

A low-angle photograph of several modern skyscrapers with glass facades, reaching towards a blue sky with scattered white clouds. The buildings are partially obscured by decorative graphic elements: a vertical pink and purple bar on the left, and a large pink and purple L-shaped bar at the bottom.

Supplementary Report of the Independent Expert
on the Proposed Insurance Business Transfer
Scheme from **Mercantile Indemnity Company
Limited and Rombalds Run-Off Limited to River
Thames Insurance Company Limited** under Part
VII of the Financial Services and Markets Act 2000

21 November 2025

Prepared by Kate Angell, Independent Expert

Table of Contents

Section 1: Introduction	1
<i>Introduction and purpose of this Supplementary Report</i>	1
<i>The Proposed Scheme</i>	2
<i>Scope of review</i>	2
<i>Exchange rates</i>	3
<i>Structure of this Supplementary Report</i>	3
<i>Statement of independence</i>	4
<i>Terms of reference</i>	4
<i>Distribution</i>	5
<i>Reliances</i>	5
<i>Limitations</i>	6
<i>Legal jurisdiction</i>	6
<i>Professional guidance</i>	7
Section 2: Executive Summary	8
<i>Findings of the Independent Expert</i>	8
Section 3: Update on financial considerations	15
<i>Introduction</i>	15
<i>Review of balance sheets and capital requirements</i>	16
<i>Updated information as at 30 June 2025</i>	22
<i>Review of reserves</i>	23
<i>Consideration of scenarios</i>	24
<i>Review of investments</i>	27
<i>Ring-fenced funds and guarantees</i>	28
<i>Implications if Proposed Scheme is partially effected</i>	32
Section 4: Update on non-financial considerations	35
<i>Introduction</i>	35
<i>Recognition of the Proposed Scheme in non-UK jurisdictions</i>	35
Section 5: Communication exercise	37
<i>Implementation of the communication exercise</i>	37
<i>Responses to the communication exercise</i>	38
Section 6: Statement of Truth	39
<i>Duty to the Court and statement of truth</i>	39
Appendix A : Glossary of terms	40
Appendix B : Information considered	45

Section 1: Introduction

Introduction and purpose of this Supplementary Report

- 1.1 When a scheme for transferring insurance business from one company to another is put to the High Court of Justice in England and Wales (the “Court”) for approval it has to be accompanied by a report on the terms of the scheme from an independent expert (the “Independent Expert”). The Independent Expert’s report (the “Scheme Report”) is a requirement under Part VII of the Financial Services and Markets Act 2000 (“FSMA”).
- 1.2 Towers Watson Limited (which is part of WTW) has been engaged by Enstar (EU) Limited (“Enstar”) to provide a Scheme Report for the proposed Part VII transfer of the policies of Mercantile Indemnity Company Limited (“Mercantile”) and Rombalds Run-Off Limited (“Rombalds”) to River Thames Insurance Company Limited (“River Thames”) (the “Proposed Scheme”). The Proposed Scheme relates to the transfer of certain policies within the Enstar insurance group (the “Enstar Group”), of which Enstar Group Limited (“EGL”) (a Bermuda incorporated holding company) is the parent company.
- 1.3 I, Kate Angell, am employed by Towers Watson Limited and have been appointed as the Independent Expert for the Proposed Scheme under this engagement.
- 1.4 My opinions on the effect of the Proposed Scheme were set out in the Scheme Report dated 21 July 2025 (the “Scheme Report”), which was based on the information that was available to me when I prepared the Scheme Report. In general, the Scheme Report was based on data and information as at 31 December 2023, this being the most recent date at which audited financial information was available when the Scheme Report was drafted. Where possible, this was supplemented by additional, unaudited, information as at 30 June 2024 and 30 September 2024.
- 1.5 The purpose of this supplementary Scheme Report (the “Supplementary Report”) is to specify whether the conclusions set out in the Scheme Report have changed in light of the availability of updated financial information (including audited financial information as at 31 December 2024) and any relevant matters that have arisen since the time of drafting the Scheme Report.
- 1.6 In this Supplementary Report I also comment on the implementation of the communication exercise, including any responses received on the Proposed Scheme and whether these responses impact my conclusions on the Proposed Scheme.
- 1.7 This Supplementary Report must be considered in conjunction with the Scheme Report (together referred to as the “Scheme Reports”). All abbreviations and technical terms used in this Supplementary Report have the same meaning as in the Scheme Report.
- 1.8 This Supplementary Report may be relied on by the Court. Neither the Independent Expert nor WTW accept any responsibility or liability to any third party in relation to this Supplementary Report. Any reliance placed by such third parties on this Supplementary Report is entirely at their own risk.
- 1.9 A draft of this Supplementary Report has been made available to the PRA and FCA whose comments have been taken into account. The PRA (in consultation with the FCA) has

approved the form of the Scheme Report and provided a non-objection to this Supplementary Report.

The Proposed Scheme

- 1.10 The Proposed Scheme relates to the transfer of certain policies within the Enstar Group, which is headquartered in Bermuda. The Enstar Group manages a wide range of run-off business across multiple global markets including the UK.
- 1.11 The policies to be transferred under the Proposed Scheme are moving from two wholly owned subsidiaries within the Enstar Group – Mercantile and Rombalds – to a third wholly owned subsidiary – River Thames. I refer to Mercantile, Rombalds and River Thames collectively as the “Companies” in this Supplementary Report. The policies to be transferred represent all the insurance and/or reinsurance policies of Mercantile and Rombalds, and no policies are expected to remain in Mercantile or Rombalds following the Proposed Scheme.
- 1.12 It is proposed that all the assets and liabilities within Mercantile and Rombalds be transferred to River Thames as part of the Proposed Scheme, including the benefit of all the reinsurance which provides cover for the Transferring Policies.
- 1.13 The purpose of the Proposed Scheme is to simplify the operational structure of the UK operations of the Enstar Group, and the Proposed Scheme is expected to reduce operational costs.

Scope of review

- 1.14 I have considered the likely effects of the Proposed Scheme on the following three distinct groups of affected policyholders:
- The policyholders of Mercantile whose insurance policies are transferring to River Thames (the “Mercantile Policyholders”);
 - The policyholders of Rombalds whose insurance policies are transferring to River Thames (the “Rombalds Policyholders”); and
 - The existing policyholders of River Thames (the “River Thames Policyholders” or “Existing Policyholders”).
- 1.15 I have also considered the likely effect of the Proposed Scheme on reinsurers whose contracts of reinsurance are to be transferred or amended by the Proposed Scheme.
- 1.16 Collectively, I refer to the Mercantile Policyholders and the Rombalds Policyholders as the “Transferring Policyholders” and I refer to the combination of the Transferring Policyholders and the Existing Policyholders as the “Affected Policyholders”.
- 1.17 For each group of policyholders I have considered the security of the policyholders on two bases:
- The position should the Proposed Scheme not proceed (the “No Scheme Position”); and
 - The position should the Proposed Scheme proceed (the “Post Scheme Position”).
- 1.18 The Post Scheme Position assumes that the Proposed Scheme goes ahead as planned.

- 1.19 For each group of policyholders, I have considered the likely effects of the Proposed Scheme on the security of policyholders' contractual rights and levels of service provided to policyholders. I have considered the likely effects of the Proposed Scheme by considering:
- The financial considerations of the Proposed Scheme, where I consider the likely effects of the Proposed Scheme on the security of policyholders' contractual rights; and
 - Non-financial considerations of the Proposed Scheme, including the likely impact of the Proposed Scheme on the levels of service provided to policyholders.
- 1.20 I have not considered any possible alternative schemes or arrangements which might provide a more efficient or effective outcome.
- 1.21 I have assessed the position of policyholders in relation to the Proposed Scheme on the basis of existing legal and regulatory frameworks. I have not attempted to predict or take account of how these frameworks may change in the future.
- 1.22 I have not considered the likely effects on new policyholders, that is, those whose contracts are entered into after the Effective Date of the Proposed Scheme.
- 1.23 My review does not comprise an audit of the financial resources and liabilities of River Thames, Mercantile, Rombalds or any other companies in the Enstar Group.
- 1.24 I have not reviewed the systems and controls currently operated by River Thames, Mercantile, Rombalds or any other companies in the Enstar Group.

Exchange rates

- 1.25 The figures I received from Enstar for this Supplementary Report were denominated in either British Pounds or US Dollars. The reporting currency of River Thames is US Dollars and therefore I have quoted all figures in this report in US Dollars. All figures in the Scheme Report were also quoted in US Dollars.
- 1.26 The figures in British Pounds ("GBP" or "£") provided by Enstar have been converted into US Dollars ("USD" or "\$") for the purposes of this Supplementary Report using the following exchange rate, which was the exchange rate as at 31 December 2024.
- \$100 = £79.88.
- 1.27 For the purposes of the Scheme Report, the figures were converted into GBP using the exchange rate of \$100 = £78.35, which was the exchange rate as at 31 December 2023. Where I quote figures from the Scheme Report in this Supplementary Report these have not been revised to reflect the latest exchange rate but remain converted at the exchange rate which was used to convert figures for the Scheme Report.

Structure of this Supplementary Report

- 1.28 The structure of this Supplementary Report is as follows:
- This section sets out my statement of independence; the terms of reference of my work and the scope of my review;

- Section 2 contains my overall conclusions;
- Section 3 sets out details of the review I have performed, and my findings, based on the updated information I have received for this Supplementary Report with regards to the financial considerations of the Proposed Scheme;
- Section 4 contains details of the review I have performed, and my findings, based on the updated information I have received for this Supplementary Report with regards to the non-financial considerations of the Proposed Scheme;
- Section 5 sets out the details of my findings with regards to the implementation of the communication exercise and the responses that have been received from policyholders and other potentially affected parties in respect of the Proposed Scheme;
- Section 6 contains my statement of truth; and
- The Appendices contain a glossary of terms and details of the information I have used in forming my conclusions.

Statement of independence

- 1.29 Neither I, nor any member of my immediate family, have any direct shareholdings, have any contracts of insurance or have any other financial interest in the legal entities involved in the Proposed Scheme or in any other companies in the Enstar Group.
- 1.30 I do not have and have not had any client relationship management responsibilities for any companies in the Enstar Group during the last three years. I have acted (and continue to act) as an independent expert witness for the defendant in cases where the insurer of the defendant is Mercantile, a party to the Proposed Scheme. I have not considered any of this work as part of my Independent Expert role as it is not directly relevant to the Proposed Scheme. I have not led nor participated in any other consulting work for any companies in the Enstar Group during the last three years.
- 1.31 I consider that I have been able to act in an unfettered and independent manner in assessing the Proposed Scheme. I confirm that no party with an interest in the Proposed Scheme, nor any colleagues or third party advisers that have produced reports which I have used in my review, have sought to or have exercised undue influence on my work. I do not consider that any of the matters disclosed above affect my suitability to act as the Independent Expert for the Proposed Scheme.

Terms of reference

- 1.32 The terms of reference for my review of the Proposed Scheme were agreed by Enstar and have been seen by the PRA and FCA.
- 1.33 The Scheme Reports are intended to aid the Court's consideration as to whether the Proposed Scheme should be approved. In reporting on the Proposed Scheme in accordance with Part VII of the FSMA, I owe a duty to the Court to help the Court on matters within my expertise. This duty overrides any obligation to any person from whom I have received instructions or by whom I am paid. I have complied, and continue to comply, with this duty.

1.34 In preparing the Scheme Reports I have taken account of the following:

- Part 35 of the Civil Procedure Rules;
- The Practice Direction supplement to Part 35 of the Civil Procedure Rules;
- The protocol for the instruction of experts to give evidence in civil claims drafted by the Civil Justice Council;
- The guidance in SUP18 of the FCA Handbook and the “PRA’s Statement of Policy: The PRA’s approach to insurance business transfers” (dated January 2022) which set out guidance on the form of the Scheme Report; and
- The FCA guidance entitled “FG22/1: The FCA’s approach to the review of Part VII insurance business transfers” which was issued on 15 February 2022.

Distribution

1.35 This Supplementary Report has been prepared on the instruction of Enstar for the benefit of the Court solely for the purposes of the FSMA requirements for Part VII transfers. This Supplementary Report may be:

- Made available to the PRA, FCA, any other competent regulator, the Court, policyholders and any other person entitled to receive a copy under law or regulation applicable to the Proposed Scheme; and
- Made available on the website of the Enstar Group in connection with the Proposed Scheme.

