation of the SCR and technical provisions
- Overseeing, guiding, and challenging the ORSA and approving the ORSA report
- Overseeing the completion of quarterly and annual QRTs, the SFCR and the RSR

The Company has in place a Claims and Underwriting Committee, which operates under agreed Terms of Reference approved by the Board. The key responsibilities of the Committee include:

- Implementing and overseeing the claims handling, reserving and settlement strategy and philosophy
- Overseeing the performance of all product lines and intermediaries/distributors
- Receiving, considering, reviewing, challenging, and agreeing recommendations and proposals for changes to the underwriting and/or rating
- Considering business opportunities and underwriting proposals presented by management

mulanneholdings

- Assisting with the negotiation, placement, performance, and monitoring of the reinsurance arrangements
- Providing input into the calculation of the SCR and technical provisions
- Providing input into the ORSA process
- Considering and advising on insurance risk management, including risk identification, controls, appetite and mitigation
- Monitoring and reporting on market trends and legislative or regulatory changes
- Reporting on all relevant matters to the Board

The Company has in place an Investment Committee, which operates under agreed Terms of Reference approved by the Board. The key responsibilities of the Committee include:

- Providing guidance on, managing, and monitoring the investment and cash flow strategy
- Overseeing the performance of investments and investment managers
- Advising on investment risk strategy and policy and risk appetites and limits
- Providing input into the calculation of the SCR
- Providing input into the ORSA process
- Ensuring appropriate information is required for regulatory reporting purposes
- Reporting on all relevant matters to the Board

The Company has in place a Risk, Audit & Compliance Committee (“RACC”), which operates under agreed Terms of Reference approved by the Board. The key responsibilities of the Committee include:

- Establishing an effective risk management framework including risk management strategies and policies and risk appetite and tolerance limits
- Overseeing the performance and continued independence of the appointed internal and external auditors
- Receiving, considering, reviewing, challenging, and agreeing recommendations and proposals following internal and external audits
- Providing oversight and challenge to the effectiveness of the governance framework.
- Review guidelines and policies that govern the processes by which management operate.
- Receive and consider quarterly reports from the Compliance Function including the analysis of complaints.
- Receive quarterly reports from the Internal Audit Function.
- Providing oversight of all customer and conduct related matters.
- Overseeing operational resilience, business continuity and disaster recovery procedures.
- Providing oversight of the core outsourcing partners.

B.1.2 Key Functions

The Company has in place the four key functions as required by the Solvency II Directive. These are:

- Risk Management

- Compliance
- Actuarial
- Internal Audit

In accordance with local regulations the following mandatory function holders are also required and have been fulfilled and approved:

- Head of Finance
- Head of Underwriting
- Chief Operating Officer

The Head of Claims function holder is currently vacant following a staff resignation. At the time of writing, MICL has identified a suitable replacement for the regulated Head of Claims, and in the process of finalising an agreement. Currently the claims function is overseen by the COO in conjunction with a senior experienced claims consultant.

These Company functions are responsible for providing oversight of the relevant area and providing assurance to the Board on the operation of the Company's risk management framework. All functions are overseen by Directors and senior management of the business, thus ensuring they have the appropriate authority to carry out their roles.

B.1.2.1 *Risk Function*

The Board of MICL retains full responsibility for the risk function. The function is currently overseen by Paul Cole.

The Board has retained responsibility for risk management, and the function therefore has the required authority to fulfil its role.

B.1.2.2 *Compliance Function*

The Company outsources compliance services to its insurance manager, with the function being currently overseen by Paul Cole. The compliance team works closely with the wider group in providing compliance services to the Company.

The Board has approved a compliance monitoring programme, which is updated on an annual basis, and is intended to ensure that Mulsanne complies at all times with all relevant rules, regulations, legislation and guidance to which the Company is subject, both in Gibraltar and, where applicable, in the UK.

Being outsourced, the function is operationally independent from the other areas of the business and, while it reports to the Board, the Board is not able to influence the function or to exert other inappropriate pressures. The Compliance function is authorised to access all areas of the business and is therefore entitled to full and unrestricted access to all information, records, property, personnel, and activities, including those residing with outsourced service providers.

The Compliance function formally reports to the Risk, Audit Compliance Committee ("RACC") on a quarterly basis.

B.1.2.3 *Actuarial Function*

mulsanneholdings

The Actuarial Function has specific duties and responsibilities under Solvency II. The Actuarial Function Holder role is held by Fessal Bouaziz, who is a Director of the Company. As the Actuarial Function Holder is not employed by the Company, the function has a high degree of operational independence. Specific duties of the Actuarial Function include, but are not limited to:

- Coordinating the calculation of the firm's technical provisions
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions against the data quality standards as set in Solvency II
- Informing the Board of the reliability and adequacy of the calculation of technical provisions
- Expressing an opinion on the overall underwriting policy
- Expressing an opinion on the adequacy of reinsurance arrangements
- Contributing to the effective implementation of the risk management system
- Preparing the Actuarial Function Report for the Board at least annually

In addition, the Company utilises the services of an external actuarial firm, Willis Towers Watson to carry out independent reserve reviews on a quarterly basis to provide a further element of operational independence.

Given the level of experience and technical expertise within the actuarial team, alongside the independent technical support and regular reviews of the Board skill matrix, the Board is comfortable with the level of rigor across this function area.

B.1.2.4 Internal Audit

Mulsanne's Internal Audit function is overseen by Clare Hamilton-Hodson. Internal Audit is responsible for evaluating the approach to risk management and governance, with particular emphasis on the internal control system.

During the year ended 31 December 2025, Mulsanne continued to outsource the Internal Audit function to Mazars LLP, who had the skills, knowledge, and expertise to provide the services and were entirely independent from operational aspects of the business.

B.1.3 Changes during the Period

Mulsanne Insurance Company Limited

- Matt Fothergill resigned from the Board and as CEO on 12 March 2025
- Jonathan Hill was appointed to the Board and as CEO 12 March 2025
- Barry Bown resigned from the Board 5 September 2025
- Leon Ridley was appointed as Head of Claims on 11 March 2025; resigned 19 March 2026
- Matt Smith was appointed as Head of Underwriting on 11 March 2025
- Joseph Moffatt was appointed to the Board and as COO on 12 March 2025
- Anthony Bull was appointed to the Board 25 April 2025; resigned 31 March 2026
- Mark Duthie was appointed to the Board 30 April 2026

Mulsanne Holding (Gibraltar) Limited

- Matt Fothergill resigned from the Board 12 March 2025

mulsanneholdings

- Jonathan Hill, Barry Bown and Marcus Killick were all appointed to the Board on 12 March 2025; Barry Bown resigned 5 September 2025.
- Mark Duthie was appointed to the Board 30 April 2025

Key Claims and Administration Services Limited

- Matt Fothergill resigned from the Board 14 March 2025
- Barry Bown resigned from the Board 5 September 2025.
- Leon Ridley was appointed to the Board on 17 March 2025, resigned 19 March 2026
- Joseph Moffatt was appointed to the Board 5 September 2025
- Clare Hamilton-Hodson was appointed to the Board 19 March 2026

B.1.4 Remuneration Policy

Due to the size of the Company and the simple remuneration arrangements, MICL does not have a separate Remuneration Committee, with responsibility for this area being retained by the Group Human Resources department.

The MICL two Independent Non-Executive directors received a fixed fee for services and there were no variable or performance-related elements to their remuneration. The remuneration of other Directors is not linked directly to the performance of the Company and none of the Directors are entitled to share options or shares in the Company and do not have any entitlement to pensions from Mulsanne.

B.1.5 Material Transactions

During the year, Mulsanne paid a fee of £0.42m (2024 - £0.3m) to its insurance manager for services provided. One of the Directors was also a Director of the insurance manager during the course of the year. At 31 December 2025, the balance owed by Mulsanne was £nil.

During the year, Key Claims charged claims handling and administration fees to MICL of £4.4m (2024 – £5.2m. KCASL occasionally are paid an advance payment, as at December 2025 the balance by MICL was £nil (2024 – £0.1m).

During the year MHGL, as the immediate parent of MICL, injected £0.5m into MICL in the form of cash.

During the year there were no other significant intragroup transactions between MICL and MHGL or Key Claims and MHGL. No material amounts are owed amongst these entities.

B.2 Fit and Proper Requirements

B.2.1 Requirements for Skills, Knowledge and Expertise

The Company requires that members of the Board and Committees and those individuals carrying out other significant functions are fit to carry out their roles through the possession of the necessary skills, knowledge, and experience and that all such individuals are of good repute and integrity. This ensures an appropriate spread of skills for managing the business.

The fitness requirements set out that collectively the Board and Committees cover at least the following areas:

- Knowledge of insurance and financial markets

- Understanding of the business strategy and the business model
- Understanding of the systems of governance
- Knowledge of financial matters, actuarial analysis and management information
- Understanding of the regulatory framework and requirements

B.2.2 Policies and Processes with regard to Fit Requirements

The relevant Boards will consider the skills, knowledge and experience required prior to any new appointment and assess whether the individual meets the requirements. On an ongoing basis, all individuals are required to ensure that their skills and knowledge are kept up-to-date and to confirm this annually. The fitness of key individuals is monitored and reported on by the compliance function.

B.2.3 Policies and Processes with regard to Proper Requirements

All individuals carrying out key or significant functions for MICL are required to demonstrate that they meet the Company's proper requirements with regard to their reputation and character. In order to assess whether this requirement is met, the following factors will be considered:

- the individual's character;
- the individual's personal behaviour;
- the individual's business conduct;
- any criminal aspects;
- any financial aspects;
- any regulatory aspects.

MICL's compliance function ensures that appropriate Notification Documents are prepared for all individuals carrying out notifiable functions and submitted for regulatory approval with the GFSC. The compliance function is responsible for checking propriety on an ongoing basis and to report to the Board at least annually.

B.3 Risk Management System including ORSA

B.3.1 Risk Management System

MHGL is responsible for ensuring there is appropriate risk management on a Group basis, encompassing all subsidiaries. The MICL risk management framework, which is described below, drives the Group risk management framework. MICL and Key Claims maintain a risk register and group risks are considered as part of the Group ORSA process. Both solo entity and group solvency calculations are produced.

B.3.1.1 Overview

MICL categorises its risks as follows:

- Strategic Risk
- Non-life Insurance Risk
- Investment Risk
- Liquidity Risk
- Credit Risk
- Concentration Risk
- Operational Risk
- Conduct Risk

mulsanneholdings

- Regulatory Risk
- Political Risk

The Company's aim is to ensure that the business is managed at all times in a risk-focused manner in order to achieve the Company's overall strategic objectives. The Company has in place policies, processes, and procedures for each category of risk.

Risk management is the responsibility of the MICL Board, and delegated to the Risk, Audit and Compliance Committee, a sub-committee of the Board. However, due to the small size of the Company, it depends on assistance from individuals within its outsourced service provider, in particular its insurance manager and third-party administrator.

The system of governance is based on the principle of proportionality, such that systems are proportionate to the nature, scale, and complexity of Mulsanne's operations.

B.3.1.2 Risk Management Strategies, Objectives, Processes and Reporting

The Company's risk management policy is intended to identify all material risks, minimise risks wherever possible and manage and control all significant risks within acceptable limits. The ultimate goal is to ensure policyholder protection and for the Company to achieve its overall strategic objectives.

The Company sets risk appetite and tolerance limits for each category of risk and monitors performance at least quarterly.

B.3.1.3 Identification, Measurement, Monitoring, Management and Reporting of Risks

MICL's Risk Audit and Compliance Committee regularly discusses and considers actual or potential risks and utilises a Risk Register to do so. All risks identified are recorded and assessed as to their impact and the likelihood of their occurrence, both on an inherent basis (before controls and mitigations) and on a residual basis (after taking account of appropriate controls and mitigations).

The Company's highest rated risks are reported to the MICL Board on a regular basis by the Compliance function. In addition, at each Board meeting, consideration is given to whether the Company's risk profile or risk exposure has changed due to decisions taken.

Risk events are reported to the Board when they occur and are recorded in the Risk Register, including their impact and resolution.