1.36 This Supplementary Report has been prepared for the purpose of reporting on the Proposed Scheme to the Court and must not be relied upon for any other purpose. This Supplementary Report must be considered in conjunction with the Scheme Report (together referred to as the “Scheme Reports”). The Scheme Reports must be considered in their entirety because individual sections, if considered in isolation, may be misleading. This Supplementary Report is subject to the terms and limitations, including a limitation of liability, set out in my firm’s engagement letter.

Reliances

1.37 In carrying out my review and producing this Supplementary Report, I have relied without independent verification upon the accuracy and completeness of the data, information and accompanying explanations provided to me, both in written and oral form. Where possible, I have reviewed the information provided for reasonableness and consistency with my knowledge of the insurance and reinsurance industry. I have also met or spoken with representatives of Enstar to discuss in detail the information which they have provided to me in relation to the Proposed Scheme. I consider it is reasonable for me to rely on these individuals since they are PRA and FCA approved persons or are senior professionals employed by Enstar. Reliance has been placed upon, but not limited to, the information detailed in Appendix B.

1.38 I have obtained confirmation from Enstar that, to the best of their knowledge and belief:

- All of the items of data and information which they have provided to me for the purposes of this Supplementary Report are accurate and complete.
- There are no significant errors or omissions in the descriptions in this Supplementary Report of the business of their respective companies or of the Proposed Scheme.
- There are no other material items of data and information which have not been provided to me regarding their respective companies and which are likely to be relevant to this Supplementary Report.

1.39 Based on my review, I am satisfied that the information detailed in Appendix B represents an appropriate basis for the conclusions set out in this Supplementary Report and I consider that it is reasonable for me to rely on this information. I have not identified any material issues with the information provided and there is no information which I requested from Enstar which has not been provided to me.

Limitations

1.40 No unreasonable limitations have been imposed on the scope of my work and the opinions in the Scheme Reports about the Proposed Scheme are mine, based on the information provided to me and the answers given to the questions I have raised. There are no matters that I have not taken into account or evaluated in the Scheme Reports that might, in my opinion, be relevant to policyholders' consideration of the Proposed Scheme.

1.41 In general, this Supplementary Report is based on data and information as at 31 December 2024, this being the most recent date at which audited financial information was available when this Supplementary Report was drafted. I have also considered some unaudited financial information as at 30 June 2025.

1.42 In my judgement, the results and conclusions contained in the Scheme Reports are reasonable given the information made available to me. However, the actual cost of settling future claims and those still outstanding as at the valuation date is uncertain as, amongst other things, the actual cost depends on events yet to occur such as future court judgments. The actual cost of claims could be different from the estimates shown in the Scheme Reports, and possibly materially so. Such differences between the estimated and actual outcome could possibly have a material impact upon the balance sheet strength of the Companies, and therefore upon the Proposed Scheme.

1.43 The Scheme Reports must not be construed as legal, investment or tax advice.

1.44 Figures in all tables in the Scheme Reports are subject to possible rounding differences.

Legal jurisdiction

1.45 This Supplementary Report is governed by and shall be construed in accordance with English law. Towers Watson Limited, Mercantile, Rombalds, River Thames and Enstar submit to the exclusive jurisdiction of the English courts in connection with all disputes and differences arising out of, under or in connection with this Supplementary Report.

Professional guidance

- 1.46 I am required to comply with relevant technical actuarial standards (“TASs”) issued or adopted by the Financial Reporting Council (“FRC”) in the UK, and relevant actuarial practice standards (“APSs”) issued by the Institute and Faculty of Actuaries (“IFoA”) in the UK. The Scheme Reports when considered together comply with all applicable TASs and APSs. In particular, the Scheme Reports have been prepared in accordance with:
- TAS 100: Principles for Technical Actuarial Work, issued by the FRC;
 - TAS 200: Insurance, issued by the FRC;
 - The Actuaries’ Code, issued by the IFoA; and
 - APS X2: Review of Actuarial Work and APS X3: The Actuary as an Expert in Legal Proceedings, both issued by the IFoA.
- 1.47 The work which has been documented in this Supplementary Report has been subject to an internal peer review by an appropriately qualified actuary who was not otherwise involved with my review of the Proposed Scheme.

Section 2: Executive Summary

Findings of the Independent Expert

Overall summary

- 2.1 The purpose of this Supplementary Report is to specify whether the conclusions set out in the Scheme Report have changed in light of the availability of updated financial information (including audited financial information as at 31 December 2024) and any relevant matters that have arisen since the time of drafting the Scheme Report.
- 2.2 For the reasons set out throughout this Supplementary Report, I have concluded that all of my conclusions set out in the Scheme Report remain unchanged and, as such, I remain of the opinion that the Affected Policyholders will not be materially adversely affected by the Proposed Scheme.
- 2.3 In this Supplementary Report I also comment on the implementation of the communication exercise, including any responses received on the Proposed Scheme and whether these responses impact my conclusions on the Proposed Scheme, a summary of which is provided at the end of this section.

Conclusions for policyholders transferring from Mercantile to River Thames

- 2.4 It is my opinion that the Mercantile Policyholders will not be materially adversely affected by the Proposed Scheme.

Impact on Solvency Ratios

- 2.5 The Mercantile Policyholders will be transferring from Mercantile to River Thames under the Proposed Scheme. As a result of the Proposed Scheme, for the Mercantile Policyholders the Solvency Ratio will increase from 175% in the No Scheme Position to 203% in the Post Scheme Position (based on data as at 31 December 2024).
- 2.6 The proportion of the highest quality Eligible Own Funds remains materially similar as a result of the Proposed Scheme, decreasing marginally from 79% of Eligible Own Funds within Tier 1 in the No Scheme Position to 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position.

Consideration of scenarios

- 2.7 I considered the impact of a number of scenarios when drafting the Scheme Report. I did not consider that it would be informative to re-run all the scenarios from the Scheme Report based on the updated financial information, although I did consider the impact on the scenarios of the revised amounts of the letters of credit which are assumed to be in place for Mercantile in the No Scheme Position and River Thames in the Post Scheme Position. I also considered updates of the impact of scenarios 2 and 13 from the Scheme Report based on data as at 31 December 2024.
- 2.8 The conclusions I reached from considering the impact of these scenarios are unchanged from those set out in the Scheme Report.

Increase in the proportion of assets which are subject to restrictions

- 2.9 In both the No Scheme Position and the Post Scheme Position there are a number of trust funds and collateral arrangements. Such arrangements could disadvantage policyholders in the Post Scheme Position due to a greater proportion of funds being unavailable to them.
- 2.10 For the Mercantile Policyholders there is an increase in the proportion of assets which are subject to restrictions (in that the restricted assets must be used to meet certain liabilities in priority to others) as a result of the Proposed Scheme. This proportion increases from 7% to 14% based on data as at 31 December 2024 (compared with moving from 3% to 14% based on data as at 31 December 2023, as included in the Scheme Report).
- 2.11 The increase in the proportion of assets which are subject to restrictions is lower than that from the Scheme Report and therefore my conclusion remains unchanged from that set out in the Scheme Report, in that I remain of the opinion that the Mercantile Policyholders will not be materially adversely affected by the Proposed Scheme as a result of an increase in the proportion of assets which are subject to restrictions.

Impact if only the insurance business transfer scheme of Mercantile Policies is effected

- 2.12 Throughout this Supplementary Report I refer to the Proposed Scheme as a single insurance business transfer scheme, and my opinions and conclusions have been reached on this basis. It is possible, however, for only one of the insurance business transfer schemes to be effected.
- 2.13 If the insurance business transfer scheme of the Mercantile Policies is effected but the insurance business transfer scheme of the Rombalds Policies does not go ahead then I consider that none of my opinions and conclusions as set out in this Supplementary Report will change given the low materiality of the Rombalds Policies in the overall context of the Proposed Scheme.

Conclusions for policyholders transferring from Rombalds to River Thames

- 2.14 It is my opinion that the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme.
- 2.15 For the Rombalds Policyholders there are aspects of the Proposed Scheme which result in the Rombalds Policyholders being disadvantaged in the Post Scheme Position compared with the No Scheme Position, and other aspects which result in the Rombalds Policyholders being in a more advantageous position in the Post Scheme Position. I discuss these aspects below, and in further detail in Section 3 of this Supplementary Report.
- 2.16 In summary, those aspects which result in the Rombalds Policyholders being disadvantaged in the Post Scheme Position compared with the No Scheme Position are:
- A decrease in the proportion of the highest quality Eligible Own Funds, from 100% of Eligible Own Funds within Tier 1 in the No Scheme Position to 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position.
 - An increase in the proportion of assets which are subject to restrictions (in that the restricted assets must be used to meet certain liabilities in priority to others) as a result of the Proposed Scheme, from 5% to 14%.

- A deterioration in the ranking of the Rombalds Policyholders in the event of the insolvency of River Thames after the Proposed Scheme.
- 2.17 On the other hand, the following aspects result in the Rombalds Policyholders being in a more advantageous position in the Post Scheme Position:
- An increase in the Solvency Ratio from 186% in the No Scheme Position to 203% in the Post Scheme Position.
 - A significant increase in the overall size of the available assets in the Post Scheme Position, which means that risks which may threaten the solvency of Rombalds in the No Scheme Position are unlikely to have a material impact on River Thames in the Post Scheme Position.
 - A reduction in the risk that ongoing expenses deplete the Eligible Own Funds in the Post Scheme Position. If the Proposed Scheme does not go ahead, the Rombalds Policyholders are exposed to the risk that the ongoing expenses deplete the Eligible Own Funds available to pay claims. This risk is significantly reduced in the Post Scheme Position.
 - An increase in the diversification of River Thames in the Post Scheme Position, compared to Rombalds in the No Scheme Position, which improves the overall risk profile.
- 2.18 When forming my overall opinion as to the impact of the Proposed Scheme on the Rombalds Policyholders I have taken into account all of the above aspects. In respect of those aspects which result in the Rombalds Policyholders being disadvantaged in the Post Scheme Position compared with the No Scheme Position I note that the increase in the proportion of assets which are subject to restrictions and the deterioration in the ranking of the Rombalds Policyholders will only impact the Rombalds Policyholders in the event of the insolvency of River Thames in the Post Scheme Position. I have considered a number of scenarios in the Scheme Report and all of these scenarios result in River Thames having a positive net asset position in the Post Scheme Position, such that it would still be expected to be able to pay all liabilities without requiring additional funds. Furthermore, these scenarios include two which I consider to be extreme, and which I might expect to arise less frequently than once in every 200 years. These extreme scenarios relate to a reserve deterioration and a reserve deterioration combined with reinsurer default. I consider these scenarios to be 'extreme but plausible' in that they are scenarios which I consider unlikely to occur but still conceivable (and not merely of a theoretical nature). As such, I consider that the likelihood of these two aspects impacting the Rombalds Policyholders to be extremely remote.
- 2.19 On balance, therefore, it is my opinion that the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme.

Impact on Solvency Ratios

- 2.20 The Rombalds Policyholders will be transferring from Rombalds to River Thames under the Proposed Scheme. As a result of the Proposed Scheme, for the Rombalds Policyholders, the Solvency Ratio will increase from 186% in the No Scheme Position to 203% in the Post Scheme Position (based on data as at 31 December 2024). The SCR for Rombalds is below the absolute minimum of the MCR. As insurers are required to hold at least the MCR, the

Solvency Ratio for Rombalds in the No Scheme Position is based on this absolute minimum MCR amount.

2.21 However, the proportion of the highest quality Eligible Own Funds decreases, from 100% of Eligible Own Funds within Tier 1 in the No Scheme Position to 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position (having decreased to 74% in the Post Scheme Position in the Scheme Report). I consider, though, that this is mitigated by a number of factors as follows:

- There is a significant increase in the overall size of the available assets in the Post Scheme Position. This means that risks which may threaten the solvency of Rombalds in the No Scheme Position are unlikely to have a material impact on River Thames in the Post Scheme Position.
- There is a reduction in the risk that ongoing expenses deplete the Eligible Own Funds in the Post Scheme Position. In the No Scheme Position, the run-off provision, which represents the future expenses required to manage the run-off of the business, is a material component of the total Solvency II Technical Provisions. If the Proposed Scheme does not go ahead, the Rombalds Policyholders are exposed to the risk that the ongoing expenses deplete the Eligible Own Funds available to pay claims, particularly given the long-tailed nature of the remaining liabilities within Rombalds. This risk is significantly reduced in the Post Scheme Position given the increase in the overall size of the available assets, and hence the reduction in the relative size of the run-off provision compared to the total liabilities.
- There is an increase in the diversification of River Thames in the Post Scheme Position, compared to Rombalds in the No Scheme Position, which improves the overall risk profile.
- There is an increase in the Solvency Ratio compared to that of Rombalds as a result of the Proposed Scheme (from 186% to 203%).