Risk management involves the Board as well as key outsourced providers. All forums and individuals involved in risk management have a duty to inform the Compliance, Internal Audit or Actuarial functions of any facts that may be relevant to these functions in performing their duties.

In addition, the Board will receive regular reports from the Internal Audit function as to the adequacy, effectiveness and efficiency of the internal controls.

B.3.1.4 Implementation of Risk Management Function

The MICL Risk and Audit Committee is responsible for the risk management function. While the Company relies on its outsourced service providers for elements of the day-to-day operation of risk management,

mulsanneholdings

oversight and control remains with the Board. This ensures that risk management is fully integrated into Mulsanne’s business and its decision-making processes.

Mulsanne operates a three-line of defence model as set out below:



First line of defence: Responsible for the day-to-day management and control of risk and the establishment and operation of appropriate internal control measures.

Second line of defence: Responsible for operation of the risk management framework and oversight of risk control and management. It has a level of independence from the day-to-day management and provides the Board with some assurance over the effectiveness of the risk management system.

Third line of defence: Responsible for providing independent assurance on the effectiveness of the first and second lines of defence and over the risk management framework and system of internal controls.

B.3.2 Own Risk and Solvency Assessment

B.3.2.1 ORSA Process and Integration

MICL has established a policy setting out the requirement to carry out an Own Risk and Solvency Assessment (“ORSA”) which applies to both the Company on a solo basis and to the Group. The purpose of the policy is to ensure that all material risks faced by the Company and Group are appropriately assessed and the level of capital required managing these risks or other risk mitigation measures are determined and put in place. The ORSA should provide the Boards and management with a thorough understanding of the Company’s risk profile and provide the information needed to make appropriate decisions.

The ORSA takes account of historic performance and future forecasts/budgets over the business planning horizon, which is a period of three years. Various members of the management team and relevant outsourced providers will carry out the ORSA. The MICL Board always maintains oversight and control,

steering how the assessment is performed and challenging the results to ensure they properly take account of the Company's material risks.

The Group conducts at least an annual ORSA after which a formal report is prepared.

As part of the ORSA process, management assess the risks to which the Company and Group is exposed and their potential impact on the capital requirement together with any other relevant mitigating factors. This consists of both a quantitative assessment through appropriate stress and scenario tests, as well as a qualitative assessment of risks which may not be covered by capital. The outcome from the ORSA process is to determine the level of capital which the Board consider appropriate for the business.

A full reforecast and ORSA will be carried out on an annual basis, subject to there being no material changes in the business or its risk profile in the meantime. This will take place during the final month of the company's financial year, thus ensuring that the timing is aligned with the business planning process.

In addition to the above, the Board will formally assess on a regular basis whether any decisions taken, risk events, market factors or other similar items affect Mulsanne's risk profile, risk appetite, free reserves, or other relevant matters. In such a case, the impact on the Company's own assessment of its capital needs will be considered and, if required, a further ORSA together with an SCR calculation will be carried out.

During 2025, the Company's solvency coverage declined due to deteriorating financial performance and the application of capital add-ons during the year. As at 31 December 2025, the unaudited SCR coverage was 103.9% on a solo entity basis and 100.1% on a Group basis. To restore the capital position, the ultimate shareholder injected £8.5 million of net new capital into the Company in February 2026. As at the end of March 2026, the insurer had a capital ratio of 130% of the SCR. A further £1.5 million capital injection is committed for September 2026. The Board expects the Company to maintain solvency coverage above the SCR throughout the planning period.

The ORSA is conducted by management, including outsourced service providers, with the Board maintaining oversight and control at all times and steering the assessment. The draft report produced is provided to the full Board for discussion, challenge and approval. This is applicable for each ORSA, whether annual or *ad hoc* due to changes in the business.

B.3.2.2 Relationship between Solvency Needs, Risk Profile, Capital Management and Risk Management

The ORSA enables the Board to assess the Company and Groups capital needs over the planning horizon, which is three years. The ORSA is carried out taking due account of MICTL's specific risk profile and includes both risks explicitly captured in the Standard Formula, as well as risks which are either not captured or not able to be mitigated through capital. All risks are taken into account in the ORSA process.

The capital management policy has been established to ensure that the Company has in place the appropriate levels and quality of capital both as required by the SCR calculation and as determined by the ORSA. The policy aims to ensure that appropriate plans are in place to enable the Company to meet its capital requirements both in the immediate and the medium-term future and that all items of own funds comply with the relevant rules, regulations, and legislation.

The risk management function takes due account of the available capital, the Company's risk profile, future business plans and the outcome of the ORSA in an iterative cycle.

B.4 Internal Control System

B.4.1 Internal Control System

The Group is committed to managing its business in a risk-focused manner. In order to achieve this, appropriate controls have been put in place to reduce risks where possible. Risk management and the adherence to the internal controls are an integral part of the business culture.

Responsibility for establishing an appropriate internal control environment, rests with the Board as a whole and its Directors individually. The Company has established internal control systems which take due account of the nature of the business. Responsibility for adherence to internal controls rests with all individuals involved in the management of the business.

The internal control policy is targeted at ensuring that:

- Processes and procedures exist for the identification and assessment of risks.
- Appropriate processes and procedures are in place to control identified risks.
- Individuals involved in the business are trained and aware of their role regarding internal controls.
- Appropriate monitoring and review processes are in place.

Key controls that operate to mitigate risks are recorded in the appropriate Risk Register. The internal control framework for MICL is subject to review by MICL's internal audit function. Key Claims is the other trading entity within the Group providing certain services to MICL. Where appropriate, Key Claims has and will form part of the scope of the internal audits. MICL has oversight over KCASL and instruct SX3 to audit KCASL and external outsource functions including Horwich Farrelly, Rostella and Action 365 and Davies Group periodically.

B.4.2 Compliance Function

B.4.2.1 *Implementation of Compliance Function*

The Company's compliance function is an integral and significant element of MICL's business, responsible for ensuring the Company complies with all relevant rules, regulations, guidance and legislation regarding both Gibraltar and UK requirements. The compliance function also reports to the Risk Audit and Compliance Committee on any relevant changes in the legal environment in which the Company operates.

MICL outsources its Compliance function to its insurance manager, with a named Compliance Officer having overall responsibility. The compliance function has established a Compliance Monitoring Programme which is approved by the Board on an annual basis. Compliance formally reports to the Board on a quarterly basis with regard to the tasks carried out during the quarter.

While the provision of compliance services has been outsourced, this remains under the oversight of the MICL Board, and the function holder, with the Board retaining full responsibility.

There is no compliance function at a group level, with compliance responsibilities sitting at the trading entity level.

B.4.2.2 *Independence and Authority of Compliance Function*

Due to the outsourced nature of the MICL compliance function, the function is operationally independent from the other areas of the business.

The MICL compliance function is authorised to access all areas of the business and is therefore entitled to full and unrestricted access to all information, records, property, personnel, and activities, including those residing with outsourced service providers.

The MICL Board considers and approves the compliance monitoring programme on an annual basis to ensure that all relevant areas are captured and receives the quarterly compliance reports but does not otherwise seek to instruct or influence the Compliance function.

B.5 Internal Audit Function

B.5.1 Implementation of the Internal Audit Function

Internal Audit is an objective and independent activity, whose role is to help management achieve the Company's objectives by constantly improving the effectiveness of the Company's operations. It is responsible for evaluating management's approach to risk management and governance, with particular emphasis on systems of internal control. It investigates the manner in which the Company's processes and controls operate to assess their effectiveness in ensuring compliance with strategy and policies.

MICL's Internal Audit function covers all aspects of the Company's business. In particular, it considers:

- Governance and business planning.
- Underwriting and policy administration.
- Claims handling and reserving.
- Investment.
- Finance/Accounting.
- IT and Cyber Risks.
- Compliance.
- Consumer Duty.
- Operational Resilience.

Internal Audit produces a three-year plan to ensure that all relevant areas are covered within an appropriately determined timeframe, considering the relevant risks and uses this plan as the basis for the detailed annual plan. Internal Audit carries out its examination at least once per annum and as requested on an ad hoc basis on any additional areas.

MICL outsources the Internal Audit function to an external firm who also attend the Risk Audit and Compliance Committee. The engagement is for the solo entity only and does not include other entities within the Group.

A number of internal processes and procedures will be considered by the outsourced provider in discharging their duties:

- The MICL Board, with the assistance of its insurance manager, carries out an internal review of the governance, risk management and business planning systems and processes, including its own procedures, on an annual basis.
- Members of the wider group management team working for MICL, carry out periodic audits of the claims-handlers and brokers and report to the Board, these audits to be conducted at least annually
- Internal Audit will liaise with and leverage the work of the external auditors.
- After each audit, appropriate reports are produced.

mulsanneholdings

- An initial report is produced for discussion with management in the relevant area. The draft report should be produced no later than four weeks of the audit work finishing.
- Management's responses and proposed actions will be noted, and an agreed final report will be issued. The final report should be issued no later than four weeks of the draft report being agreed.
- The final report will be submitted to the Board for review at the next meeting.

B.5.2 Independence and Objectivity of the Internal Audit Function

Internal Audit is outsourced to an external accountancy firm (Mazars LLP) with the required skill set and experience and is not involved in any operational aspects of the business. This ensures that the function is independent, objective, and impartial and not subject to influence from the Board or management.

Internal Audit is authorised to review all areas of the Company and its business and is therefore entitled to have full and unrestricted access to all information, records, property, personnel and activities of the Company and the wider Group as appropriate. Staff and management (even if not staff of the Company) have a duty to make all requested information available promptly and to assist with any enquiries.

The MICL Board will approve the audit plan and is free to request additional areas to be reviewed by internal audit. In addition, the Board receives and reviews the reports produced by the function. However, the Board does not otherwise seek to instruct or influence the Internal Audit team.

B.6 Actuarial Function

B.6.1 Implementation of Actuarial Function

The role of the Actuarial Function is to provide the Board with an independent perspective on key insurance aspects of the Company's operations. This will ensure that the Board is fully informed of matters that may impact the business.

MICL's Actuarial Function covers all aspects of the business with regard to insurance risks. This encompasses:

- Underwriting
- Reinsurance
- Other risk mitigations
- Reserving
- Capital
- Data

The Actuarial Function is responsible for the following areas:

- Oversight and validation of the calculation of technical provisions
- Assessment of the appropriateness of methodologies and assumptions used and consistency with Articles 76 to 83.
- Explanation of any material changes in data, methodologies, or assumptions
- Assessment of the sufficiency and quality of the data and consistency with data quality standards
- Recommendations to improve data quality where required
- Back-testing of best estimates against actual experience, reporting of material deviations and proposals to improve calculation
- Opinion on overall underwriting policy

- Opinion on adequacy of reinsurance arrangements

The Actuarial Function reports its findings to the Board at least annually, covering all areas for which it is responsible. The report should be appropriate to assist the Board in its decision-making process and to identify to the Board areas where improvements are required. The report should also identify any material uncertainty about data accuracy and explain the approach taken in light of this uncertainty.

B.7 Outsourcing

B.7.1 Outsourcing Policy

Outsourcing is defined as the contracting out of all or part of an internal process or internal activities to a third-party provider on a continuous basis. Mulsanne has in place an outsourcing policy which ensures that all outsourcing will:

- Support MICL and Key Claims business strategy and key objectives
- Provide customers with an experience at least as good – or better – than an in-house alternative
- Enable MICL to deliver a service experience to customers at a cost consistent with the Company's cost objectives/budget/business plan
- Enable MICL and Key Claims to exercise control over outsourced service providers to ensure that any risks are properly identified, understood, and appropriately mitigated
- Enable the Group to demonstrate that its responsibilities in respect of outsourced activities are being effectively discharged.

While Mulsanne outsources certain key activities, the Company retains all decision-making powers and ultimate responsibility for the outsourced services.

Mulsanne's outsourcing policy sets out the following:

- The definition of outsourcing
- Responsibility for implementation and operation of the policy and consequent controls and processes
- The criteria for outsourcing
- Due diligence on potential providers
- Establishment of appropriate contractual arrangements which clearly define responsibilities and allow adequate supervision and control
- Establishment of appropriate contingency planning, including terminating or exiting the arrangement
- Periodic audit requirements
- Records of outsourced arrangements
- The approval process
- Contract and legal requirements
- Risk assessment and risk mitigation measures
- Monitoring and on-going requirements.

B.7.2 Outsourced Functions and Activities

The following table sets out the key functions outsourced by the Company:

mulsanneholdings

Function/services	Jurisdiction
Policy administration	UK
Data and Management Information	UK
Claims handling, case reserving and settlement	UK
Assisting with risk management	UK/Gibraltar
Assisting with compliance	UK/Gibraltar
Company Secretarial Services	Gibraltar
Internal Audit	UK
Approval of large loss reserving	UK/Gibraltar

B.8 Any other Information

B.8.1 Adequacy of Systems of Governance

MICL is a small company with the directors closely involved in all key aspects of the business. The Company does not underwrite complex insurance products, focusing on a single line of business, with known and understood risks. The systems of governance have therefore been established taking due account of the principle of proportionality, being appropriate to the size, nature, and scale of the operations.

Key Claims is small company responsible for the provision of certain claims handling services to MICL, and responsible for the oversight of Horwich Farrelly, who handle all aspects of claims handling except for large loss bodily injury claims and first notification of loss.

Mulsanne Holdings is not a trading entity and is a holding company for the group. The group has an established authority matrix, and certain material matters are reserved for the MHGL Board to approve. Day to day governance, within the authority matrix is delegate to the subsidiary company boards.

The MICL Board has in place a process of regularly evaluating the effectiveness of the systems of governance. In addition, governance falls within the remit of both internal and external audit and the risk management function continuously assesses relevant legislation, guidance, advice, and best practice to ensure that the systems of governance are updated and always maintained.

B.8.2 Any other Material Information

There is no other material information to report as at 31 December 2025.

C. Risk Profile

Mulsanne's governance framework sets out the type and level of risk which the Company is willing to accept in the achievement of its strategic objectives. This framework provides both qualitative and quantitative measures and limits, which are considered in making key business decisions.

Mulsanne's appetite is for the business to focus mainly on motor risks together with a small volume of ancillary, motor-related risks. All business is underwritten in the UK.

With regard to investments, Mulsanne pursues a strategy which is focused on capital preservation whilst seeking to achieve investment returns that are better than cash deposits through diversified investment funds on a carefully selected basis, thus adopting a careful and conservative investment policy.

MICL's risk profile as at 31 December 2025 is set out in the table below:

MICL	2025	2024
Risk Category	% of SCR	% of SCR
Insurance Risk	34.8%	39.2%
Market Risk	28.5%	26.0%
Counterparty (Credit) Risk	13.1%	12.9%
Operational Risk	17.3%	17.9%
Add-on	6.2%	4.1%

MHGL's risk profile as at 31 December 2025 is set out in the table below:

MHGL	2025	2024
Risk Category	% of SCR	% of SCR
Insurance Risk	34.7%	38.7%
Market Risk	28.5%	26.0%
Counterparty (Credit) Risk	13.2%	13.3%
Operational Risk	17.3%	17.9%
Add-on	6.2%	4.1%

C.1 Underwriting Risk

C.1.1 Material Risks

MICL is the only company in the group that assumes any underwriting risk. Underwriting risk arises from the risk of loss from changes in insurance liabilities. This can arise from inadequate pricing or risk selection, inappropriate reserving, or other fluctuations in the timing, frequency, and severity of insured events.

MICL distributes all business via intermediaries in a highly competitive industry. Furthermore, the motor market has recently been subject to numerous regulatory and legislative changes and is highly sensitive

to the economic environment, the behaviour of policyholders and actions of other service providers to the industry, such as claimant lawyers and claims management companies.

The Company manages underwriting risks through regular review of performance information, encompassing loss ratios, frequency, and cost of claims, conversion rates by products and distribution channels.

The following are the key underwriting risks identified by management:

- Risks priced too high or too low, and undesirable market segments written
- Claims inflationary pressures increase the cost of claims
- Volume Risk, resulting in cashflow risks and underwriting profits insufficient to cover costs
- Increased cost of claims as a result of a failure in claims process
- Small Portfolio size
- Losses on proportional reinsurance strategy
- Adequacy of pricing feedback loops

C.1.2 Material Risk Concentrations

MICL's business comprises solely of motor insurance, with some small books of non-motor business that is largely run-off. MICL's business almost entirely to private cars and therefore leads to some risk concentration due to exposure to market factors. The business contains several distinct portfolios; however, the Company is exposed to market conditions within one sector of the General Insurance market.

C.1.3 Risk Mitigations

MICL mitigates underwriting risk through the purchase of reinsurance protection and the implementation of appropriate controls.

The Company purchases Excess of Loss reinsurance to protect against the impact of large claims. In addition, the Company has in place co-insurance and Quota Share reinsurance arrangements to mitigate the impact of large and lower value, attritional losses.

In April 2019 and with effect from 1 January 2019, the Company purchased a Loss Portfolio Transfer to cover business written up to 31 December 2017, to protect against adverse claims performance. As at the time of writing this report this Loss Portfolio Transfer cover remains in place.

In addition, Mulsanne further mitigates underwriting risk through the following:

- Monthly review of detailed underwriting and performance information
- Post inception validation of high-risk policies
- Quarterly actuarial reserve reviews are performed both externally and internally
- Monthly loss ratio actual versus expected analysis
- Regular audits of intermediaries
- Regular audits of the claims-handler
- Regular updates of the risk register, including reporting of any risk events
- Stress testing of loss ratios as part of the ORSA process
- Actuarial pricing models under-pinning premium rating
- Detailed risk acceptance criteria at point of quote

mulanneholdings

- Centralized rating platform for private car rating
- Appropriate systems of governance and control

C.1.4 Stress and Sensitivity Testing

The Company carries out stress and sensitivity testing as part of the ORSA process, which is carried out at least annually. This considers stresses both with regard to business volumes, future loss ratios (and their impact on quota share sliding scale commission income) and the run-off of existing reserves. This showed that the greatest sensitivity arises from changes in future loss ratios driven by bodily injury or deterioration in existing reserves. This is entirely in line with expectations and aligns closely with the management focus on the profitability of new business.

Under extreme scenarios, the level of buffer and protection afforded by the Loss Portfolio Transfer would not be sufficient to absorb this stress. Management is very much alive to the risks arising from inappropriate underwriting and continues to closely monitor this risk. Further to this the Board, as part of the ORSA process considers options available to it to recover from such extreme scenarios as part of the company's recovery and resolution planning.

The Company's most significant variable in respect of the projection of ultimate losses attaches to the assumptions used for large bodily injury claim frequency, and also to the assumed frequency and severity of attritional claims. The frequency of these claims, by definition, are difficult to predict.

C.2 Market Risk

C.2.1 Material Risks

Market risk arises from changes in the income generated by investments or from changes in the value of such investments and includes:

- Interest rate risk
- Spread risk
- Equity risk
- Currency risk
- Property risk
- Concentration risk

MICL pursues a diversified investment policy focusing on the generation of real returns above inflation whilst seeking to observe the Prudent Person Principle. The Company holds some investments that are denominated in US Dollars. In order to mitigate the risk of adverse movements in the value of these assets that may arise through movements in foreign exchange rates, the Company has purchased foreign exchange forward contracts to hedge currency risk. The value of this currency forward hedge is reviewed regularly and adjusted as appropriate to ensure the Company's exposure to currency risk is minimised. The counterparty for the currency hedge transaction is an "A" rated bank.

The Company uses the services of carefully selected and experienced investment managers and advisors who operate under an approved investment policy and within agreed guidelines. As well as setting limits with regard to the type of investments and the rating of counterparties, the policy sets a benchmark return and imposes limits on exposure to single counterparties. The Investment Committee meets on at

least a quarterly basis to assess the performance of the portfolio and recommend any changes which may need to be made.

The main market risk to which the Company is exposed is a loss in the value of investments or categories of investments due to market factors.

C.2.2 Material Risk Concentrations

MICL has in place an investment portfolio which has exposure across a diversified range of asset classes and is therefore not exposed to any material market risk concentration with the investment portfolios.

The Company also holds several unlisted debt and equity investments. The total value of these assets is £40.6m (2024: £42.1m). The largest concentration is around one equity investment valued at £4.3m.

As at 31 December 2025 the Company held £4.4m (2024: £1.4m) with RBS International.

C.2.3 Risk Mitigations

MICL mitigates market risk through the following mechanisms:

- Regular review of investment performance
- Use of more than one investment manager and an independent advisor
- Investment policy with agreed limits
- Diversification within the investment portfolio
- Designated Chief Investment Officer

C.2.4 Prudent Person Principle

The Company pursues an investment policy, which ensures investments are limited to relatively standard and easily understood products, the performance of which the company can readily monitor and manage. The investment policy balances capital preservation with investment return and sets limits regarding rating and other measures, considering the nature and duration of the Company's liabilities. In addition, the policy requires appropriate diversification of exposure within the portfolio.

MICL only utilises derivatives for hedging purposes and these are fully considered in the ongoing performance of the portfolio. For assets supporting technical provisions, the Company's policy is to hold investments that are traded regularly and therefore have a ready market value and are highly liquid. Assets that are less liquid, or do not have a readily realisable market value are kept to prudent levels.

While the Insurer currently holds investments in more unusual or complex instruments, the focus of the Investment Committee is to manage the portfolio towards easily valued, liquid assets.

The Company holds certain investments that are less liquid in nature. The Board's strategy is to reduce exposure to these assets over time. For these assets the Investment Committee will:

- Assess the impact on the Company's risk profile, consider whether a revised ORSA is required as a result and make the necessary recommendation to the Board
- Ensure that appropriate skills are in place to manage and monitor the investment activity – either internally or within the investment manager

mulsanneholdings

- Assess how the investment complies with the Prudent Person Principle
- That such investments are in the best interest of customers and policyholders
- Demonstrate to the Board how the proposed investment activity will improve the portfolio as a whole
- Seek regular updates from the CIO in respect of the liquidation plan for these assets

C.2.5 Stress and Sensitivity Testing

MICL includes stress testing of market risk in its ORSA process, these stress tests include:

- Failure of the company to deliver the liquidity plan, resulting in a 1-year delay to the liquidation plan
- Adverse movement in the equity symmetric adjustment under the Standard Formula in conjunction with an adverse movement in risk free rates.

While these stresses do not impact as greatly as loss ratios stresses, they do affect the Company's capital position, however the SCR coverage remains above risk appetite levels.

C.3 Credit Risk

C.3.1 Material Risks

Credit risk arises from the risk that parties who owe money to MICL are unwilling or unable to pay the amounts due to the Company. Credit risk for Mulsanne arises from a number of sources:

- Banking counterparties
- Reinsurance counterparties
- Issuers of fixed income securities and debt instruments
- Premiums and other amounts due from intermediaries
- Amounts due from connected parties

MICL aims to minimise the credit risk arising from its operations through the careful selection of counterparties and close management and control of amounts due to the Company.

C.3.2 Material Risk Concentrations

The Company credit risk exposures during the year were diversified as set out below:

- Funds were held with more than one banking counterparty
- The majority of the Company's liquid assets are invested in a highly diversified money market fund
- Reinsurance exposure is diversified between more than one counterparty
- MICL's investment portfolio comprises several diversified investment funds
- Certain investments benefit from collateral arrangements
- The Company has now rationalised the distribution portfolio such that new business is only sold via intermediaries that are connected parties by virtue of common ultimate beneficial owners.
- Reinsurance counterparties are highly rated

C.3.3 Risk Mitigations

Mulsanne mitigates credit risk through a number of mechanisms:

- Ensuring distribution is via connected parties
- Debtor control processes to closely monitor ageing of insurance premiums due
- Carrying out periodic audits of brokers
- Credit terms for brokers that are appropriate and consistent with market practice
- Using an experienced reinsurance broker.
- Ensuring reinsurance counterparties are appropriately rated
- Monitoring reinsurance recoveries.
- Ensuring banking counterparties are appropriately rated
- Use of statutory trust accounts where appropriate
- Reviewing credit terms and avoiding terms over 60 days.