Consideration of scenarios

2.22 I considered the impact of a number of scenarios when drafting the Scheme Report. I did not consider that it would be informative to re-run all the scenarios from the Scheme Report based on the updated financial information, although I did consider the impact on the scenarios of the revised amounts of the letters of credit which are assumed to be in place for River Thames in the Post Scheme Position. I also considered updates of the impact of scenarios 2 and 13 from the Scheme Report based on data as at 31 December 2024.

2.23 The conclusions I reached from considering the impact of these scenarios are unchanged from those set out in the Scheme Report.

2.24 Consistent with the Scheme Report, the Rombalds Policyholders see a reduction in the Solvency Ratio of their reinsurer in the Post Scheme Position compared with the No Scheme Position for 11 of the scenarios (out of a total of 15 scenarios). However, I consider that in the Post Scheme Position the Rombalds Policyholders would benefit from the significant increase in the overall size of the available assets, a reduction in the risk that ongoing expenses deplete the Eligible Own Funds and the increase in the diversification of River Thames.

2.25 In addition, I note that the scenarios which I have considered are focussed on scenarios which impact Mercantile and/or River Thames given the materiality of these Companies in the Post Scheme Position. The scenarios which I have considered therefore either have no impact on the Solvency Ratio of Rombalds in the No Scheme Position or a less severe impact compared to the impact on Mercantile and River Thames. As a result, the impact of the scenarios on the Solvency Ratio for the Rombalds Policyholders, when comparing the No Scheme Position and the Post Scheme Position, appears to be significantly worse than would be the case if the scenarios had been selected with a focus on all of the Companies, rather than on Mercantile and River Thames.

Priorities on winding up

- 2.26 Under English law, direct insurance creditors rank ahead of inwards reinsurance creditors in the event of the winding-up of a company with insurance business. All the Rombalds Policyholders are reinsurance policyholders.
- 2.27 In the event of the insolvency of River Thames after the Proposed Scheme, the Rombalds Policyholders will be disadvantaged in the Post Scheme Position compared with the No Scheme Position since they will move from a company where they rank equally to all other policyholders to a company where 85% of policyholders rank before them, based on data as at 31 December 2024. This figure is unchanged from the figure in Table 4.24 of the Scheme Report which was based on data as at 31 December 2023.
- 2.28 For the reasons discussed in paragraph 2.18 above, I consider that the risk of River Thames becoming insolvent after the Proposed Scheme is extremely remote. As such, while the changes impacting the priorities on winding up could impair the position of the Rombalds Policyholders, on balance I remain of the opinion that the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme as a result of changes impacting the priorities on winding up.

Increase in the proportion of assets which are subject to restrictions

- 2.29 In both the No Scheme Position and the Post Scheme Position there are a number of trust funds and collateral arrangements. Such arrangements could disadvantage policyholders in the Post Scheme Position due to a greater proportion of funds being unavailable to them.
- 2.30 For the Rombalds Policyholders there is an increase in the proportion of assets which are subject to restrictions (in that the restricted assets must be used to meet certain liabilities in priority to others) as a result of the Proposed Scheme. This proportion increases from 5% to 14% based on data as at 31 December 2024 (compared with moving from 0% to 14% based on data as at 31 December 2023, as included in the Scheme Report).
- 2.31 The increase in the proportion of assets which are subject to restrictions is lower than that from the Scheme Report and therefore my conclusion remains unchanged from that set out in the Scheme Report, in that I remain of the opinion that the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme as a result of an increase in the proportion of assets which are subject to restrictions.

Impact if only the insurance business transfer scheme of Rombalds Policies is effected

- 2.32 Throughout this Supplementary Report I refer to the Proposed Scheme as a single insurance business transfer scheme, and my opinions and conclusions have been reached on this basis. It is possible, however, for only one of the insurance business transfer schemes to be effected.
- 2.33 I have considered the impact on my conclusions if the insurance business transfer scheme of the Rombalds Policies is effected but the insurance business transfer scheme of the Mercantile Policies does not go ahead, as set out from paragraph 3.66 of this Supplementary Report. I have concluded that my opinion that the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme will not change if only the insurance business transfer scheme of the Rombalds Policies is effected.

Conclusions for existing policyholders of River Thames

- 2.34 It is my opinion that the River Thames Policyholders will not be materially adversely affected by the Proposed Scheme.

Impact on Solvency Ratios

- 2.35 The River Thames Policyholders will be remaining within River Thames under the Proposed Scheme. As a result of the Proposed Scheme, for the River Thames Policyholders the Solvency Ratio will increase from 184% in the No Scheme Position to 203% in the Post Scheme Position (based on data as at 31 December 2024). In addition, the proportion of the highest quality Eligible Own Funds marginally increases, from 73% of Eligible Own Funds within Tier 1 in the No Scheme Position to 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position.

Consideration of scenarios

- 2.36 I considered the impact of a number of scenarios when drafting the Scheme Report. I did not consider that it would be informative to re-run all the scenarios from the Scheme Report based on the updated financial information, although I did consider the impact on the scenarios of the revised amounts of the letters of credit which are assumed to be in place for Mercantile in the No Scheme Position and River Thames in the Post Scheme Position. I also considered updates of the impact of scenarios 2 and 13 from the Scheme Report based on data as at 31 December 2024.
- 2.37 The conclusions I reached from considering the impact of these scenarios are unchanged from those set out in the Scheme Report.

Updated information as at 30 June 2025

- 2.38 Most of the analysis and considerations set out in this Supplementary Report are based on audited financial information as at 31 December 2024. In addition, I have received some unaudited financial information as at 30 June 2025.
- 2.39 I consider that, as a result of my review of the updated financial data provided as at 30 June 2025, my conclusions on the Proposed Scheme remain unchanged

Implementation of the communication exercise

- 2.40 For the reasons set out in Section 5 of this Supplementary Report I am satisfied that the approach to policyholder notification has been implemented appropriately and largely as envisaged in Section 6 of the Scheme Report.

Responses to the communication exercise

- 2.41 I have been provided with regular reports on the responses received to the policyholder communication exercise.
- 2.42 As at 31 August 2025, a total of 170 responses had been received in relation to the communication exercise, which have been categorised by Bryan Cave Leighton Paisner LLP (“BCLP”, Enstar’s legal advisors in relation to the Proposed Scheme). I understand from BCLP that all of the responses relate to general enquiries and that no responses have been received which relate to objections to the Proposed Scheme or adverse comments or which cover other matters which I consider need to be drawn to the attention of the Court.

Section 3: Update on financial considerations

Introduction

- 3.1 In the Scheme Report, I discussed the financial considerations arising from the Proposed Scheme under the following headings:
- Review of balance sheets
 - Review of reserves
 - Review of investments
 - Review of capital requirements
 - Implications on ongoing expense levels
 - Impact on liquidity position
 - Implications of new business strategy
 - Impact of material litigation
 - Insolvency
 - Ring-fenced funds and guarantees
 - Accounting approach
 - Cost and tax implications of the Proposed Scheme
 - Pension schemes
 - Implications if Proposed Scheme is partially effected
- 3.2 Based on my discussions with Enstar, and the information I have been provided, I understand that there have been no material changes to the financial considerations, as discussed in the Scheme Report, in respect of the following aspects: the implications on ongoing expense levels; the impact on the liquidity position; the implications of new business strategy; the impact of material litigation; the impact of insolvency; the accounting approach; the cost and tax implications of the Proposed Scheme; and Pension Schemes.
- 3.3 With respect to the remaining financial considerations, I discuss below updates to the financial considerations arising from the Proposed Scheme under the following headings:
- Review of balance sheets and capital requirements
 - Review of reserves
 - Review of investments
 - Ring-fenced funds and guarantees
 - Implications if Proposed Scheme is partially effected

- 3.4 I also understand that there have been no material business developments or other emerging matters which have taken place since I drafted the Scheme Report and which have given rise to additional financial considerations arising from the Proposed Scheme which I did not consider in the Scheme Report.
- 3.5 In this Supplementary Report I have based my conclusions on Solvency Ratios which use the SCR calculated according to the Standard Formula under Solvency II, which targets a likelihood of insurer failure of a 1 in 200 likelihood (a 0.5th percentile level of risk) over a one-year time horizon. This is unchanged from my approach in the Scheme Report, the reasons for which were set out in paragraphs 4.183 to 4.190 of the Scheme Report (and summarised in paragraph 3.70 of the Scheme Report). I remain of the opinion that it is reasonable to base my conclusions on Solvency Ratios which use the SCR calculated according to the Standard Formula under Solvency II. When reaching this conclusion I considered the capital requirements for the Companies as at 31 December 2024 calculated using the unapproved Enstar Capital Model (which has not been validated to the standards of regulatory approval, nor has it received such regulatory approval) based on the 97.5th percentile (such that it is assessed to be sufficient 39 times out of 40) over the period until all liabilities are fully run-off, in addition to those provided for the Scheme Report as at 31 December 2023. Based on these capital requirements, which are lower than those calculated using the Standard Formula (principally due to the higher allowance for diversification between risk types in the unapproved Enstar Capital Model), I consider that it is reasonable to base my conclusions on Solvency Ratios which use the SCR calculated according to the Standard Formula under Solvency II. I do not consider that any of my conclusions would change if my conclusions were instead based on the results of the unapproved Enstar Capital Model.

Review of balance sheets and capital requirements

- 3.6 In the Scheme Report I considered the UK GAAP balance sheet, the Solvency II balance sheet, the SCR, the Solvency Ratio and the structure of the Eligible Own Funds for each of the Companies in the No Scheme Position as well as the River Thames consolidated balance sheet in the Post Scheme Position as at 31 December 2023. The UK GAAP balance sheets were set out in Tables 4.1, 4.2 and 4.3 of the Scheme Report. The Solvency II balance sheets, the SCRs, the Solvency Ratios and the structure of the Eligible Own Funds were set out in Table 4.21 of the Scheme Report.
- 3.7 In Table 3.1 below I set out a comparison of the information from the Scheme Report as at 31 December 2023 with updated audited information as at 31 December 2024.

**Table 3.1: Comparison of Financial Position as at 31 December 2023
with that at 31 December 2024 (USD thousands)**

	No Scheme Position			Post Scheme Position
	River Thames	Mercantile	Rombalds	
UK GAAP basis				
Net assets at 31 December 2023	48,334	109,790	9,029	167,154
Net assets at 31 December 2024	48,377	105,280	8,826	162,483
Movement in net assets	42	(4,510)	(203)	(4,671)
Solvency II basis				
Best estimate net TPs as at 31 December 2023	88,250	147,746	4,918	240,914
Best estimate net TPs as at 31 December 2024	75,716	134,163	3,264	213,144
Movement in best estimate net TPs	(12,534)	(13,583)	(1,653)	(27,770)
Net assets at 31 December 2023	40,757	115,649	6,805	166,044
Net assets at 31 December 2024	48,111	111,468	8,129	170,442
Movement in net assets	7,354	(4,181)	1,324	4,397
Eligible Own Funds at 31 December 2023	61,108	153,111	6,805	221,286
Eligible Own Funds at 31 December 2024	66,112	135,379	8,129	219,117
Movement in Eligible Own Funds	5,004	(17,732)	1,324	(2,169)
SCR at 31 December 2023	40,701	81,610	4,248	117,169
SCR at 31 December 2024	36,002	77,571	4,382	107,709
Movement in SCR	(4,699)	(4,039)	134	(9,460)
Solvency Ratio at 31 December 2023	150%	188%	160%	189%
Solvency Ratio at 31 December 2024	184%	175%	186%	203%
Movement in Solvency Ratio	33%	(13%)	25%	15%
<u>Structure of EOF</u>				
Tier 1 at 31 December 2023	40,757	112,306	6,805	162,701
Tier 2 at 31 December 2023	20,350	40,805	0	58,585
Tier 3 at 31 December 2023	0	0	0	0
Tier 1 at 31 December 2024	48,111	106,288	8,129	165,262
Tier 2 at 31 December 2024	18,001	23,911	0	50,000
Tier 3 at 31 December 2024	0	5,180	0	3,855
Movement in Tier 1	7,354	(6,018)	1,324	2,561
Movement in Tier 2	(2,350)	(16,894)	0	(8,585)
Movement in Tier 3	0	5,180	0	3,855

3.8 The figures for River Thames incorporate the following adjustments compared with the audited figures to reflect the following significant post balance sheet developments:

- The figures as at 31 December 2023 include the two adjustments as set out in paragraph 4.8 of the Scheme Report, specifically an adjustment for a dividend of \$121.9 million which was paid by River Thames during 2024 and an adjustment for a proposed dividend of \$35.2 million which had been expected to be paid by River Thames during the first half of 2025.