C.3.4 Stress and Sensitivity Testing

MICL depends, to a large extent, on its reinsurance programme in mitigating risk. Hence the credit risk arising from these arrangements needs to be appropriately managed. The risk of reinsurers suffering a credit downgrade is therefore one of the stresses considered as part of the ORSA process. Due to the diversification of reinsurers, the Company is relatively resilient to this risk.

C.4 Liquidity Risk

C.4.1 Material Risks

Liquidity risk is the risk of losses from an inability for MICL to pay its liabilities as they fall due. The Company maintains sufficient liquid assets to meet its obligations as they fall due and monitors its liquidity position on a regular basis. The Board's strategy to reduce exposure to less liquid assets over time is expected to further reduce the Company's liquidity risk profile.

C.4.2 Material Risk Concentrations

There are no material liquidity risk concentrations due to the diversified nature of Mulsanne's investment portfolio.

C.4.3 Risk Mitigations

Liquidity risk is mitigated through the carefully structured and diversified investment portfolio and the funds held with banks. Additionally, the Investment Committee meets regularly to review the liquidity position of the Company.

C.4.4 Stress and Sensitivity Testing

Liquidity risk is not subject to separate stress and sensitivity testing as the risk is not considered to be material to Mulsanne.

C.4.5 Expected Profit in Future Premiums

The expected profit in future premium as at 31 December 2025 is -£1m (2024 – £0.07m).

C.5 Operational Risk

C.5.1 Material Risks

Operational risk arises from failed internal processes, procedures or controls, from personnel or systems failures, from external events or from a failure to comply with legislation, regulations or other obligations. Reputational risks have also been considered in this category.

MICL has identified the following key operational risks:

- Cyber Risks from external sources
- Embezzlement and Fraud
- Oversight Risk of Contracted Third Parties
- Exposure to outsourced service providers
- Failure of key outsourced service providers
- Exposure due to poor contract drafting, review and sign-off process
- Poor adherence to governance processes and policies
- Inaccurate reporting of financial results on a statutory basis, within SFCR/ORSA and QRT's
- Replacing Legacy Estate (risk of change)

Operational risks are identified, assessed, and set out in MICL's risk register, along with appropriate controls. There is a process for regular reporting of risk events.

The Risk Register is discussed on a regular basis by the Risk, Audit and Compliance Committee and Mulsanne Board, with input from all relevant functions and activities within the business.

C.5.2 Material Risk Concentrations

There are no material risk concentrations.

C.5.3 Risk Mitigations

Mulsanne has a strong internal control framework to mitigate operational risk. This encompasses the following key controls in managing operational risk:

- Regular audits of key service providers
- Four-eyes controls over all key operational areas
- Appropriate Disaster Recovery and Business Continuity Plans
- Detailed analysis and review of monthly management information
- Oversight, monitoring and audit of the claims-handler
- Establishment and maintenance of a conflicts of interest register
- Involvement of Directors in all key operational areas of the business
- Board discussion of all negative publicity
- Regular dialogue with key stakeholders, including regulators and intermediaries
- Monitoring limits on complaints.
- Monitoring and reporting by the Compliance function.

C.5.4 Stress and Sensitivity Testing

Operational risk is included in the Standard Formula, with an appropriate risk charge calculated. In addition, a number of operational risks would directly impact underwriting risk and are therefore also captured. As part of the ORSA process, Mulsanne also considers those risks which may not be fully captured in the Standard Formula, in particular the exposure to outsourced service providers and various reputational risks. These risks are managed through appropriate controls and other mitigating actions, such as close involvement of the Board in all key operational decisions.

C.6 Other Material Risks

On 31 January 2020, the UK formally left the European Union, and the UK and the EU have entered into a Trade and Cooperation Agreement which was provisionally applied from 1 January 2021.

Since this date, Gibraltar insurers have been allowed to continue to write business into the UK until such time as the Gibraltar Authorisations Regime ("GAR") is agreed and implemented between the UK and Gibraltar in order to permanently preserve mutual access for financial firms' operation between the two jurisdictions.

As all of MICLs business is with customers located in the United Kingdom, the Board does not anticipate Brexit and the subsequent implementation of the GAR having an impact on Mulsanne's ability to continue to trade. Additionally, disruptions to the supply chain for repairparts for motor vehicles, as a result of Geopolitical tensions, for the supply of parts could give rise to additional repair and hire costs. Furthermore, macro inflationary pressures are also impacting care worker wages and giving rise to claim cost inflation. The Board continues to monitor this situation closely, making underwriting adjustments as appropriate.

D. Valuation for Solvency Purposes

D.1 Assets

The following bases, methods and assumptions have been used in valuing each material class of assets for Solvency II purposes. The material classes of assets as at 31 December 2025, except for reinsurance technical provisions, for the Company are as set out in the table below:

Description	2025		2024	
	Solvency II Value	GAAP Value	Solvency II Value	GAAP Value
	£'000	£'000	£'000	£'000
MICL				
Intangible Asset	-	-	-	-
Equities	10,836	24,644	10,884	10,884
Government Bonds	-	-	-	-
Corporate Bonds	-	-	-	-
Collateralised securities	-	-	-	-
Collective Investment Undertakings	13,522	4,260	40,949	40,861
Derivatives	13,897	-	13,895	-
Deposits other than cash equivalents	-	-	-	-
Other Loans and mortgages	16,264	11,704	18,308	18,308
Insurance and Intermediaries Receivables	-	7,012	-	7,639
Reinsurance Receivables	-	7,081	4,977	4,977
Receivables (trade, not insurance)	5,448	2,137	-	-
Cash and cash equivalents	17,021	17,021	(3,810)	10,085
Deferred Acquisition and Processing Costs	-	1,939	-	3,989
Any Other Assets	-	256	-	539

The material classes of assets as at 31 December 2025, except for reinsurance technical provisions, for the Group are as set out in the table below:

MHGL	2025		2024	
	Solvency II Value	GAAP Value	Solvency II Value	GAAP Value
	£'000	£'000	£'000	£'000
Intangible Asset	-	-	-	987
Tangible Asset	1	1	4	4
Equities	10,836	24,644	10,884	10,884
Government Bonds	-	-	-	-
Corporate Bonds	-	-	-	-
Collateralised securities	-	-	-	-
Collective Investment Undertakings	13,522	4,260	40,949	40,861
Derivatives	13,897	-	13,895	-
Deposits other than cash equivalents	-	-	-	-
Other Loans and mortgages	16,264	11,704	18,308	18,308
Insurance and Intermediaries Receivables	-	7,012	-	7,639
Reinsurance Receivables	-	5,816	5,024	5,024
Receivables (trade, not insurance)	5,536	3,890	-	-
Cash and cash equivalents	17,112	19,757	10,155	10,155
Deferred Acquisition and Processing Costs	-	1,098	-	3,989
Any Other Assets	-	343	-	679

D.1.1 Intangible Assets

At 31 December 2025, the Company held an intangible asset valued at £nil (2024 – £nil) under GAAP, representing software acquisition and development costs. For GAAP purposes, this asset has now been fully depreciated.

The Group also held an intangible asset valued at £987k in the form of Goodwill as at 31 December 2024.

D.1.2 Equities (Unlisted)

As at 31 December 2025 the Company holds several unlisted Equity investments. Various valuation techniques have been used at arriving at the valuation for both a GAAP and Solvency II basis. Such valuations have been arrived at with the assistance of a third-party investment advisor.

D.1.3 Bonds

At the year end, MICL had no direct investments in Government or corporate bonds.

Investments are valued at fair value, being the market prices for identical assets in active markets, and the valuations are the same for GAAP and Solvency II purposes, although GAAP valuations exclude accrued interest. No significant judgements or estimates are used, and there has been no change in the basis of recognition and valuation.

D.1.4 Collective Investment Undertakings

At the end of 2025, the Company held investments in several investment funds totalling £13.5m (2024: £40.9m) on a Solvency II basis. These funds are invested into highly diversified funds that include underlying investment in trade receivables, mortgage finance, bridging and development finance in respect of UK properties, corporate bonds, and equities and diversified money market funds. The majority of the funds are listed and therefore have readily ascertainable market values and assets are valued based on the latest NAV valuations both for GAAP and for Solvency II, with no significant estimate or judgements being utilised. In circumstances where a market value of an investment is not readily available, the Company uses the services of an independent investment advisor to perform an annual valuation of the investment. There has been no change in the valuation and recognition basis during the year. For GAAP purposes, these investments were included in the same category as bonds and other fixed income investments.

D.1.5 Derivatives

As at 31 December 2025 the Company held a currency forward position selling US Dollars and buying sterling at a forward future date. This position is used to hedge the currency risk arising from holding certain strategic investments. As these currencies are actively traded and therefore have readily ascertainable market values, the assets are valued at market value both for GAAP and for Solvency II, with no significant estimate or judgements being utilised. As at 31 December 2025 the company had sold \$18.6m for a forward value of £13.9m. The currency forward counterparty is a highly rated bank. The value of the currency forward is reviewed regularly and adjusted accordingly to reflect any changes to the underlying value of the assets.

D.1.6 Deposits, Cash and Cash Equivalents

At the year end, MICL held £17.0m (2024 – £10.1m) either in term deposits, or in cash and cash equivalents, inclusive of accrued interest, with banking counterparties. All amounts are held in GBP and either in the UK or in Gibraltar.

Deposits, cash and cash equivalents are valued at fair value, based on the actual balances held, and Mulsanne receives weekly or monthly statements.

The valuation of these assets is the same for GAAP and Solvency II and no estimates or judgements have been used. For GAAP purposes, accrued interest is reported separately. There has been no change in the basis on which these items are valued and recognised.

D.1.7 Insurance and Intermediaries Receivables

Insurance and intermediaries' receivable items on a GAAP basis represent premiums owed to Mulsanne from its brokers, less commission and including IPT and including the amount owed to its coinsurance partner. At the year end, the Company was owed £7m (2024 – £7.6m). Contracts with the brokers set out payment terms.

Premiums receivables are valued at fair value, being the amounts recoverable, and as no other amounts are overdue, there have been no significant estimates or judgements made in arriving at the valuation. There has been no change in the valuation and recognition basis during the year.

While the assets are valued on a consistent basis both for GAAP and Solvency II, for Solvency II valuation purposes premium debtors net of the premium relating to Mulsanne's coinsurance partner are set against technical provisions to the extent that they are not overdue. The remaining balance under Solvency II represents the net coinsurance balance.

D.1.8 Reinsurance receivables

The balance ascribed in the Solvency II basis includes amounts due from reinsurers for settled claims above the excess of loss retention amounting to £Nil (2024: £Nil)

D.1.9 Receivables (trade, not insurance)

MHGL	£000s
	2025
Receivables	
Amounts due from connected parties	1,702
Taxation debtor	-
Other debtors	426
	2,128

Other debtors in 2025 relate solely to amounts due from co-insurance. The amounts due to/from coinsurers are reported on a net basis, and this has historically included premiums due to coinsurers less claims, commissions and other expenses. The coinsurance arrangements were not renewed in 2021 and as a result these arrangements are now in run-off resulting in a debtor position arising as no further new business is attaching to these arrangements. All amounts due are within credit terms.

These items are valued at fair value, being amounts recoverable and significant estimates or judgements are required. There are no differences in valuation for GAAP and Solvency II purposes and there has been no change in the valuation and recognition during the year.

Intercompany receivables relate to expenses incurred by Mulsanne that are rechargeable to other connected party companies.

D.1.10 Deferred Acquisition and Processing Costs

Deferred acquisition and processing costs represent commission, policy administration and similar expenses directly related to the acquisition and processing of policies, which are deferred over the period relating to the underlying unearned premiums. As at 31 December 2025, the Group had £1.1m (2024 – £2.0m) of deferred acquisition costs and £0m (2024 – £1.2m) of deferred processing costs.

The Solvency II balance sheet is prepared on the basis of best estimates of future cash flows. Deferred acquisition costs do not result in future cash flows, and these amounts are therefore excluded from the Solvency II balance sheet. There has been no change in the recognition and valuation basis during the year.

D.1.11 Other Assets

Other assets of £0.3m (2024 – £0.5m) on a GAAP basis represent accrued interest and prepayments. On a Solvency II valuation basis, accrued interest is allocated to the relevant investment to which it relates. Prepayments do not result in cash flows and therefore do not have a Solvency II value.

D.2 Technical Provisions

Technical Provisions represent the insurance liabilities as at the reporting date. The Company's gross and net Technical Provisions by business line are set out in the table below:

MICL	As at 31 December 2025				
	Motor Liability	Other Motor	Miscellaneous Financial Loss	Assistance	Total
	£'000	£'000	£'000	£'000	£'000
Gross Best Estimate Technical Provisions	171,976	5,955	-	-	177,931
Risk Margin	1,276	153	-	-	1,429
Total Gross Technical Provisions	173,252	6,109	-	-	179,361
Reinsurance Recoverables	(147,808)	(3,057)	-	-	(150,865)
Net Technical Provisions	25,444	3,052	-	-	28,496

MICL	As at 31 December 2024				
	Motor Liability	Other Motor	Miscellaneous Financial Loss	Assistance	Total
	£'000	£'000	£'000	£'000	£'000
Gross Best Estimate Technical Provisions	199,033	9,778	18	(21)	208,808
Risk Margin	1,770	61	-	-	1,831
Total Gross Technical Provisions	200,803	9,839	18	(21)	210,639
Reinsurance Recoverables	(163,011)	(5,644)	-	-	(168,655)
Net Technical Provisions	37,792	4,195	18	(21)	41,984

The Group's gross and net Technical Provisions by business line are set out in the table below:

MHGL	As at 31 December 2025				
	Motor Liability	Other Motor	Miscellaneous Financial Loss	Assistance	Total
	£'000	£'000	£'000	£'000	£'000
Gross Best Estimate Technical Provisions	171,976	5,955	-	-	177,931
Risk Margin	1,256	151	-	-	1,406
Total Gross Technical Provisions	173,232	6,106	-	-	179,338
Reinsurance Recoverables	(147,808)	(3,057)	-	-	(150,865)
Net Technical Provisions	25,424	3,049	-	-	28,473

MHGL	As at 31 December 2024				
	Motor Liability	Other Motor	Miscellaneous Financial Loss	Assistance	Total
	£'000	£'000	£'000	£'000	£'000
Gross Best Estimate Technical Provisions	199,035	9,778	19	(21)	208,811
Risk Margin	1,778	62	-	-	1,840
Total Gross Technical Provisions	200,813	9,840	19	(22)	210,650
Reinsurance Recoverables	(162,831)	(5,638)	-	-	(168,469)
Net Technical Provisions	37,982	4,202	19	(22)	42,181

D.2.1 Bases, Methods and Assumptions

D.2.1.1 Best Estimate

The starting point for the valuation of technical provisions is the best estimate of claims costs, both on an earned and on an unearned exposure, for all business written at the valuation date. This assessment is carried out by an independent, external actuary.

Management then applies payment patterns to the actuarial best estimate, based on historical payment patterns and applying reasonable assumptions and judgements, to convert the best estimate to future cash flow.

D.2.1.2 Expenses

The cost of running off the existing insurance obligations is estimated, on the basis that the company will continue to write other business. This is based on the current levels of expenditure and takes due account of decreasing activity in the existing business lines.

D.2.1.3 Events Not in Data

There may be possible future events which are not reflected in the historical data of the Company or the market.

Such events are referred to as Events Not in Data ("ENIDs").

The Company considers a number of scenarios and events which could occur and assesses their potential impact. Where this assessment concludes that the negative impact of ENIDs (i.e. increasing reserves) is greater than the potential positive impact (i.e. decreasing reserves), the Company makes provision for such events.

At 31 December 2025, management made a provision for ENIDs of £0.54m (2024 - £0.65m).

D.2.1.4 Bound but not Incepted

MICL may be contractually obligated to write certain business at the year end, although the risks will not incept until the following year. For example, renewal business for January 2026 will be invited prior to 31 December 2025. This may, however, be wholly or partially offset through future cancellations of existing business.

On a statutory account basis, a provision has been made in the current year for bound but not incepted risks, although the impact on the solvency position is not material.

D.2.1.5 Discounting

Cash flows are discounted using the risk-free interest rate structure as provided on a monthly basis by EIOPA.

D.2.1.6 Risk Margin

The risk margin is calculated using simplification method 3. This assumes that future SCRs are proportional to the best estimate technical provisions over time and projects future SCRs at this rate. A cost of capital rate of 4% is applied to each SCR estimate and discounted back using Prudential Regulatory Authority yield curves.

D.2.1.7 Allocation to Lines of Business

Best estimates and cash flows are calculated separately for each line of business. However, the majority of Mulsanne's business comprises motor, which is required to be split for Solvency II purposes into motor liability and other motor. It is not normal practice in the UK market to rate motor business on this basis, and Mulsanne therefore needs to apply a different methodology to calculate this split.

The Company uses claims heads of damage to split its motor business into the Solvency II classes. Bodily injury and third-party property damage are allocated to motor liability, with accidental damage, windscreen, fire and theft being allocated to other motor.

D.2.1.8 Reinsurance Recoverables

MICL has reinsurance recoverables arising from its Excess of Loss and Quota Share arrangements. Such items are calculated on a consistent basis with gross technical reserves, reflecting best estimates of both expired and unexpired risks, converted to cash flows, and discounted at the appropriate risk-free rate.

Amounts due from and payments due to reinsurers are included in the technical provision to the extent they are not overdue. The calculation also makes allowance for the possibility of insurer default, based on the counterparty's rating and the level of exposure.

D.2.2 Simplifications

No material simplifications have been used in the calculation of technical provisions.

D.2.3 Uncertainty

Technical provisions require judgement and estimations and therefore contain an element of uncertainty. Key areas of uncertainty in Mulsanne's technical provisions are:

- **Outstanding reserves:** Reserves on reported claims are based on reasonable estimates, reflecting information known at the balance sheet date. Ultimate settlement of these claims may differ from estimates
- **Future losses:** Future losses arise on both expired and unexpired risks and the estimation of these losses is based on actuarial assumptions. Such assumptions will take account of past performance and known or anticipated future changes, and may ultimately prove to differ from actual experience
- **Other estimates:** Technical provisions include assumptions as to expenses, events not in data and bound but not incepted risks. While these assumptions are prepared on a best estimate basis, reflecting historical experience where appropriate, they could ultimately prove to be inappropriate
- **Legislative and market factors:** The UK motor market has been subject to material changes in the past, encompassing legislative, economic and behavioural changes. Similar changes in the future are difficult to predict but could ultimately impact best estimates and future cash flow
- **Mulsanne seeks to minimise the level of uncertainty through a robust process involving external actuarial advice.** Claims performance is closely monitored to ensure that changes in trends are identified and appropriately reflected in future projections.

D.2.4 Differences between Solvency II and GAAP Valuation

The starting point for both Solvency II and GAAP valuation of technical provisions is the actuarial best estimate reserves. Key differences between the valuation bases are:

- GAAP valuation of gross reserves may include a margin above best estimate. Solvency II valuation is required to be at best estimate and any margin is removed
- GAAP valuation includes unearned premium, being the premium which reflects the unexpired risk exposure. Under Solvency II, the unearned premium is replaced by future claims expected to arise on this unearned exposure
- GAAP reserves do not include run-off expenses
- GAAP reserves do not include events not in data
- GAAP reserves do not make allowance for bound but not incepted business.
- GAAP reserves are calculated without a risk margin
- Insurance and intermediary receivables are set against total gross technical provisions for Solvency II valuation purposes, to the extent that they are not overdue, while they are shown as a separate item on the balance sheet for GAAP reporting

- Reinsurance receivables and payables are set against technical provision reinsurance recoverables for Solvency II valuation purposes, to the extent that they are not overdue, while they are shown as a separate item on the balance sheet for GAAP reporting.

The table below shows the movement from GAAP technical provisions to Solvency II technical provisions on both a Group and Solo entity basis:

MICL	As at 31 December 2025		
	Gross Technical	Reinsurance	Total
	Reserves	Recoverables	
	£'000	£'000	£'000
GAAP Reserves	203,468	173,595	29,873
Remove Unearned Premium	(21,038)	(18,390)	(2,648)
Claims on Unexpired Risks	18,168	13,511	4,657
Receivables/Payables	(6,857)	(4,056)	(2,800)
Run-off Expenses and Other	(1,100)	(1,555)	455
Effect of Discounting	(14,710)	(12,240)	(2,469)
Risk Margin	1,429	-	1,429
Solvency II Technical Provisions	179,361	150,865	28,496

MICL	As at 31 December 2024		
	Gross Technical	Reinsurance	Total
	Reserves	Recoverables	
	£'000	£'000	£'000
GAAP Reserves	246,104	198,757	47,347
Remove Unearned Premium	(34,273)	(30,463)	(3,810)
Claims on Unexpired Risks	26,378	19,684	6,695
Receivables/Payables	(6,569)	71	(6,640)
Run-off Expenses and Other	(450)	(1,561)	1,111
Effect of Discounting	(22,383)	(17,832)	(4,551)
Risk Margin	1,831	-	1,832
Solvency II Technical Provisions	210,639	168,655	41,984

MHGL	As at 31 December 2025		
	Gross Technical Reserves	Reinsurance Recoverables	Total
	£'000	£'000	£'000
GAAP Reserves	203,468	173,595	29,873
Remove Unearned Premium	(21,038)	(18,390)	(2,648)
Claims on Unexpired Risks	18,168	13,511	4,657
Receivables/Payables	(6,857)	(4,056)	(2,800)
Run-off Expenses and Other Adjustments	(1,100)	(1,555)	455
Effect of Discounting	(14,710)	(12,240)	(2,469)
Risk Margin	1,406		1,406
Solvency II Technical Provisions	179,338	150,865	28,473

MHGL	As at 31 December 2024		
	Gross Technical Reserves	Reinsurance Recoverables	Total
	£'000	£'000	£'000
GAAP Reserves	246,103	198,565	47,538
Remove Unearned Premium	(34,273)	(30,463)	(3,810)
Claims on Unexpired Risks	26,381	19,684	6,697
Receivables/Payables	(6,569)	71	(6,640)
Run-off Expenses and Other Adjustments	(447)	(1,574)	1,127
Effect of Discounting	(22,383)	(17,812)	(4,571)
Risk Margin	1,840	-	1,840
Solvency II Technical Provisions	210,653	168,469	42,181

Transitional adjustments

Mulsanne has not used any transitional adjustments regarding the matching adjustment, volatility adjustment, transitional risk-free interest rate term structure or transitional deduction.

D.2.5 Changes over the Period

There have been no changes in the assumptions made since the previous period.

D.3 Other Liabilities

The following bases, methods and assumptions have been used in valuing each material class of liabilities for SolvencyII purposes.