- The figures as at 31 December 2024 include an adjustment for the actual dividend of \$33.1 million which was paid by River Thames during the first half of 2025. As discussed in paragraph 4.8 of the Scheme Report this was the final approved dividend amount, which was marginally lower than the expected dividend amount of \$35.2 million.

3.9 In addition, I have adjusted the Eligible Own Fund amounts to reflect anticipated changes in the Tier 2 Eligible Own Funds as described below:

- Mercantile currently has a letter of credit in place which amounts to £32 million and which is approved by the PRA to be classified as Tier 2 Eligible Own Funds. This approval from the PRA expires on 19 November 2025 and the letter of credit itself expires on 8 December 2025. I understand from Enstar that, if the Proposed Scheme does not go ahead, applications would be made to renew the letter of credit for a reduced amount of £19.1 million (or marginally lower) and the PRA's approval would be sought to classify the renewed letter of credit as Tier 2 Eligible Own Funds. In the figures shown above for the No Scheme Position as at 31 December 2024 I have adjusted the amount to reflect this anticipated reduction in the letter of credit to £19.1 million should the Proposed Scheme not go ahead. In addition, I note that if the Proposed Scheme does not go ahead there is likely to be a period of time when the Mercantile Policyholders would not benefit from the additional protection of the letter of credit (in the period from the expiry of the current letter of credit of £32 million until the renewed letter of credit is in place). I have ignored this for the purposes of reaching my conclusions as set out in this Supplementary Report, which I consider to be a conservative approach (given that during this period the Solvency Ratio of the Mercantile Policyholders in the No Scheme Position would be reduced).
- On the assumption that the Proposed Scheme goes ahead, Enstar is in the process of increasing the amount of the current letter of credit for River Thames from the Effective Date of the Proposed Scheme. Enstar is applying for approval from the PRA to treat the increased amount of this letter of credit as Ancillary Own Funds and for it to be classified as Tier 2 Eligible Own Funds. The amended letter of credit will be for an amount of 50% of the SCR, with the monetary amount being updated annually once the SCR is finalised following each year-end. On this basis, the initial increased amount of the LOC will be \$50 million, based on 50% of the projected SCR in the Post Scheme Position as at 31 December 2025. This compares with a figure of \$58.6 million in Table 4.21 of the Scheme Report. The figures in the table above are based on a letter of credit amount of \$50 million in the Post Scheme Position.

3.10 Given the above, my conclusions in this Supplementary Report are based on the assumptions that:

- Enstar will put in place a letter of credit for River Thames from the Effective Date of the Proposed Scheme for an initial amount of \$50 million, with the amount being adjusted at each future year-end to remain at 50% of the SCR.
- This letter of credit will be treated as Ancillary Own Funds and receive approval from the PRA to be classified as Tier 2 Eligible Own Funds.

3.11 Compared with the figures in the Scheme Report, I would note the following most material movements:

■ River Thames in the No Scheme Position

- **Reduction in best estimate net TPs** – This is driven by a reduction in the net reserves which is consistent with expectations. Given that River Thames is in run-off the level of reserves is expected to reduce over time as claims are paid.
- **Increase in Eligible Own Funds** – This is driven by a number of movements, which are consistent with expectations (including a reduction in the best estimate net TPs as discussed above and a reduction in cash and investments as claims are paid). The increase in Eligible Own Funds is slightly lower than the increase in net assets on a Solvency II basis due to the reduction in the SCR, which reduces the level of Tier 2 Eligible Own Funds (since these are restricted to a maximum of 50% of the SCR).
- **Reduction in SCR** – This is driven by a reduction in the best estimate net TPs.

■ Mercantile in the No Scheme Position

- **Reduction in best estimate net TPs** – This is driven by a reduction in the net reserves which is consistent with expectations. Given that Mercantile is in run-off the level of reserves is expected to reduce over time as claims are paid.
- **Reduction in Eligible Own Funds** – This is predominantly driven by the reduction in Tier 2 Eligible Own Funds. The figures as at 31 December 2023 are based on the letter of credit which is currently in place of £32 million. As discussed above, the figures as at 31 December 2024 are based on a reduced letter of credit amount of £19.1 million, which I understand from Enstar is the amount which will be put in place following expiry of the existing letter of credit if the Proposed Scheme does not go ahead.
- **Reduction in SCR** - The SCR for Mercantile has reduced by \$4.0 million between Q4 2023 and Q4 2024, a reduction of 4.9% (including the impact of movements in exchange rates over the period). This has been driven by reductions in market risk and reserve risk, where the reductions are materially in line with the reductions seen in the level of assets and the level reserves respectively over the same period. These reductions in market risk and reserve risk have been partially offset by an increase in counterparty default risk, which has been driven by a change in the source used for the credit ratings of reinsurers.

■ Rombalds in the No Scheme Position

- **Reduction in best estimate net TPs** – As for River Thames and Mercantile, this is driven by a reduction in the net reserves which is consistent with expectations. Given that Rombalds is in run-off the level of reserves is expected to reduce over time as claims are paid.
- **Increase in Eligible Own Funds** – This is driven by a number of movements, which are materially consistent with expectations (including a reduction in the best estimate net TPs as discussed above and a reduction in cash and investments as claims are paid).

■ River Thames in the Post Scheme Position

- All of the movements in the Post Scheme Position for River Thames are explained by the movements discussed above for the Companies in the No Scheme Position, except for the reduction in Eligible Own Funds for River Thames.
- The reduction in Eligible Own Funds for River Thames in the Post Scheme Position is additionally impacted by the change in the amount of letter of credit assumed for River Thames in the Post Scheme Position. The figures as at 31 December 2023 are based on a letter of credit of \$58.6 million. This was based on the sum of the letters of credit for River Thames and Mercantile in the No Scheme Position, capped at 50% of the SCR. The figures as at 31 December 2024 are based on the revised amount of the letter of credit which Enstar is in the process of replacing, as discussed above. This will be for an initial amount of \$50 million.

3.12 In addition to the above I also note that the best estimate net TPs for all the Companies have been impacted by a change in the run-off provision calculation methodology between Q4 2023 and Q4 2024, which has been impacted by a change in the methodology used by Enstar to allocate expenses across the group. This results in an increase in the run-off provision for Mercantile and a reduction in the run-off provision for River Thames and Rombalds. Overall, across all the Companies, there is small reduction in the total run-off provision in the No Scheme Position.

3.13 In the Scheme Report I also considered projected balance sheets for each of the Companies in the No Scheme Position as well as River Thames in the Post Scheme Position, as set out in Tables 4.17 to 4.20 of the Scheme Report. I have received updated projected balance sheets for each of the Companies which are based on the financial position at year-end 2024 as discussed above. These projections follow a materially similar pattern to those provided for the Scheme Report.

3.14 Based on the above, I therefore note that:

- The Solvency Ratio for the River Thames Policyholders would be 184% in the No Scheme Position and would increase to 203% in the Post Scheme Position (previously 150% in the No Scheme Position and 189% in the Post Scheme Position).
- The Solvency Ratio for the Mercantile Policyholders would be 175% in the No Scheme Position and would increase to 203% in the Post Scheme Position (previously 188% in the No Scheme Position and 189% in the Post Scheme Position).
- The Solvency Ratio for the Rombalds Policyholders would be 186% in the No Scheme Position and would increase to 203% in the Post Scheme Position (previously 160% in the No Scheme Position and 189% in the Post Scheme Position).

3.15 In terms of the tiering of the Eligible Own Funds available:

- River Thames goes from having 73% of Eligible Own Funds within Tier 1 in the No Scheme Position to having 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position (previously 67% in the No Scheme Position and 74% in the Post Scheme Position).

- Mercantile goes from having 79% of Eligible Own Funds within Tier 1 in the No Scheme Position to having 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position. (previously 73% in the No Scheme Position and 74% in the Post Scheme Position).
 - Rombalds goes from having 100% of Eligible Own Funds within Tier 1 in the No Scheme Position to having 75% of Eligible Own Funds within Tier 1 in the Post Scheme Position (previously 100% in the No Scheme Position and 74% in the Post Scheme Position).
- 3.16 As a result of the Proposed Scheme, the River Thames Policyholders will have, and the Mercantile Policyholders will move to, an insurer with an increased Solvency Ratio and an increased (or materially similar) proportion of the highest quality Eligible Own Funds. This position is unchanged from that set out in the Scheme Report. Therefore, based on considering the impact of the Proposed Scheme on regulatory coverage ratios and the tiering of the Eligible Own Funds, my conclusion from the Scheme Report remains unchanged and I remain of the opinion the River Thames Policyholders and the Mercantile Policyholders will not be materially adversely affected, from a capital perspective, as a result of the Proposed Scheme.
- 3.17 As a result of the Proposed Scheme, the Solvency Ratio of their reinsurer also increases for the Rombalds Policyholders. However, the impact of the Proposed Scheme also results in a lower proportion of the highest quality Eligible Own Funds. However, as discussed in the Scheme Report, I consider that this is mitigated by a number of factors, as follows:
- There is a significant increase in the overall size of the available assets in the Post Scheme Position, with the Rombalds Policyholders moving from a company with Eligible Own Funds of \$8.1 million to a company with Eligible Own Funds of \$219.1 million (see Table 3.1 of this Supplementary Report), which is an increase in the Eligible Own Funds by a factor greater than 25. This means that risks which may threaten the solvency of Rombalds in the No Scheme Position are unlikely to have a material impact on River Thames in the Post Scheme Position. For example, a new latent claim type which emerges and results in a relatively moderate reserve deterioration of \$10m would exceed the Eligible Own Funds of Rombalds in the No Scheme Position but would reduce the Eligible Own Funds by less than 5% in the Post Scheme Position.
 - There is a reduction in the risk that ongoing expenses deplete the Eligible Own Funds in the Post Scheme Position. In the No Scheme Position, the run-off provision, which represents the future expenses required to manage the run-off of the business, is a material component of the total Solvency II Technical Provisions (with the run-off provision being \$1.3 million as at 31 December 2024, compared with the total Solvency II Net TPs of \$3.6 million). This run-off provision is calculated assuming that the business will continue to be managed by Rombalds for five years, at which time it is assumed that Enstar will find an alternative way to manage any remaining liabilities (such as transferring them to another insurance company with more material remaining liabilities). Hence, if the Proposed Scheme does not go ahead and Enstar is unable to find an alternative way to manage any remaining liabilities, the Rombalds Policyholders are exposed to the risk that the ongoing expenses deplete the Eligible Own Funds available to pay claims, particularly given the long-tailed nature of the remaining liabilities within Rombalds. This risk is significantly reduced in the Post Scheme Position given the increase in the overall size of the available assets, and hence the reduction in the relative size of the run-off provision compared to the total liabilities.

- There is an increase in the diversification of River Thames in the Post Scheme Position, compared to Rombalds in the No Scheme Position, which improves the overall risk profile.
- There is an increase in the Solvency Ratio compared to that of Rombalds as a result of the Proposed Scheme (from 186% to 203%).

3.18 Taking all of these factors into account, based on considering the impact of the Proposed Scheme on regulatory coverage ratios and the tiering of the Eligible Own Funds, I remain of the opinion that the Rombalds Policyholders will not be materially adversely affected, from a capital perspective, as a result of the Proposed Scheme. My conclusion from the Scheme Report therefore remains unchanged.

Updated information as at 30 June 2025

3.19 My review of the balance sheets and capital requirements set out above was based on audited financial information as at 31 December 2024. In addition, I have received some unaudited financial information as at 30 June 2025. This is summarised in the table below.

Table 3.2: Updated Financial Position as at 30 June 2025 – Solvency II basis (USD thousands)

	No Scheme Position			Post Scheme Position
	River Thames	Mercantile	Rombalds	
Best estimate net TPs as at 31 December 2024	75,716	134,163	3,264	213,144
Best estimate net TPs as at 30 June 2025	76,986	128,630	3,391	209,006
Movement in best estimate net TPs	1,269	(5,533)	126	(4,138)
Net assets at 31 December 2024	48,111	111,468	8,129	170,442
Net assets at 30 June 2025	49,969	112,382	8,206	170,557
Movement in net assets	1,858	914	77	116
Eligible Own Funds at 31 December 2024	66,112	135,379	8,129	219,117
Eligible Own Funds at 30 June 2025	67,969	136,293	8,206	219,232
Movement in Eligible Own Funds	1,858	914	77	116
Solvency Ratio at 31 December 2024	184%	175%	186%	203%
Solvency Ratio at 30 June 2025	189%	176%	187%	204%
Movement in Solvency Ratio	5%	1%	2%	0%

3.20 In terms of the movements since 31 December 2024, I would highlight the following:

- There have been some offsetting movements for River Thames, where an element of the additional security held by River Thames in relation to the reinsurance with CBR was returned, as the amount being held was in excess of 20% of CBR's share of net reserves (see paragraph 3.30 of the Scheme Report). This reduction in assets was materially offset by a corresponding reduction in liabilities and, overall, River Thames saw a small increase in net assets over the period.
- The reduction in the best estimate net TPs for Mercantile was driven by a reduction in the net reserves, which is consistent with expectations. Given that Mercantile is in run-off the level of reserves is expected to reduce over time as claims are paid.

- The SCRs for the Companies were not recalculated as at 30 June 2025 and, as such, the Solvency Ratios shown above are based on the values from 31 December 2024.

3.21 I consider that, based on my review of the updated financial data provided as at 30 June 2025, as summarised in the table above, my conclusions on the Proposed Scheme remain unchanged

Review of reserves

3.22 When drafting the Scheme Report, I reviewed the reserves for each of the Companies based on the most recent information available at the time. This included considering the results of Enstar's internal reserve reviews. In most cases, these internal reserve reviews were conducted as at 30 June 2024 with the exception of certain business for Mercantile, predominantly relating to UK asbestos exposure, which was conducted as at 30 September 2024.

3.23 For this Supplementary Report, I have reviewed the internal update memos which were produced as at 31 December 2024 which covered the reserving adjustments made since the previous full internal reserve review.

3.24 I also received detailed reconciliations for River Thames and Mercantile between the reserve figures I reviewed when drafting the Scheme Report (which were as at 30 June 2024 or 30 September 2024) and the figures as at 31 December 2024. I did not request a similar reconciliation for Rombalds given that I did not perform an in-depth review for any of the reserves of Rombalds given the overall small size of the reserves of Rombalds (as explained in paragraph 4.18 of the Scheme Report). These reconciliations showed that the only material movements between the reserve figures I reviewed when drafting the Scheme Report and those as at 31 December 2024 were driven by:

- Reduction in reserves to reflect claim payments made during the intervening period.
- Changes in reserves to reflect the impact of movements in exchange rates during the period.
- A reduction in the reserves for River Thames to reflect the removal of claims reserves in respect of certain "static claims". These reserves relate to claims which have not been adjusted for over 3 years and are removed if they meet certain criteria (and subject to an internal approval process within Enstar). This reduction in claims reserves relates to a reduction of less than 2% of the total claim reserves of River Thames. I therefore do not consider the reduction material and, in addition, in my opinion a routine review and release of reserves which relate to such "static claims" is standard industry practice.

3.25 I also had a telephone call with Enstar to discuss reserving developments since 31 December 2024 and, in particular, to discuss the ongoing internal reserve reviews as at 30 June 2025 which had been partly (but not fully) completed at the time of drafting this Supplementary Report. These reserve reviews cover all the business of River Thames and Mercantile, with the exception of certain business for Mercantile, predominantly relating to UK asbestos exposure, where the next internal review will be conducted based on data as at 30 September 2025.

- 3.26 Based on the above my conclusions set out in the Scheme Report remain unchanged, in that I still consider that the reserves for both Mercantile and River Thames are reasonable and the methods used to estimate these reserves are appropriate.

Consideration of scenarios

- 3.27 In the Scheme Report, I considered the impact of different scenarios on the Solvency Ratios of each of the Companies in both the No Scheme Position and the Post Scheme Position, in order to further understand the robustness of the capital positions of the Companies and any corresponding impact on policyholders. These scenarios were selected to cover what I considered to be the most material risks which the Companies are exposed to – namely Reserve Risk, Market Risk and Counterparty Default Risk. I consider that these risks remain the most material risks to which the Companies are exposed.
- 3.28 The scenarios set out in the Scheme Report were undertaken based on data as at 31 December 2023. I have compared this financial information with updated audited financial information as at 31 December 2024, and the results are set out in Table 3.1 above. Given the movements in the financials over the period (including their materiality and direction) and that I consider that the most material risks to which the Companies are exposed have not changed, I did not consider that it would be informative to re-run all the scenarios from the Scheme Report. I have, however, considered the following when drafting this Supplementary Report:
- The impact of the different scenarios set out in the Scheme Report updated for the latest amounts of the letters of credit which are assumed to be in place for Mercantile in the No Scheme Position and River Thames in the Post Scheme Position, as set out in paragraph 3.9 above. After adjusting for the amounts of the letters of credit, I considered the impact of the scenarios on the Solvency Ratios of each of the Companies in both the No Scheme Position and the Post Scheme Position.
 - The impact of scenarios 2 and 13 from the Scheme Report updated to be based on data as at 31 December 2024, and with adjustments made to reflect the latest amounts of the letters of credit which are assumed to be in place for Mercantile in the No Scheme Position and River Thames in the Post Scheme Position. I selected these two scenarios (which are, respectively, a 50% deterioration in all UK asbestos reserves in Mercantile and the impact of the default of CBR) to update given the reduction in the Eligible Own Funds for Mercantile shown in Table 3.1 above.
- 3.29 These considerations have not given rise to any material changes to the conclusions set out in the Scheme Report. I have summarised these conclusions, and the considerations on which they are based, below. These are based on the scenarios set out in the Scheme Report updated for the latest amounts of the letters of credit which are assumed to be in place for Mercantile in the No Scheme Position and for River Thames in the Post Scheme Position, as set out in paragraph 3.9 above.
- 3.30 Hence, based on my consideration of the scenarios, I remain of the opinion that none of the Affected Policyholders will be materially adversely affected as a result of the Proposed Scheme.

Mercantile Policyholders

- 3.31 For the Mercantile Policyholders there is an increase (or no change) in the Solvency Ratio in the Post Scheme Position compared with the No Scheme Position for all but four of the scenarios (out of a total of 15 scenarios). This is unchanged from the position in the Scheme Report.
- 3.32 For those four scenarios where there is a decrease in the Solvency Ratio in the Post Scheme Position compared with the No Scheme Position then, consistent with the position in the Scheme Report, either:
- The Solvency Ratio of River Thames in the Post Scheme Position remains above the target Solvency Ratio of 130%; or
 - The Solvency Ratio falls below the target of 130% but River Thames retains a strong positive net asset position in the Post Scheme Position and would be expected to be able to pay all liabilities after this stress without requiring additional funds.

River Thames Policyholders

- 3.33 For the River Thames Policyholders there is an increase in the Solvency Ratio in the Post Scheme Position compared with the No Scheme Position for all but five of the scenarios (out of a total of 15 scenarios). In the Scheme Report there was an increase in the Solvency Ratio for all but three of the scenarios, with the change driven by the lower amount of the letter of credit now being allowed for in the Post Scheme Position.
- 3.34 For those five scenarios where there is a decrease in the Solvency Ratio in the Post Scheme Position compared with the No Scheme Position then, consistent with the position in the Scheme Report:
- For four of the scenarios (previously two in the Scheme Report), although the River Thames Policyholders see a decrease in the Solvency Ratio of their insurer as a result of the Proposed Scheme, I do not consider the decrease to be material.
 - For one of the scenarios (also one scenario in the Scheme Report), while the Solvency Ratio of River Thames reduces from the No Scheme Position to the Post Scheme Position, River Thames still has a strong positive net asset position in the Post Scheme Position, and would be expected to be able to pay all liabilities after this stress without requiring additional funds.

Rombalds Policyholders

- 3.35 The Rombalds Policyholders see a reduction in the Solvency Ratio of their reinsurer in the Post Scheme Position compared with the No Scheme Position for 11 of the scenarios (out of a total of 15 scenarios). For these scenarios, consistent with the position in the Scheme Report, either:
- The Solvency Ratio of River Thames in the Post Scheme Position remains above the target Solvency Ratio of 130%. This is the case for three of the scenarios (four in the Scheme Report); or

- The Solvency Ratio falls below the target of 130% but River Thames retains a strong positive net asset position in the Post Scheme Position and would be expected to be able to pay all liabilities after this stress without requiring additional funds. This is the case for six of the scenarios (five in the Scheme Report); or
- The Solvency Ratio falls below the target of 130% and River Thames retains a positive net asset position in the Post Scheme Position, however the likelihood of River Thames being able to pay all expected claims after this stress would be reduced given the small net asset position (and therefore there would be a reasonable risk that any further stress would result in a negative net asset position). This is the case for two of the scenarios (which is unchanged from the Scheme Report). As explained in the Scheme Report, I consider that these two scenarios are particularly extreme and at the upper end of what is plausible, and hence consider that the risk that the Rombalds Policyholders are adversely affected as a result of such scenarios to be remote.

3.36 As discussed above, the Rombalds Policyholders see a reduction in the Solvency Ratio of their reinsurer in the Post Scheme Position compared with the No Scheme Position for 11 of the 15 scenarios which I have considered. However, as discussed in more detail in paragraph 3.17 of this Supplementary Report, I consider that this is mitigated by a number of factors, as follows:

- There is a significant increase in the overall size of the available assets in the Post Scheme Position. This means that risks which may threaten the solvency of Rombalds in the No Scheme Position are unlikely to have a material impact on River Thames in the Post Scheme Position.
- There is a reduction in the risk that ongoing expenses deplete the Eligible Own Funds in the Post Scheme Position. In the No Scheme Position, the run-off provision, which represents the future expenses required to manage the run-off of the business, is a material component of the total Solvency II Technical Provisions and is calculated assuming that the business will continue to be managed by Rombalds for five years, at which time Enstar will find an alternative way to manage any remaining liabilities. Hence, if the Proposed Scheme does not go ahead and Enstar is unable to find an alternative way to manage any remaining liabilities, the Rombalds Policyholders are exposed to the risk that the ongoing expenses deplete the Eligible Own Funds available to pay claims, particularly given the long-tailed nature of the remaining liabilities within Rombalds. This risk is significantly reduced in the Post Scheme Position given the increase in the overall size of the available assets, and hence the reduction in the relative size of the run-off provision compared to the total liabilities.
- There is an increase in the diversification of River Thames in the Post Scheme Position, compared to Rombalds in the No Scheme Position, which improves the overall risk profile.

3.37 Furthermore, I note that the fact that the Rombalds Policyholders see a reduction in the Solvency Ratio of their reinsurer in the Post Scheme Position compared with the No Scheme Position for 11 of the 15 scenarios which I have considered is driven by the scenarios which I have selected. The scenarios were selected to cover what I consider to be the most material risks which the Companies are exposed to and are focussed on scenarios which impact Mercantile and/or River Thames given the materiality of these Companies in the Post Scheme Position. As a result, there are three scenarios which only impact Mercantile, three scenarios

which only impact River Thames, two scenarios which impact both Mercantile and River Thames and seven scenarios which impact all of the Companies. There are no scenarios which only impact Rombalds. In addition, those scenarios which impact all of the Companies were focussed on scenarios which particularly impact Mercantile and/or River Thames given their materiality (such as the impact of a reserve deterioration, rather than, say, an increase in the run-off provision) and, as such, these scenarios have a less material impact on the Solvency Ratio of Rombalds in the No Scheme Position.

- 3.38 The rationale for the selection of the scenarios has therefore meant that the scenarios either have no impact on the Solvency Ratio of Rombalds in the No Scheme Position or the impact on the Solvency Ratio of Rombalds is less severe than for Mercantile or River Thames in the No Scheme Position. This has resulted in the Solvency Ratio of the reinsurer of the Rombalds Policyholders being relatively worse in the Post Scheme Position compared with the No Scheme Position for more of the scenarios than would otherwise be the case. As a result, the impact of the scenarios on the Solvency Ratio for the Rombalds Policyholders, when comparing the No Scheme Position and the Post Scheme Position, appears to be significantly worse than would be the case if the scenarios had been selected with a focus on all of the Companies, rather than on Mercantile and River Thames.