The material classes of liabilities as at 31 December 2025, except for gross technical provisions, are as set out in the tables below on a solo basis:

MICL	As at 31 December 2025	
	Solvency II Value	GAAP
	£'000	£'000
Insurance & intermediaries payables	-	-
Reinsurance payables	308	-
Derivatives	13,897	-
Payables (trade, not insurance)	2,429	9,340
Deferred acquisition cost - reinsurer's share	-	-
Deferred Co-insurance commission	-	-
Deferred Reinsurance commission	-	-
Any other liabilities	-	3,292

MICL	As at 31 December 2024	
	Solvency II Value	GAAP
	£'000	£'000
Insurance & intermediaries payables	-	-
Reinsurance payables	-	2,976
Derivatives	13,895	-
Payables (trade, not insurance)	1,613	3,755
Deferred acquisition cost - reinsurer's share	-	1,375
Deferred Co-insurance commission	-	-
Deferred Reinsurance commission	-	5,580

The material classes of liabilities as at 31 December 2025, except for gross technical provisions, are as set out in the tables below on a group basis:

MHGL	As at 31 December 2025	
	Solvency II Value	GAAP
	£'000	£'000
Insurance & intermediaries payables	-	-
Reinsurance payables	308	8,853
Derivatives	13,897	-
Payables (trade, not insurance)	3,155	2,456
Deferred acquisition cost - reinsurer's share	-	-
Deferred Co-insurance commission	-	-
Deferred Reinsurance commission	-	-
Any other liabilities	344	3,620

MHGL	As at 31 December 2024	
	Solvency II Value	GAAP
	£'000	£'000
Insurance & intermediaries payables	-	590
Reinsurance payables	-	2,976
Derivatives	13,895	-
Payables (trade, not insurance)	1,829	3,971
Deferred acquisition cost - reinsurer's share	-	1,375
Deferred Co-insurance commission	-	-
Deferred Reinsurance commission	-	5,580

D.3.1 Insurance and Intermediaries Payables

MICL cedes premium to highly rated reinsurers. Settlements with the reinsurance partners are made on a quarterly basis, and this item represents the net amount due for settlement, being premiums owed less claims, less commission due to Mulsanne. These amounts are shown as amounts due to/from reinsurers. The co-insurance arrangements were not renewed in 2021, but prior year arrangements continue to run-off and as a result, there were no amounts due to the co-insurer at 31 December 2025 Mulsanne (2024 – nil).

The balance is valued at fair value, being the amount that is due for settlement. The key estimate in deriving the balance is the actuarial best estimate loss ratio, as this drives the commission receivable, which varies depending on the performance of the business.

The valuation basis is the same for GAAP and Solvency II purposes; although for Solvency II purposes the premium debtors not yet collected and owed to the co-insurance partner have been set against the amount owed. The resulting balances are included in insurance and intermediary receivables. There have been no changes in the valuation approach during the year.

D.3.2 Reinsurance Payables

As at 31 December 2025 MICL had reinsurance payables of £4.5m (2024 – £2.9m) on a GAAP basis, being payments due under the Quota Share and Excess of Loss arrangements, along with amounts payable under the LPT reinsurance contract. The amount due under the Excess of Loss arrangement represents premium above the deposit premiums paid during the year. The amount due under the Quota Share arrangement represents the reinsurer's share of premiums net of claims and commission to Mulsanne which has not yet been settled. Settlements are made in arrears on a monthly basis.

These amounts are valued at fair value, being the actual amounts payable. The key estimate in deriving the Quota Share balance is the actuarial best estimate loss ratio, as this drives the commission due to Mulsanne, which varies with the performance of the business.

There have been no changes in the valuation and recognition basis during the year, and there are no differences in the underlying valuation for GAAP and Solvency II. However, for Solvency II purposes these items, to the extent they are not considered overdue, are set against technical provisions reinsurance recoverables, whereas under GAAP they are shown separately on the balance sheet.

D.3.3 Derivatives

As set out under assets, the Company's derivative position has been reported gross for GAAP purpose but is netted down for Solvency II reporting.

D.3.4 Payables (trade, not insurance)

These items are valued at fair value, being the amounts payable, and are valued consistently under Solvency II and GAAP. There have been no estimates or judgements and no changes in the recognition and valuation basis.

D.3.5 Deferred acquisition cost – reinsurer's share

Deferred acquisition costs – reinsurer's share is the portion related to reinsurer's share of the commission and similar expenses directly related to the acquisition of policies, which are deferred over the period relating to the underlying unearned premiums. As at 31 December 2025, Mulsanne had £0.5m (2024 – £1.3m) of deferred acquisition costs.

The Solvency II balance sheet is prepared on the basis of best estimates of future cash flows. Deferred acquisition costs do not result in future cash flows, and these amounts are therefore excluded from the Solvency II balance sheet. There has been no change in the recognition and valuation basis during the year.

D.3.6 Deferred Co-insurance and Reinsurance Commission

MICL receives commission from its co-insurance and reinsurance partners. This is earned in line with the underlying premium and commission relating to premium unearned at the reporting date is deferred to future periods. As at 31 December 2025, the Company had a total of £2.5m (2024 – £5.6m) of deferred commission.

The Solvency II balance sheet is prepared on the basis of best estimates of future cash flows. Deferred co-insurance and reinsurance commissions do not result in future cash flows and these amounts are

therefore excluded from the Solvency II balance sheet. There has been no change in the recognition and valuation basis during the year.

E. Capital Management

E.1 Own funds

E.1.1 Management of Own Funds

E.1.1.1 Objectives, Policies and Processes in Managing Own Funds

Mulsanne has in place a Capital Management Policy to ensure that the Company has the appropriate levels and quality of capital to meet both the SCR and the internal view of capital as determined by the ORSA. The intention is for capital requirements to be met in both the immediate and medium-term future.

While Mulsanne's ORSA process is carried out formally on an annual basis, the capital requirements, and own funds to meet these requirements are considered at least quarterly as part of the quarterly regulatory reporting process. The Board discusses the Company's capital position at all meetings as part of its risk management processes and monitors ongoing performance through monthly management accounts.

Unusual products which may be considered to improve the capital position, such as the LPT purchased in April 2019, will undergo a thorough review, discussion and challenge by the Board and Regulator to assess their appropriateness given the Company's risk profile and appetite. Similarly, any unusual investments will be thoroughly reviewed to consider the SCR implications and compliance with the prudent person principle.

There have been no changes in capital management policies or processes during the period.

E.1.1.2 Time Horizon for Business Planning and Material Changes

Mulsanne's business planning period for capital management encompasses a three-year time horizon, with emphasis on the current and next year. Given the unpredictability and historic volatility of the UK motor market, a longer time horizon would not be realistic. There have been no changes in the planning time horizon over the year.

E.1.2 Description of Own Funds

E.1.2.1 Structure, Amount and Quality of Own Funds

The Company currently only has basic own funds and no ancillary own funds. Own funds are comprised entirely of Share Capital, Share Premium and the Reconciliation Reserve and therefore all qualify as Tier 1 funds. During 2025 the Company allotted three fully paid-up ordinary shares for a consideration of £5.5m to Mulsanne Holdings (Gibraltar) Limited.

MICL

	As at 31 December 2025				
	Share Capital	Share Premium	Reconciliation Reserve	Deferred Tax asset	Total Own Funds
	£'000	£'000	£'000	£'000	£'000
At 1 January 2025	166	82,932	(51,073)	-	32,025
Capital Injections during the year	7	5,499	-	-	5,506
Movement in the Reconciliation Reserve	-	-	(13,539)	-	(13,539)
At 31 December 2025	173	88,431	(64,612)	-	23,992

MICL

	As at 31 December 2024				
	Share Capital	Share Premium	Reconciliation Reserve	Deferred Tax asset	Total Own Funds
	£'000	£'000	£'000	£'000	£'000
At 1 January 2024	166	60,439	(29,696)	-	30,909
Capital Injections during the year	7	22,493	-	-	22,500
Movement in the Reconciliation Reserve	-	-	(21,377)	-	(21,377)
At 31 December 2024	173	82,932	(51,073)	-	32,032

The Company's Reconciliation Reserve effectively represents retained earnings on a Solvency II valuation basis. There are no foreseeable dividends.

The Group's currently only has basic own funds and no ancillary own funds. Own funds are comprised entirely of Share Capital, Share Premium and the Reconciliation Reserve and therefore all qualify as Tier 1 funds During 2025.

MHGL

	As at 31 December 2025				
	Share Capital	Share Premium	Reconciliation Reserve	Deferred Tax asset	Total Own Funds
	£'000	£'000	£'000	£'000	£'000
At 1 January 2025	82	59,568	(28,788)	-	30,862
Capital Injections during the year	-	5,500	-	-	5,500
Movement in the Reconciliation Reserve	-	-	(13,238)	-	(13,238)
At 31 December 2025	82	65,068	(42,026)	-	23,124

MHGL

	As at 31 December 2024				
	Share Capital	Share Premium	Reconciliation Reserve	Deferred Tax asset	Total Own Funds
	£'000	£'000	£'000	£'000	£'000
At 1 January 2024	166	60,438	(20,505)	-	40,099
Capital Injections during the year	--	(870)	-	-	(954)
Movement in the Reconciliation Reserve	-	-	(8,283)	-	(8,283)
At 31 December 2024	82	59,568	(28,787)	-	30,862

E.1.2.2 Terms and Conditions of Own Fund

The Company and Group's Own Funds are fully comprised of Tier 1 funds and have no terms or conditions attached and there are no restrictions affecting the availability and transferability of the Company's Own Funds. The Own Funds are not redeemable and do not carry any guaranteed dividend or other return.

E.1.2.3 Difference in Own Funds between Financial Statements and Solvency II Valuation

The difference in the valuation of Own Funds as shown in the Financial Statements compared to the Solvency II valuation is due to the valuation differences in the underlying assets and liabilities, as set out in the table below on a solo basis:

MICL	2025	2024
	Own Funds £'000	Own Funds £'000
Own Funds per Financial Statements	23,457	26,673
Difference in Valuation of net Technical Provisions	(268)	2,843
Removal of Deferred Acquisitions and Processing Costs	(1,458)	(2,614)
Removal of Intangible Assets	-	-
Removal of Prepayments	(242)	(451)
Removal of Deferred Commissions	2,504	5,581
Deferred tax Asset	-	-
Own Funds per Solvency II Valuation	23,992	32,032

MHGL	2025	2024
	Own Funds £'000	Own Funds £'000
Own Funds per Financial Statements	21,821	26,632
Difference in Valuation of net Technical Provisions	(245)	2,838
Removal of Deferred Acquisitions and Processing Costs	(618)	(2,609)
Removal of Intangible Assets	-	(987)
Removal of Prepayments	(343)	(591)
Removal of Deferred Commissions	2,508	5,579
Deferred tax Asset	-	-
Own Funds per Solvency II Valuation	23,124	30,862

E.2.1 SCR and MCR

MICL's SCR and MCR coverage is set out below:

MICL	2025 £'000	2024 £'000
Own Funds	23,992	32,032
Solvency Capital Requirement	23,094	24,499
SCR Coverage	103.9%	130.7%
Minimum Capital Requirement	5,773	6,125
MCR Coverage	415.6%	523.0%

MHGL's SCR and MCR coverage is set out below:

MHGL	2025	2024
	£'000	£'000
Own Funds	23,124	30,862
Solvency Capital Requirement	23,112	24,437
SCR Coverage	100.1%	126.3%
Minimum Capital Requirement	5,778	6,109
MCR Coverage	400.2%	505.2%

All capital is Tier 1 and therefore fully eligible to cover the SCR and MCR.

In accordance with the Solvency II standard formula a firm's SCR Non-Life underwriting risk is predominantly a function of firm's volume measure for premium and reserve risk. Such volume measures are determined by taking the higher of the premium and reserve risk volume for the previous 12 months or following 12 months as at the calculation date. Such volume measures are the amounts net of reinsurance.

E.2.2 SCR by Risk Module

The following table sets out Mulsanne's SCR broken down by risk module:

MICL	2025	2024
	£'000	£'000
Market Risk	8,101	7,802
Counterparty Risk	3,734	3,868
Non-Life Underwriting Risk	9,878	11,766
Diversification	(5,307)	(5,526)
Basic Solvency Capital Requirement	16,406	17,910
Operational Risk	4,922	5,373
SCR Capital add-on	1,766	1,216
Solvency Capital Requirement	23,094	24,499

MHGL	2025	2024
	£'000	£'000
Market Risk	8,101	7,823
Counterparty Risk	3,755	3,858
Non-Life Underwriting Risk	9,878	11,850
Diversification	(5,314)	(5,540)
Basic Solvency Capital Requirement	16,420	17,991
Operational Risk	4,926	5,397
SCR Capital add-on	1,766	964
Solvency Capital Requirement	23,112	24,352

E.2.3 Simplifications

No simplified calculations have been used in applying the standard model and no undertaking specific parameters have been used.