Review of investments

- 3.39 When drafting the Scheme Report, I reviewed the investment holdings of each of the Companies as at 30 June 2024. For this Supplementary Report I have reviewed the same information as at 31 December 2024, as described below:
- I have reviewed a breakdown of the assets held by each of the Companies (including on a look through basis for any collective investment undertakings). The assets held as at 31 December 2024 are materially unchanged from those set out in Table 4.11 of the Scheme Report, albeit with a reduction in the assets held as 'Mortgages and loans' by both River Thames and Mercantile and an increase in the proportion of the assets of Rombalds which are held as Government (as opposed to Corporate) Bonds.
 - I have also reviewed a breakdown of the government and corporate bonds held by River Thames and Mercantile as at 31 December 2024 by credit rating. This information was not available for those bonds held in external funds, with all of the bonds held by Rombalds as at 31 December 2024 being in external funds. The bonds held by credit rating, as compared with the position considered for the Scheme Report (as set out in Table 4.12 of the Scheme Report), are materially unchanged, with the proportion of investment grade bonds (BBB- or above) having increased or remained materially unchanged.
 - I also reviewed a breakdown of the currency split of the investment assets and net Solvency II Technical Provisions for each of the Companies. The currency split of the investment assets for each of the Companies is materially unchanged compared with that set out in Table 4.13 of the Scheme Report. With regards to the currency split of the net Solvency II Technical Provisions, for River Thames and Mercantile this is materially unchanged compared with that set out in Table 4.14 of the Scheme Report. For Rombalds, in the Scheme Report the split of net Solvency II Technical Provisions was 51% GBP and 49% USD. This has changed to 38% GBP and 62% USD. However, I do not consider this material given the small level of reserves within Rombalds and thus the higher level of volatility in such a measure.

- I also understand that it is still the case that there are no plans to change the current investment strategy of the Companies in the Post Scheme Position, with the only notable change as a result of the Proposed Scheme being the currency of the surplus assets, which is unchanged from the position discussed in paragraphs 4.172 to 4.174 of the Scheme Report.

3.40 As a result, my conclusion from the Scheme Report is unchanged and I remain of the opinion that none of the Affected Policyholders will be adversely affected by a change in investment strategy as a result of the Proposed Scheme.

Ring-fenced funds and guarantees

3.41 There are a number of trust funds and other guarantees in the Companies, which can be broadly divided into four categories:

- **US Trust Funds and other collateral arrangements** - The US Trust Funds relate to either Surplus Lines business in the US for River Thames and Mercantile (the “US Surplus Lines Trust Funds” or “SLTFs”), or reinsurance business in the US for River Thames (the “US Credit for Reinsurance Trust Fund” or “CRTF”). The other collateral arrangements relate to collateral which the Companies provide to support either overseas liabilities (specifically European motor liabilities for River Thames) or to support letters of credit provided via third party banks as additional security for some insureds.
- **ILU Guarantees** - Certain guarantees relating to River Thames and Mercantile policies written through the Institute of London Underwriters (“ILU”), and which are collectively referred to as the ILU Guarantees.
- **EGL Guarantees** - EGL has provided guarantees (the “EGL Guarantees”) to both Mercantile and River Thames. These cover the performance of CBRe under the 75% quota share provided to Mercantile and the non-reinsured portion of Mercantile’s liabilities (the “EGL Mercantile Guarantee”), and the funding obligations of both Mercantile and River Thames to the level of the required security in their respective SLTFs (the “EGL SLTF Guarantee”).
- **Letters of Credit** - Individual letters of credit which have been issued for particular assureds.

3.42 There is a distinction between the US Trust Funds and other collateral arrangements on the one hand and the guarantees and individual letters of credit on the other. The US Trust Funds and other collateral arrangements represent portions of the assets which are ring fenced to be available for the business that they cover. The presence of such funds / collateral may mean that those assets are not available to pay other claims. This is very different from the guarantees and letters of credit, which represent additional security for certain policyholders above and beyond the assets of the company.

3.43 Based on my discussions with Enstar, and the information I have been provided when drafting this Supplementary Report, I understand that there have been no material changes to the financial considerations, as discussed in the Scheme Report, in respect of the EGL Guarantees and Letters of Credit.

3.44 I discuss below updates to the considerations arising from the Proposed Scheme with regards to the US Trust Funds and other collateral arrangements, and the ILU Guarantees.

US Trust Funds and other collateral arrangements

3.45 As a condition of writing Surplus Lines business in the US, insurers are required to hold a SLTF to cover exposure to this business. Both River Thames and Mercantile have exposure to Surplus Lines business and so each have SLTFs. In addition, River Thames has a CRTF which provides security for certain US insurers which River Thames reinsures. The Companies also have other collateral arrangements in place as discussed above.

3.46 When considering the impact of the Proposed Scheme on the US Trust Funds and other collateral arrangements the important questions are:

- Do any policyholders lose the additional protection which is currently provided by a trust fund or collateral arrangement as a result of the Proposed Scheme?
- Do the total trust funds and collateral arrangements in the combined entity disadvantage other policyholders due to a greater proportion of funds being unavailable to them?

Do any policyholders lose the additional protection which is currently provided by a trust fund or collateral arrangement as a result of the Proposed Scheme?

3.47 The existing SLTF, CRTF and other collateral arrangements in River Thames will not be directly affected by the Proposed Scheme. As such, the security and benefits provided by the SLTF, CRTF and other collateral arrangements will remain in place in the Post Scheme position for the same River Thames Policyholders who benefit from the trust funds and collateral arrangements prior to the Proposed Scheme.

3.48 In contemplation of the Proposed Scheme, and since the drafting of the Scheme Report, non-objection of the International Insurers Department of the National Association of Insurance Commissioners has been obtained for the transfer of Mercantile's US Surplus Lines business to River Thames, with the corresponding trust fund agreement having been amended to reflect this. As such, the security and benefits provided by the SLTF will be replicated in the Post Scheme position for the same Mercantile Policyholders who benefit from the trust fund prior to the Proposed Scheme.

Do the total trust funds and collateral arrangements in the combined entity disadvantage other policyholders due to a greater proportion of funds being unavailable to them?

3.49 In the event of insolvency, the assets subject to restrictions would be ring-fenced to pay the policyholders who are covered by the additional protection which is provided by each arrangement. As such, an increase in the assets subject to restrictions could potentially result in those policyholders who are not covered by the additional protection of the arrangements being adversely affected by the Proposed Scheme. Once the protected policyholders are reimbursed in full, any excess assets may be released to general assets and be available for the benefit of all policyholders.

3.50 Table 4.25 in the Scheme Report set out details of the US Trust Funds and other collateral arrangements – together with the total assets – for each of the Companies as at 31 December 2023. In the table below I included an update to these figures as at 31 December 2024.

Table 3.3: Assets subject to restrictions as at 31 December 2024 (USD millions)

	No Scheme Position			Post Scheme Position
	Mercantile	Rombalds	River Thames	River Thames
US Surplus Lines Trust Fund	9.5	0.0	10.0	19.5
US Credit for Reinsurance Trust Fund	0.0	0.0	23.5	23.5
Total US Trust Funds	9.5	0.0	33.5	43.0
Collateral provided to secure overseas liabilities	0.0	0.0	2.3	2.3
Collateral provided to support letters of credit	7.4	0.6	18.6	26.6
Assets subject to restrictions	16.9	0.6	54.4	71.9
Total investment assets	252.9	11.2	244.8	508.9
Assets subject to restrictions as % total investment assets	7%	5%	22%	14%
<i>Assets subject to restrictions as % total investment assets – as at 31 December 2023</i>	<i>3%</i>	<i>0%</i>	<i>26%</i>	<i>14%</i>

3.51 The details of the assets subject to restrictions were set out in paragraphs 4.349 to 4.355 of the Scheme Report. The key changes between the figures in Table 4.25 of the Scheme Report (which was as at 31 December 2023) and the updated figures above (which are as at 31 December 2024) are as follows:

- **Mercantile** – In the Scheme Report I noted that Mercantile did not provide any collateral to support letters of credit. However, this information was incorrectly omitted from the data provided to me and the table above shows that Mercantile provides some collateral to support letters of credit. This results in an increase in the assets subject to restrictions for Mercantile in the No Scheme Position, from 3% (Table 4.25 in the Scheme Report) to 7%.
- **Rombalds** – In the Scheme Report I noted that there are no encumbrances on the assets of Rombalds. Rombalds now provides some collateral to support letters of credit which results in an increase in the assets subject to restrictions for Rombalds in the No Scheme Position, from 0% (Table 4.25 in the Scheme Report) to 5%.
- **River Thames** – For River Thames there has been a reduction in the level of collateral provided to support letters of credit. In addition, River Thames has received approval from the New York State Department of Financial Services to withdraw an amount of \$9 million from the CRTF, reflecting the amount in excess of the minimum which was being held (as referred to in paragraph 4.352 of the Scheme Report). This withdrawal is due to take place before the Effective Date of the Proposed Scheme and the figures shown in the table above have been adjusted to reflect this planned withdrawal. Overall, these changes have resulted in a reduction in the assets subject to restrictions for River Thames in the No Scheme Position, from 26% (Table 4.25 in the Scheme Report) to 22%.

- 3.52 As set out in the table above, these trust funds and other collateral arrangements result in restrictions on the use of assets for Mercantile, Rombalds and River Thames of 7%, 5% and 22% respectively. In the Post Scheme Position, these arrangements would result in assets which are subject to restrictions of \$71.9 million out of total assets of \$508.9 million, which represents 14% of the total.
- 3.53 Based on the above updated information, I conclude the following:
- For the River Thames Policyholders there is a reduction in the proportion of assets which are subject to restrictions as a result of the Proposed Scheme, which is unchanged from the position set out in the Scheme Report. I therefore remain of the opinion that the Proposed Scheme will not adversely affect the River Thames Policyholders in respect of the change in the proportion of assets which are subject to restrictions.
 - For the Mercantile Policyholders and the Rombalds Policyholders there is an increase in the proportion of assets which are subject to restrictions as a result of the Proposed Scheme. This proportion increases from 7% to 14% for the Mercantile Policyholders (previously from 3% to 14%) and from 5% to 14% for the Rombalds Policyholders (previously 0% to 14%). As a result, the increase in the proportion of assets which are subject to restrictions as a result of the Proposed Scheme is lower than that set out in the Scheme Report for both the Mercantile Policyholders and the Rombalds Policyholders. My opinion is therefore unchanged from the Scheme Report (as set out in paragraphs 4.349 to 4.358 of the Scheme Report) and I remain of the opinion that the Mercantile Policyholders and the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme as a result of an increase in the proportion of assets which are subject to restrictions.

ILU Guarantees

- 3.54 The ILU was a trade body for insurers writing marine, aviation and transportation insurance in the London market which required its members to arrange a guarantee for the business written, which was usually provided by the parent company. Predecessor companies of both River Thames and Mercantile wrote business through the ILU and so they have inherited these guarantees. These guarantees represent additional security to the policyholders covered in the event of the insolvency of River Thames or Mercantile.
- 3.55 In respect of the ILU Guarantees which cover some of the policies of River Thames, the existing ILU Guarantees will not be affected by the Proposed Scheme and hence the policyholders of River Thames who currently benefit from the additional protection afforded by the ILU Guarantees will retain that additional protection after the Proposed Scheme. This position is unchanged from that set out in paragraph 4.366 of the Scheme Report.
- 3.56 In respect of the ILU Guarantee which covers some of the policies of Mercantile, to ensure that the Mercantile Policyholders who currently benefit from the additional protection afforded by the ILU Guarantee do not lose that protection as a result of the Proposed Scheme, Mercantile is required to amend the ILU Guarantee, by way of a Deed of Variation, so that with effect from the Effective Date, it will apply to all policies signed and issued by the ILU on behalf of Mercantile and subsequently transferred to River Thames. At the time of drafting the Scheme Report Mercantile was in the process of seeking such an amendment to the ILU Guarantee.

- 3.57 At the time of drafting the Scheme Report, I was also informed that Mercantile was seeking to amend the letter of credit with Citibank Europe plc which secures Mercantile's ILU guarantee to take account of the Proposed Scheme.
- 3.58 Enstar has now confirmed that:
- The required Deed of Variation in respect of Mercantile's ILU Guarantee has been executed; and
 - The letter of credit with Citibank Europe plc has been amended to take account of the Proposed Scheme.
- 3.59 Given the above, all of the policyholders of Mercantile who currently benefit from the additional protection afforded by the ILU Guarantee will continue to retain that additional protection after the Proposed Scheme.
- 3.60 As a result, my opinion in paragraph 4.372 of the Scheme Report remains unchanged in that I consider that the Proposed Scheme will not adversely affect the Affected Policyholders in respect of the protection afforded by any ILU Guarantees since the Proposed Scheme is intended to retain the same level of guarantee for all such policyholders.

Implications if Proposed Scheme is partially effected

- 3.61 Throughout this Supplementary Report I refer to the Proposed Scheme as a single insurance business transfer scheme. I note, however, that there are actually two insurance business transfer schemes (the transfer of the Mercantile Policies to River Thames and the transfer of the Rombalds Policies to River Thames) and it is possible for only one of the insurance business transfer schemes to be effected.
- 3.62 I considered the impact on my opinions and conclusions if only one of the insurance business transfer schemes were to be effected in paragraphs 4.388 to 4.392 of the Scheme Report, and I set out below an update to these considerations based on the updated information I have received when drafting this Supplementary Report.
- 3.63 Except for my considerations which are set out below, my opinions and conclusions set out throughout this Supplementary Report are on the basis that both of the insurance business transfer schemes are effected simultaneously, or that neither of them are effected.

Impact if only insurance business transfer scheme of Mercantile Policies is effected

- 3.64 In paragraph 4.390 of the Scheme Report, I concluded that if the insurance business transfer scheme of the Mercantile Policies is effected but the insurance business transfer scheme of the Rombalds Policies does not go ahead then none of my opinions and conclusions as set out in the Scheme Report would change given the low materiality of the Rombalds Policies in the overall context of the Proposed Scheme.
- 3.65 Following my review of the updated financial information provided when drafting this Supplementary Report, my opinion, as set out in the previous paragraph, remains unchanged.

Impact if only insurance business transfer scheme of Rombalds Policies is effected

3.66 In the Scheme Report, I concluded that if the insurance business transfer scheme of the Rombalds Policies is effected but the insurance business transfer scheme of the Mercantile Policies does not go ahead then the Rombalds Policyholders will not be materially adversely affected by the Proposed Scheme. My reasons for reaching this conclusion were set out in paragraphs 4.391 and 4.392 of the Scheme Report.

3.67 Following my review of the updated information provided when drafting this Supplementary Report, my opinion, as set out in the previous paragraph, remains unchanged. My reasons for continuing to reach this conclusion are unchanged from those set out in the Scheme Report, and I have set out below an update on those aspects which I have also considered above based on updated financial information.

■ Impact on Solvency Ratios

- When considering the impact of the Proposed Scheme on Solvency Ratios assuming that only the insurance business transfer scheme of the Rombalds Policies is effected then, as a proxy, I have assumed that the position of River Thames in the Post Scheme Position is equal to the sum of the River Thames and Rombalds positions in the No Scheme Position.
- On this basis the Solvency Ratio for the Rombalds Policyholders would be 186% in the No Scheme Position and would increase to 196% in the Post Scheme Position. The increased Solvency Ratio reflects the fact that the SCR will no longer be set with reference to the MCR in the Post Scheme Position and that more of the Tier 2 Eligible Own Funds will become available (given that these are restricted to a maximum of 50% of the SCR).
- In terms of the tiering of the Eligible Own Funds available, the Rombalds Policyholders go from a reinsurer with 100% of Eligible Own Funds within Tier 1 in the No Scheme Position to a reinsurer with 74% of Eligible Own Funds within Tier 1 in the Post Scheme Position. However, I consider that this aspect is mitigated by the significant increase in the overall size of the available assets in the Post Scheme Position. In particular, the net assets in the No Scheme Position are \$8.1 million which increases to \$56.2 million in the Post Scheme Position. I also note that this represents an increase in the estimated proportion of Tier 1 assets compared to 69% in the Scheme Report.
- On balance, therefore, in my opinion, based on considering the impact of the Proposed Scheme on regulatory coverage ratios and the tiering of the Eligible Own Funds, the Rombalds Policyholders will not be materially adversely affected as a result of the Proposed Scheme should only the insurance business transfer scheme of the Rombalds Policies be effected.

■ Increase in the proportion of assets which are subject to restrictions

- I have considered the impact of an increase in the proportion of assets which are subject to restrictions from paragraph 3.49 of this Supplementary Report.
- If only the insurance business transfer scheme of the Rombalds Policies is effected then for the Rombalds Policyholders there is an increase in the proportion of assets

which are subject to restrictions as a result of the Proposed Scheme. This proportion increases from 5% to 21% (previously 0% to 25% in the Scheme Report).

- The increase in the proportion of assets which are subject to restrictions as a result of the Proposed Scheme is lower than that set out in the Scheme Report. My opinion is therefore unchanged from the Scheme Report and I remain of the opinion that the Rombalds Policyholders will not be materially adversely affected as a result of an increase in the proportion of assets which are subject to restrictions after the Proposed Scheme should only the insurance business transfer scheme of the Rombalds Policies be effected.

Section 4: Update on non-financial considerations

Introduction

- 4.1 In the Scheme Report, I discussed the non-financial considerations arising from the Proposed Scheme under the following headings:
- Policyholder service levels;
 - Comparison of regulatory regimes;
 - Ombudsman services;
 - Recognition of the Proposed Scheme in non-UK jurisdictions;
 - Impact on outwards reinsurers; and
 - Governance and management framework.
- 4.2 Based on my discussions with Enstar, and the information I have been provided, I understand that there have been no material changes to the above non-financial considerations, as discussed in the Scheme Report. I also understand that there have been no material business developments or other emerging matters which have taken place since I drafted the Scheme Report and which have given rise to additional non-financial considerations arising from the Proposed Scheme which I did not consider in the Scheme Report.
- 4.3 I have, however, provided an update on the recognition of the Proposed Scheme in non-UK jurisdictions below, focussing on those Transferring Policies which are or may be subject to sanctions.

Recognition of the Proposed Scheme in non-UK jurisdictions

- 4.4 As a matter of English law, the English High Court has jurisdiction to transfer the Transferring Policies, irrespective of the governing law. For Transferring Policies which are not governed by English law, or are held by policyholders based in non-UK jurisdictions, there is a risk that the Proposed Scheme may not be recognised in the jurisdiction of the governing law, or of the policyholder's location.
- 4.5 I considered this issue in paragraphs 5.10 to 5.18 of the Scheme Report, the details of which are summarised below:
- The majority of policies which are not governed by UK law are governed by US law for both Mercantile and Rombalds. For those policies which are not governed by UK law there is a risk that the Proposed Scheme is not recognised in the relevant non-UK jurisdiction.
 - This risk is potentially increased for those Transferring Policies which are affected by sanctions, including those sanctions which have been put in place as a result of the conflict between Russia and Ukraine. Other than for those Transferring Policies which are subject to such sanctions, I am not aware of any reason why the Proposed Scheme would not be recognised in all jurisdictions.

- I understand that there are a small number of Transferring Policies which are or may be subject to sanctions, although none of these policies currently have any outstanding claims reserves or unpaid claims attached to them. The Transferring Policies which are or may be subject to sanctions relate to eight Mercantile Policyholders and three Rombalds Policyholders.
- Enstar maintains effective sanctions related policies and procedures, which ensure compliance with the in-scope sanctions regimes. These policies and procedures will apply in both the No Scheme Position and the Post Scheme Position.
- In respect of those policies which are governed by US law, Enstar has sought advice from US legal counsel who has provided an opinion which concludes that “we believe a US court would likely recognise and enforce an English Court’s Order sanctioning the transfer of Mercantile’s and Rombalds’ respective business into River Thames. The English High Court would be considered a court of competent jurisdiction, and recognition and enforcement of the Order would not violate the laws and public policy of the US”. In addition, I note that all of the business of Rombalds (which is dominated by policies which are governed by US law) successfully transferred into Rombalds by way of a previous Part VII transfer in 2017. As such I consider that the possibility that the Proposed Scheme is not recognised in the US to be extremely remote.
- If the Proposed Scheme is not recognised in any jurisdiction in relation to certain policies or policyholders (whether as a result of sanctions or otherwise) then the affected policies would still be transferred under the Proposed Scheme. In this situation, a relevant policyholder would be able to take proceedings against Mercantile or Rombalds (as applicable) in the policyholder’s home state and the Proposed Scheme contains provisions to the effect that any proceedings (including enforcement proceedings) brought against either Mercantile or Rombalds will be deemed to have been brought against River Thames without any further order being required. In addition, any judgment or order or award obtained against Mercantile or Rombalds will be enforceable against River Thames. As such, the conclusions which I have reached in the Scheme Report or elsewhere in this Supplementary Report would not be affected by this situation.

4.6 None of the details and conclusions set out above have changed since the Scheme Report was drafted. As a result, my opinion set out in paragraph 5.18 of the Scheme Report remains unchanged, in that I still consider that the Affected Policyholders will not be adversely affected by the possibility of the Proposed Scheme not being recognised for policies which are not governed by UK law.

Section 5: Communication exercise

Implementation of the communication exercise

- 5.1 The Circular has been available since 29 July 2025 on the website www.enstargroup.com/mercantile-rombalds-transfers/, together with the Legal Notice, the Scheme Report and the Summary of the Scheme Report.
- 5.2 The notification letters were sent out by post between 8 August 2025 and 12 August 2025. A total of 23,403 notification letters were sent out comprising:
- 9,814 to Mercantile Policyholders.
 - 203 to Rombalds Policyholders.
 - 10,973 to River Thames Policyholders.
 - 2,042 to brokers who underwrote policies included in the Transferring Policies on behalf of the original underwriters under delegated underwriting authorities, or who placed such business with any of them.
 - Letters to EIROS and Global Aerospace Underwriting Management Limited (“GAUM”) in their capacities as the managers of the Associated Insurers (British Electricity) Management Committee and London Aviation Insurance Group and British Aviation Insurance Group pools respectively (which were posted on 18 August 2025).
 - 369 to reinsurers of Mercantile and Rombalds where either company has current unpaid and outstanding claims.
- 5.3 Enstar has also confirmed that notice of the Proposed Scheme was placed in the following publications on the following dates:
- The London, Edinburgh and Belfast Gazettes on 14 August 2025
 - The Times on 14 August 2025
 - The Financial Times on 14 August 2025
 - The international edition of the Financial Times on 14 August 2025
 - Insurance Day on 14 August 2025
 - The international edition of Insurance Day on 14 August 2025
 - The Economist on 23 August 2025
 - The Wall Street Journal on 12 August 2025
 - Business Insurance on 22 August 2025

- 5.4 As of 5 November 2025, a total of 2,817 letters have been returned to Enstar as undelivered or were identified from the responses received from recipients as having been sent to the wrong address.
- 5.5 Of these, alternative addresses were found for 612 of the letters which were subsequently resent to the revised addresses between 1 October 2025 and 3 October 2025.
- 5.6 Of those policyholders that were incorporated, it has become apparent that 468 have been dissolved or closed or are no longer trading.
- 5.7 I am therefore satisfied that the approach to policyholder notification has been implemented appropriately and largely as envisaged in Section 6 of the Scheme Report.

Responses to the communication exercise

- 5.8 I have been provided with regular reports on the responses received to the policyholder communication exercise.
- 5.9 As at 9 November 2025, a total of 242 responses had been received in relation to the communication exercise. These have been categorised by Bryan Cave Leighton Paisner LLP (“BCLP”, Enstar’s legal advisors in relation to the Proposed Scheme) as follows:
- 207 responses where the policyholder was requesting details of their policy or querying why they had received a letter.
 - 18 responses informing Enstar that the address being used was no longer correct.
 - 10 responses informing Enstar that the policyholder has been dissolved, gone into administration or was deceased.
 - 7 ‘other’ responses.
- 5.10 I understand from BCLP that all of the responses which have been received relate to general enquiries and that no responses have been received which relate to objections to the Proposed Scheme or adverse comments or which cover other matters which I consider need to be drawn to the attention of the Court.