E.2.4 Inputs used to Calculate the MCR

The following inputs have been used to calculate the Company's MCR:

MICL	As at 31 December 2025	
	Net (of reinsurance) best estimate technical provisions	Net (of reinsurance) written premiums in the last 12 months
	£'000	£'000
Motor Vehicle Liability	24,168	4,882
Motor Vehicle Other	2,899	483
Assistance	-	-
Miscellaneous Financial Loss	-	-
	£'000	
Linear MCR		2,767
SCR		23,094
Combined MCR		5,773
Absolute Floor of the MCR		3,500
Minimum Capital Requirement		5,773

MICL	As at 31 December 2024	
	Net (of reinsurance) best estimate technical provisions	Net (of reinsurance) written premiums in the last 12 months
	£'000	£'000
Motor Vehicle Liability	36,021	9,822
Motor Vehicle Other	4,134	971
Assistance	-	-
Miscellaneous Financial Loss	18	43
	£'000	
Linear MCR		4,411
SCR		24,499
Combined MCR		6,125
Absolute Floor of the MCR		3,500
Minimum Capital Requirement		6,125

The following inputs have been used to calculate the Group's MCR:

MHGL

	As at 31 December 2025	
	Net (of reinsurance) best estimate technical provisions	Net (of reinsurance) written premiums in the last 12 months
	£'000	£'000
Motor Vehicle Liability	24,168	4,882
Motor Vehicle Other	2,899	483
Assistance	-	-
Miscellaneous Financial Loss	-	-
	£'000	
Linear MCR		2,767
SCR		23,112
Combined MCR		5,778
Absolute Floor of the MCR		3,500
Minimum Capital Requirement		5,778

MHGL

	As at 31 December 2024	
	Net (of reinsurance) best estimate technical provisions	Net (of reinsurance) written premiums in the last 12 months
	£'000	£'000
Motor Vehicle Liability	36,340	9,822
Motor Vehicle Other	4,002	971
Assistance	-	-
Miscellaneous Financial Loss	18	43
	£'000	
Linear MCR		4,428
SCR		24,352
Combined MCR		6,088
Absolute Floor of the MCR		3,350
Minimum Capital Requirement		6,088

E.2.5 Changes over the Period

There has been no material change to the Company's SCR or MCR during the period.

E.3 Non-Compliance with Minimum Capital Requirement or Solvency Capital Requirement

During 2025, the Company and Group maintained solvency coverage above the SCR. To strengthen the capital position, the ultimate shareholder injected £0.5 million of net new capital into the Company in November 2025, followed by a further £8.5 million in February 2026, with an additional £1.5 million committed for September 2026. As a result, the Company reported SCR coverage of 130% as at 31 March 2026, and the Board expects the Company to maintain solvency coverage above the SCR throughout the planning period.

At all times both the Company and the Group remained compliant with the MCR.

MHGL

IR.02.01.02 - 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	1
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	38,255
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	10,836
Equities - listed	R0110	221
Equities - unlisted	R0120	10,616
Bonds	R0130	0
Government Bonds	R0140	0
Corporate Bonds	R0150	0
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	13,522
Derivatives	R0190	13,897
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	16,264
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	16,264
Reinsurance recoverables from:	R0270	150,865
Non-life and health similar to non-life	R0280	150,865
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	0
Insurance and intermediaries receivables	R0360	0
Reinsurance receivables	R0370	0
Receivables (trade, not insurance)	R0380	5,536
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	17,112
Any other assets, not elsewhere shown	R0420	0
Total assets	R0500	228,032
Liabilities		
Technical provisions - total	R0505	179,338
Technical provisions - non-life	R0510	179,338
Technical provisions - life	R0515	0
Best estimate - total	R0542	177,931
Best estimate - non-life	R0544	177,931
Best estimate - life	R0546	0
Risk margin - total	R0552	1,406
Risk margin - non-life	R0554	1,406
Risk margin - life	R0556	0
Transitional (TMTP) - life	R0565	0
Other technical provisions	R0730	
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	7,866
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	0
Derivatives	R0790	13,897
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	0
Reinsurance payables	R0830	308
Payables (trade, not insurance)	R0840	3,155
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	344
Total liabilities	R0900	204,908
Excess of assets over liabilities	R1000	23,124

mulsanneholdings

IR.05.02.01 - Premiums, claims and expenses by country

			Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
			C0010	C0020	C0030	C0040	C0050	C0060	C0070
			R0010	GB					
			C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written	Gross - Direct Business	R0110	0	45,594	0	0	0	0	45,594
	Gross - Proportional reinsurance accepted	R0120	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0130	0	0	0	0	0	0	0
	Reinsurers' share	R0140	0	40,229	0	0	0	0	40,229
	Net	R0200	0	5,365	0	0	0	0	5,365
Premiums earned	Gross - Direct Business	R0210	0	58,792	0	0	0	0	58,792
	Gross - Proportional reinsurance accepted	R0220	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0230	0	0	0	0	0	0	0
	Reinsurers' share	R0240	0	52,141	0	0	0	0	52,141
	Net	R0300	0	6,651	0	0	0	0	6,651
Claims incurred	Gross - Direct Business	R0310	0	51,784	0	0	0	0	51,784
	Gross - Proportional reinsurance accepted	R0320	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0330	0	0	0	0	0	0	0
	Reinsurers' share	R0340	0	39,196	0	0	0	0	39,196
	Net	R0400	0	12,588	0	0	0	0	12,588
Net expenses incurred		R0550	0	-2,279	0	0	0	0	-2,279

mulsanneholdings

IR.05.04.02 - Non-life income and expenditure

				All business (including annuities stemming from accepted non-life insurance and reinsurance)						
				C0010	All non-life business (ie excluding annuities)			C0525	C0545	
					C0015	Line of Business for: non-life				
						Motor vehicle liability insurance - personal lines	Motor vehicle other motor insurance - personal lines			
				C0140	C0150					
Income	Premiums written	Gross written premiums	R0110		45,594	41,491	4,103			
			Gross written premiums - insurance (direct)	R0111		45,594	41,491	4,103		
			Gross written premiums - accepted reinsurance	R0113		0	0	0		
		Net written premiums	R0160		5,365	4,882	483			
Premiums earned and	Gross earned premiums	R0210		58,792	53,501	5,291				
	Net earned premiums	R0220		6,651	6,052	599				
Expenditure	Claims incurred	Gross (undiscounted) claims incurred	R0610		46,304	42,137	4,167			
			Gross (undiscounted) direct business	R0611		46,304	42,137	4,167		
			Gross (undiscounted) reinsurance accepted	R0612		0	0	0		
			Net (undiscounted) claims incurred	R0690		12,588	11,455	1,133		
		Net (discounted) claims incurred	R0730	12,588	12,588			0	0	
	Analysis of expenses	Technical expenses incurred net of reinsurance ceded	R0910	1,374						
		Acquisition costs, commissions, claims management costs	R0985	6,641	6,641	6,043	598	0	0	
Other expenditure	Other expenses	R1140	7,546							
Total expenditure			R1310	0						

mulsanneholdings

IR.23.01.04 - 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	82	82		0	
Non-available called but not paid in ordinary share capital at group level	R0020	0	0		0	
Share premium account related to ordinary share capital	R0030	65,068	65,068		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	0
Non-available subordinated mutual member accounts at group level	R0060	0	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	0
Non-available preference shares at group level	R0100	0	0	0	0	0
Share premium account related to preference shares	R0110	0	0	0	0	0
Non-available share premium account related to preference shares at group level	R0120	0	0	0	0	0
Reconciliation reserve	R0130	-42,026	-42,026			
Subordinated liabilities	R0140	0	0	0	0	0
Non-available subordinated liabilities at group level	R0150	0	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 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	0	0	0	0
Total basic own funds after deductions	R0290	23,124	23,124	0	0	0
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	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
Letters of credit and guarantees	R0340	0			0	0
Letters of credit and guarantees other	R0350	0			0	0
Supplementary members calls	R0360	0			0	0
Supplementary members calls - other	R0370	0			0	0
Non available ancillary own funds at group level	R0380	0			0	0
Other ancillary own funds	R0390	0			0	0
Total ancillary own funds	R0400	0			0	0
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies -	R0410	0	0	0	0	
Institutions for occupational retirement provision	R0420	0	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	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	0
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	0	0	0	0	0
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the	R0520	23,124	23,124	0	0	0
Total available own funds to meet the minimum consolidated group SCR	R0530	23,124	23,124	0	0	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the	R0560	23,124	23,124	0	0	0
Total eligible own funds to meet the minimum consolidated group SCR	R0570	23,124	23,124	0	0	
Consolidated Group SCR	R0590	23,112				
Minimum consolidated Group SCR	R0610	5,778				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings	R0630	1.0005				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	4.0020				
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	23,124	23,124	0	0	0
SCR for entities included with D&A method	R0670	0				
Group SCR	R0680	23,112				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	1.0005				

		c
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	23,124
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
Other basic own fund items	R0730	65,150
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	-42,026

mulsanneholdings

IR.23.01.04 - 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	82	82	0	0	0
Non-available called but not paid in ordinary share capital at group level	R0020	0	0	0	0	0
Share premium account related to ordinary share capital	R0030	65,068	65,068	0	0	0
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0	0	0	0
Subordinated mutual member accounts	R0050	0	0	0	0	0
Non-available subordinated mutual member accounts at group level	R0060	0	0	0	0	0
Surplus funds	R0070	0	0	0	0	0
Non-available surplus funds at group level	R0080	0	0	0	0	0
Preference shares	R0090	0	0	0	0	0
Non-available preference shares at group level	R0100	0	0	0	0	0
Share premium account related to preference shares	R0110	0	0	0	0	0
Non-available share premium account related to preference shares at group level	R0120	0	0	0	0	0
Reconciliation reserve	R0130	-42,026	-42,026	0	0	0
Subordinated liabilities	R0140	0	0	0	0	0
Non-available subordinated liabilities at group level	R0150	0	0	0	0	0
An amount equal to the value of net deferred tax assets	R0160	0	0	0	0	0
The amount equal to the value of net deferred tax assets not available at the group level	R0170	0	0	0	0	0
Other items approved by 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	0	0	0	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	0	0	0	0
Total basic own funds after deductions	R0290	23,124	23,124	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0	0	0	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	0	0	0
Unpaid and uncalled preference shares callable on demand	R0320	0	0	0	0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0	0	0	0	0
Letters of credit and guarantees	R0340	0	0	0	0	0
Letters of credit and guarantees other	R0350	0	0	0	0	0
Supplementary members calls	R0360	0	0	0	0	0
Supplementary members calls - other	R0370	0	0	0	0	0
Non available ancillary own funds at group level	R0380	0	0	0	0	0
Other ancillary own funds	R0390	0	0	0	0	0
Total ancillary own funds	R0400	0	0	0	0	0
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies -	R0410	0	0	0	0	0
Institutions for occupational retirement provision	R0420	0	0	0	0	0
Non regulated entities carrying out financial activities	R0430	0	0	0	0	0
Total own funds of other financial sectors	R0440	0	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	0
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	0	0	0	0	0
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the	R0520	23,124	23,124	0	0	0
Total available own funds to meet the minimum consolidated group SCR	R0530	23,124	23,124	0	0	0
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the	R0560	23,124	23,124	0	0	0
Total eligible own funds to meet the minimum consolidated group SCR	R0570	23,124	23,124	0	0	0
Consolidated Group SCR	R0590	23,112				
Minimum consolidated Group SCR	R0610	5,778				
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings	R0630	1,0005				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	4,0020				
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	23,124	23,124	0	0	0
SCR for entities included with D&A method	R0670	0				
Group SCR	R0680	23,112				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	1,0005				

		c
		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	23,124
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
Other basic own fund items	R0730	65,150
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	-42,026

IR.25.04.22 - Solvency Capital Requirement

Rows		c
		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	R0140	8,101
Interest rate risk	R0070	581
Equity risk	R0080	4,362
Property risk	R0090	0
Spread risk	R0100	1,201
Concentration risk	R0110	5,809
Currency risk	R0120	0
Other market risk	R0125	0
Diversification within market risk	R0130	-3,851
Counterparty default risk	R0180	3,755
Type 1 exposures	R0150	3,590
Type 2 exposures	R0160	216
Other counterparty risk	R0165	0
Diversification within counterparty default risk	R0170	-51
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
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	9,878
Non-life premium and reserve risk	R0330	9,778
Non-life catastrophe risk	R0340	372
Lapse risk	R0350	0
Other non-life underwriting risk	R0355	0
Diversification within non-life underwriting risk	R0360	-272
Intangible asset risk	R0400	0
Operational and other risks	R0430	4,926
Operational risk	R0422	4,926
Other risks	R0424	0
Total before all diversification	R0432	30,835
Total before diversification between risk modules	R0434	26,660
Diversification between risk modules	R0436	-5,314
Total after diversification	R0438	21,346
Loss-absorbing capacity of technical provisions	R0440	0
Loss-absorbing capacity of deferred taxes	R0450	0
Other adjustments	R0455	0
Solvency capital requirement including undisclosed capital add-on	R0460	21,346
Disclosed capital add-on - excluding residual model limitation	R0472	1,766
Disclosed capital add-on - residual model limitation	R0474	0
Solvency capital requirement including capital add-on	R0480	23,112
Biting interest rate scenario	R0490	Decrease
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	0
Overall SCR		
Solvency capital requirement (consolidation method)	R0555	23,112
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	23,112

IR.32.01.22 - Undertakings in the scope of the group

Identification code of the undertaking	Type of identification code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
								% 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	C0030	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
213800974MMOM5RC5825	LEI	GI	Mulsanne Insurance Company Limited	2	Limited Company		Gibraltar Financial Services Commission	100.0000	100.0000	100.0000		1	100.0000	1	2025-10-11	1
KCASL	SC	GB	Key Claims and Administration Limited	11	Limited Company		Gibraltar Financial Services Commission	100.0000	100.0000	100.0000		1	100.0000	1	2025-10-11	1

MICL

IR.02.01.02 - 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	0
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	38,255
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	0
Equities	R0100	10,836
Equities - listed	R0110	221
Equities - unlisted	R0120	10,616
Bonds	R0130	0
Government Bonds	R0140	0
Corporate Bonds	R0150	0
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	13,522
Derivatives	R0190	13,897
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	16,264
Loans on policies	R0240	0
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	16,264
Reinsurance recoverables from:	R0270	150,865
Non-life and health similar to non-life	R0280	150,865
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	0
Insurance and intermediaries receivables	R0360	0
Reinsurance receivables	R0370	0
Receivables (trade, not insurance)	R0380	5,448
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	17,021
Any other assets, not elsewhere shown	R0420	0
Total assets	R0500	227,852
Liabilities		
Technical provisions - total	R0505	179,361
Technical provisions - non-life	R0510	179,361
Technical provisions - life	R0515	0
Best estimate - total	R0542	177,931
Best estimate - non-life	R0544	177,931
Best estimate - life	R0546	0
Risk margin - total	R0552	1,429
Risk margin - non-life	R0554	1,429
Risk margin - life	R0556	0
Transitional (TMTP) - life	R0565	0
Other technical provisions	R0730	
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	7,866
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	0
Derivatives	R0790	13,897
Debts owed to credit institutions	R0800	0
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	0
Reinsurance payables	R0830	308
Payables (trade, not insurance)	R0840	2,429
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	0
Total liabilities	R0900	203,860
Excess of assets over liabilities	R1000	23,992

IR.05.02.01 - Premiums, claims and expenses by country									
			Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
			C0010	C0020	C0030	C0040	C0050	C0060	C0070
		R0010	C0080	C0090	C0100	C0110	C0120	C0130	C0140
				GB					
Premiums written	Gross - Direct Business	R0110	0	45,594	0	0	0	0	45,594
	Gross - Proportional reinsurance	R0120	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0130	0	0	0	0	0	0	0
	Reinsurers' share	R0140	0	40,229	0	0	0	0	40,229
	Net	R0200	0	5,365	0	0	0	0	5,365
Premiums earned	Gross - Direct Business	R0210	0	58,792	0	0	0	0	58,792
	Gross - Proportional reinsurance	R0220	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0230	0	0	0	0	0	0	0
	Reinsurers' share	R0240	0	52,141	0	0	0	0	52,141
	Net	R0300	0	6,651	0	0	0	0	6,651
Claims incurred	Gross - Direct Business	R0310	0	51,784	0	0	0	0	51,784
	Gross - Proportional reinsurance	R0320	0	0	0	0	0	0	0
	Gross - Non-proportional reinsurance accepted	R0330	0	0	0	0	0	0	0
	Reinsurers' share	R0340	0	39,196	0	0	0	0	39,196
	Net	R0400	0	12,588	0	0	0	0	12,588
Net expenses incurred		R0550	-7,241	2,858	0	0	0	0	-4,383

IR.05.04.02 - Non-life income and expenditure

				All business (including annuities stemming from accepted non-life insurance and reinsurance)							
				C0010	All non-life business (ie excluding annuities)		Line of Business for: non-life		C0525	C0545	
					C0015	C0140	C0150	Motor vehicle liability insurance - personal lines			Motor vehicle other motor insurance - personal lines
Income	Premiums written	Gross written premiums		R0110							
			Gross written premiums - insurance (direct)	R0111	45,594	41,491	4,103				
			Gross written premiums - accepted reinsurance	R0113	0	0	0				
		Net written premiums	R0160	5,365	4,882	483					
	Premiums earned and	Gross earned premiums	R0210	58,792	53,501	5,291					
Net earned premiums		R0220	6,651	6,052	599						
Expenditure	Claims incurred	Gross (undiscounted) claims incurred	Gross (undiscounted) direct business	R0611	51,784	47,124	4,661				
			Gross (undiscounted) reinsurance accepted	R0612	0	0	0				
			Net (undiscounted) claims incurred	R0690	12,588	11,465	1,123				
			Net (discounted) claims incurred	R0730	12,588						
			Technical expenses incurred net of reinsurance ceded	R0910	-4,383			0	0		
	Analysis of expenses	Acquisition costs, commissions, claims management costs	R0985	-5,757	-5,239	-518	0	0			
	Other expenditure	Other expenses	R1140	7,345							
	Total expenditure		R1310	15,550							

IR.17.01.02 - Non-Life Technical Provisions				
		Direct business and		
		Motor vehicle liability insurance	Other motor insurance	Total Non-Life obligation
Best estimate		C0050	C0060	C0180
<i>Premium provisions</i>				
Gross	R0060	7,891	2,768	10,659
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	16,482	320	16,803
Net Best Estimate of Premium Provisions	R0150	-8,591	2,447	-6,144
<i>Claims provisions</i>				
Gross	R0160	164,085	3,188	167,273
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	131,326	2,736	134,062
Net Best Estimate of Claims Provisions	R0250	32,759	452	33,211
Total Best estimate - gross	R0260	171,976	5,955	177,931
Total Best estimate - net	R0270	24,168	2,899	27,067
Risk margin	R0280	1,276	153	1,429
Technical provisions - total (best estimate plus risk margin)				
Technical provisions - total	R0320	173,252	6,109	179,361
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0330	147,808	3,057	150,865
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	25,444	3,052	28,496

IR.19.01.21 - Non-life Insurance Claims Information (simplified template for the public disclosure)

Total Non-Life Business

Accident year / Underwriting year	Z0020	Underwriting year [UWY]
-----------------------------------	--------------	-------------------------

Gross Claims Paid (non-cumulative)
(absolute amount)

Year	Development year											In Current year	Sum of years (cumulative)
	0	1	2	3	4	5	6	7	8	9	10 & +		
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
Prior	R0100										1,845	1,845	1,845
N-9	R0160	4,119	9,371	4,008	3,292	2,163	760	3,227	93	1,718	19	19	28,772
N-8	R0170	3,678	8,460	3,203	1,473	1,745	3,245	10,120	1,087	4		4	33,015
N-7	R0180	4,940	8,528	2,766	2,155	993	1,826	279	264			264	21,752
N-6	R0190	4,795	9,247	3,701	2,521	1,959	8,586	2,553				2,553	33,363
N-5	R0200	6,871	15,550	4,495	2,168	5,009	1,337					1,337	35,429
N-4	R0210	9,137	38,307	16,088	14,695	13,342						13,342	91,570
N-3	R0220	26,549	71,311	31,241	21,709							21,709	150,810
N-2	R0230	21,447	33,425	12,767								12,767	67,639
N-1	R0240	15,022	22,145									22,145	37,167
N	R0250	7,651										7,651	7,651
	Total											83,636	509,013

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

Year	Development year											Year end (discounted data)
	0	1	2	3	4	5	6	7	8	9	10 & +	
	C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
Prior	R0100										18,970	17,546
N-9	R0160	15,740	22,038	16,291	12,002	8,248	9,278	2,035	1,087	13	0	0
N-8	R0170	11,218	17,779	14,479	10,340	9,067	6,102	690	16	38		35
N-7	R0180	12,912	14,822	6,114	4,433	2,812	388	66	44			41
N-6	R0190	15,509	19,759	16,613	12,121	12,426	4,459	814				753
N-5	R0200	17,323	17,784	11,389	8,268	2,426	1,071					990
N-4	R0210	31,905	47,560	44,424	32,058	17,402						16,095
N-3	R0220	62,451	78,968	67,503	51,594							47,720
N-2	R0230	45,112	48,368	41,642								38,516
N-1	R0240	35,786	38,707									35,801
N	R0250	10,570										9,776
	Total											167,273

IR.25.04.21 - Solvency Capital Requirement		
		c
Rows		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	R0140	8,101
Interest rate risk	R0070	580
Equity risk	R0080	4,362
Property risk	R0090	0
Spread risk	R0100	1,201
Concentration risk	R0110	5,809
Currency risk	R0120	0
Other market risk	R0125	0
Diversification within market risk	R0130	-3,850
Counterparty default risk	R0180	3,734
Type 1 exposures	R0150	3,587
Type 2 exposures	R0160	193
Other counterparty risk	R0165	0
Diversification within counterparty default risk	R0170	-46
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	9,878
Non-life premium and reserve risk (ex catastrophe risk)	R0330	9,778
Non-life catastrophe risk	R0340	372
Lapse risk	R0350	0
Other non-life underwriting risk	R0355	0
Diversification within non-life underwriting risk	R0360	-272
Intangible asset risk	R0400	0
Operational and other risks	R0430	4,922
Operational risk	R0422	4,922
Other risks	R0424	0
Total before all diversification	R0432	30,802
Total before diversification between risk modules	R0434	26,634
Diversification between risk modules	R0436	-5,307
Total after diversification	R0438	21,327
Loss-absorbing capacity of technical provisions	R0440	0
Loss-absorbing capacity of deferred taxes	R0450	0
Other adjustments	R0455	0
Solvency capital requirement including undisclosed capital add-on	R0460	21,327
Disclosed capital add-on - excluding residual model limitation	R0472	1,766
Disclosed capital add-on - residual model limitation	R0474	0
Solvency capital requirement including capital add-on	R0480	23,094
Biting interest rate scenario	R0490	Decrease
Biting life lapse scenario	R0495	

IR.28.01.01 - Minimum Capital Requirement - Only life or only non-life activity			
		MCR components	
		C0010	
MCRNL Result	R0010	2,767	
		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	0	0
Income protection insurance and proportional reinsurance	R0030	0	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	24,168	4,882
Other motor insurance and proportional reinsurance	R0060	2,899	483
Marine, aviation and transport insurance and proportional reinsurance	R0070	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	0	0
General liability insurance and proportional reinsurance	R0090	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	0	0
Legal expenses insurance and proportional reinsurance	R0110	0	0
Assistance and proportional reinsurance	R0120	0	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0	0
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0
		c	
		C0040	
MCRL Result	R0200	0	
		c	
		C0070	
Linear MCR	R0300	2,767	
SCR	R0310	23,094	
MCR cap	R0320	10,392	
MCR floor	R0330	5,773	
Combined MCR	R0340	5,773	
Absolute floor of the MCR	R0350	3,500	
Minimum Capital Requirement	R0400	5,773	