Section 6: Statement of Truth

Duty to the Court and statement of truth

- 6.1 I can confirm that I understand that my overriding duty is to the Court and that this duty overrides any obligation to any party from whom I have received instructions or by whom I am paid. I have complied and will continue to comply with that duty.
- 6.2 I confirm that I am aware of the requirements of Part 35 and Practice Direction 35 of the Civil Procedure Rules and the Guidance for the Instruction of Experts in Civil Claims 2014.
- 6.3 I confirm that I have made clear which facts and matters referred to in this Supplementary Report are within my own knowledge and which are not. Those that are within my own knowledge I confirm to be true. The opinions I have expressed represent my true and complete professional opinions on the matters to which they refer.
- 6.4 I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.



Kate Angell
Independent Expert
Fellow of the Institute and Faculty of Actuaries

21 November 2025

WTW
Watson House
London Road
Reigate
Surrey
RH2 9PQ

Appendix A: Glossary of terms

Affected Policies	The collective term for the Transferring Policies and the Existing Policies
Affected Policyholders	The collective term for the Transferring Policyholders and the Existing Policyholders
AFR	Actuarial Function Report, a written report required to be submitted at least annually by an insurer's actuarial function to the board
Alpha	Alpha Insurance NV, a Belgian sister company of the Companies
Ancillary Own Funds	Assets which are contingent, and therefore do not reside on the Solvency II balance sheet, but can be called upon to absorb losses if needed
APs	Actuarial practice standards, as issued by the Institute and Faculty of Actuaries in the UK
Asbestos Working Party	A group of members of the Institute and Faculty of Actuaries who carry out market surveys of insurance company UK asbestos-related claims in order that they can estimate the future cost of UK asbestos-related claims to the insurance industry
BCLP	Bryan Cave Leighton Paisner LLP, Enstar's legal advisors in relation to the Proposed Scheme
Best Estimate Reserves	A reasonable view as to the level of insurance liabilities on a statutory basis
Best Estimate Technical Provisions	A component of the Solvency II Technical Provisions intended to reflect the expected discounted cost of paying all claims
Capital Risk Appetite	The target level of Eligible Own Funds expressed in the form of a Solvency Ratio
CBR	Cavello Bay Reinsurance Limited, the immediate parent of the Companies
Certified Key Function Holders	Certain roles that are crucial to the sound and prudent management of an insurer and which are subject to regulation by the PRA and the FCA, but which are not Senior Manager Functions
Circular	The information enclosed with each letter which is sent as part of the communication process of the Proposed Scheme
Companies	The collective term for Mercantile, Rombalds and River Thames
Counterparty Default Risk	The risk of possible losses due to unexpected default, or deterioration in the credit standing, of the counterparties and debtors of insurance and reinsurance undertakings
Court	The High Court of Justice in England and Wales
CRTF	Credit for Reinsurance Trust Fund, a trust fund required when writing reinsurance business covering United States reinsureds
Currency Risk	The risks associated with movements in foreign exchange rates due to currency differences between assets and liabilities

Diversification	The spreading of risk (such as across a variety of different policies, types of insurance and/or geographies) such that the aggregate risk is less than the sum of the underlying individual risks. This arises from the fact that an adverse outcome from one part of the business may be offset by a favourable outcome from another part of the business.
Effective Date	The intended effective date of the Proposed Scheme, which is 1 January 2026
EGL	Enstar Group Limited, the parent company of the Enstar Group
EGL Guarantees	The combination of the EGL Mercantile Guarantee and the EGL SLTF Guarantee
EGL Mercantile Guarantee	The guarantee provided by EGL to Mercantile to cover the performance of CBRe under the 75% quota share provided to Mercantile and the non-reinsured portion of Mercantile's liabilities
EGL SLTF Guarantee	The guarantee provided by EGL which relates to the funding obligations of both Mercantile and River Thames to the level of the required security in their respective SLTFs
EIROS	Electricity Industry Run Off Services Limited
EL	Employer's Liability
Eligible Own Funds	The surplus of assets over liabilities as determined under Solvency II. There are limits on the proportion of the SCR that can be met by certain types of Eligible Own Funds
ENIDs	Events not in data, a component of the TPs which allows for the possibility of events outside the experience of the company
Enstar	Enstar (EU) Limited
Enstar Group	All of the companies within the Enstar group, the parent company of which is Enstar Group Limited
ETF	Exchange traded fund, this is a type of investment fund which is traded on a stock exchange. ETFs own financial assets such as equities and bonds.
Existing Policies	The current policies of River Thames. Also referred to as the River Thames Policies.
Existing Policyholders	The current policyholders of River Thames. Also referred to as the River Thames Policyholders.
FCA	The Financial Conduct Authority, one of the insurance industry regulators in the UK (the other being the PRA)
FRC	Financial Reporting Council
FSCS	The Financial Services Compensation Scheme - the UK's statutory compensation scheme which compensates customers of authorised financial services firms in the event that they are unable pay claims against them
FSMA	The Financial Services and Markets Act 2000, an Act of Parliament to make provision for the regulation of financial services which details the legal basis for the transfer of an insurance business in the UK
GAUM	Global Aerospace Underwriting Management Limited

GLOs	Group litigation orders, a form of collective claim in the UK, being orders made under UK civil procedure rules providing for the management of cases that give rise to common or related issues of fact or law
Health Underwriting Risk	The risk of loss or of adverse changes in the value of insurance liabilities arising from health insurance policies, due to inadequate pricing or reserving assumptions. For the Companies, underwriting risk comprises solely of the Reserve Risk component.
IBNER	Incurred but not enough reported. A provision for additional amounts to be paid for claims which have already been reported to the insurer.
IBNR	Incurred but not reported. A provision for additional reserves above the current incurred claims, to cover both IBNER and future claims which have not yet been reported to the insurer.
ICT	The Insurance Consulting and Technology business line within WTW
IFoA	Institute and Faculty of Actuaries
ILU	Institute of London Underwriters
Incurred claims	Paid claims plus case reserves
Independent Expert	The person approved to opine on the Proposed Scheme, pursuant to section 109(2)(b) of FSMA
Life Underwriting Risk	The risk of loss or of adverse changes in the value of insurance liabilities arising from life insurance policies, due to inadequate pricing or reserving assumptions. For the Companies, underwriting risk comprises solely of the Reserve Risk component.
Kenmare	Kenmare Holdings Limited
Market Risk	The risks arising from the level or volatility of market prices of financial instruments which have an impact upon the value of the assets and liabilities of the undertaking
MCR	Minimum Capital Requirement, the absolute minimum capital required to be held by insurers under Solvency II or Solvency UK
Mercantile	Mercantile Indemnity Company Limited, an indirect wholly-owned subsidiary of EGL. A non-life (re)insurance company in run-off and domiciled in the UK.
Mercantile Policies	The policies of Mercantile all of which are transferring to River Thames
Mercantile Policyholders	The policyholders of Mercantile whose insurance policies are transferring to River Thames
MIC	Marine Insurance Company Limited
NIHL	Noise induced hearing loss, sometimes referred to as deafness
Nisshin	Nisshin Fire & Marine Insurance Company Limited
Nisshin Transfer	A previous Part VII transfer into Rombalds in 2017
No Scheme Position	The position should the Proposed Scheme not proceed
Non-Life Underwriting Risk	The risk of loss or of adverse changes in the value of insurance liabilities arising from non-life insurance policies, due to inadequate pricing or reserving assumptions. For the Companies, underwriting risk comprises solely of the Reserve Risk component.
Operational Risk	Risks relating to the failure of internal processes, policies or procedures

ORSA	Own Risk and Solvency Assessment, an assessment of an insurers risk profile required under Solvency II and Solvency UK
PFAS	Perfluoroalkyl and polyfluoroalkyl substances
PIM	Partial Internal Model, a model used to assess solvency capital that is a combination of a bespoke capital model and the Standard Formula
Post Scheme Position	The position should the Proposed Scheme proceed as planned
PPOs	Periodic Payment Orders, a type of settlement of a claim where payments are made on an ongoing basis rather than as a one-off payment
PRA	The Prudential Regulation Authority, one of the insurance industry regulators in the UK (alongside the FCA)
Pro Insurance Solutions Limited, or Pro	Pro Insurance Solutions Limited, an outsourced service provider for Mercantile
Project Silver Transfer	A previous Part VII transfer into Mercantile in 2019
Proposed Scheme	The proposed transfer of policies from Mercantile and Rombalds to River Thames as described in the Scheme Report
Regulatory basis	The basis for valuing assets and liabilities, and assessing capital requirements, as set out under Solvency II
Risk Margin	The amount of funds over the Best Estimate Technical Provisions required by a knowledgeable third party to assume the known insurance obligations of an undertaking in an arm's length transaction
River Thames	River Thames Insurance Company Limited, an indirect wholly-owned subsidiary of EGL. A non-life (re)insurance company in run-off and domiciled in the UK.
River Thames Policies	The current policies of River Thames, also referred to as the Existing Policies
River Thames Policyholders	The current policyholders of River Thames, also referred to as the Existing Policyholders
Reserve Risk	The risk of loss or of adverse changes in the value of insurance liabilities due to inadequate reserving assumptions
Rombalds	Rombalds Run-Off Limited, an indirect wholly-owned subsidiary of EGL. A non-life reinsurance company in run-off and domiciled in the UK.
Rombalds Policies	The policies of Rombalds all of which are transferring to River Thames
Rombalds Policyholders	The policyholders of Rombalds whose insurance policies are transferring to River Thames
RSAI	Royal & Sun Alliance Insurance Limited (formerly Royal & Sun Alliance Insurance plc)
Scheme Report	The Independent Expert's report on the Proposed Scheme
Scheme Reports	The Scheme Report and the Supplementary Report
SCR	Solvency Capital Requirement
Senior Management Functions	Certain roles for the management of insurance companies subject to regulation by the PRA and the FCA
SLTF	Surplus Lines Trust Fund, a trust fund required when writing Surplus Lines business in the United States

Solvency Capital Requirement	The level of capital required to be held by an insurer under the Solvency II regime, calculated according to the Standard Formula under Solvency II
Solvency II	An EU directive which applies to all EU-domiciled insurance and reinsurance companies and was implemented on 1 January 2016. Solvency II sets out wide-ranging requirements on firms and supervisors relating to financial resources, risk and governance and reporting requirements. For simplicity, throughout the Scheme Reports the term “Solvency II” is used to refer to both Solvency II and Solvency UK.
Solvency II Technical Provisions	The reserves required by an undertaking to meet its existing insurance obligations as specified under Solvency II. It comprises the Best Estimate Technical Provisions and the Risk Margin.
Solvency Ratio	A measure of financial strength, which equals the Eligible Own Funds divided by the SCR
Solvency UK	The new regulatory regime, which was implemented by the PRA with effect from 31 December 2024. For simplicity, throughout the Scheme Reports the term “Solvency II” is used to refer to both Solvency II and Solvency UK.
Standard Formula	A calculation prescribed under Solvency II for calculating the required regulatory capital at a 99.5th percentile level over a one-year time horizon
Statutory basis	The basis for valuing assets and liabilities in accordance with the accounting requirements of the undertaking, which for the Companies is UK GAAP
Summary	The summary of the Scheme Report
Surplus Lines business	Insurance that is unavailable through admitted carriers in the US state but can instead legally be placed with eligible non-admitted companies (which may be located in other US states or in other countries)
TASs	Technical actuarial standards, as issued or adopted by the Financial Reporting Council in the UK
Tier 1	The highest quality of Eligible Own Funds. It includes items such as paid-up share capital and surplus assets. At least 50% of the SCR must be met by Tier 1 Own Funds.
Tier 2	The intermediate quality of Eligible Own Funds which are unable to meet the requirements of Tier 1. It includes items such as Letters of Credit.
Tier 3	The lowest quality of Eligible Own Funds which are unable to meet the requirements of either Tier 1 or Tier 2. It includes items such as deferred tax assets.
TPs	Solvency II Technical Provisions
Transferring Policies	The collective term for the Mercantile Policies and the Rombalds Policies
Transferring Policyholders	The collective term for the Mercantile Policyholders and the Rombalds Policyholders
TWL	Towers Watson Limited, a part of WTW
US APH	Asbestos, Pollution and Health claims from the United States

Appendix B: Information considered

For the purposes of this Supplementary Report I have reviewed various additional items of data and information, including the following.

Documents relating to the Proposed Scheme

- Final documents for the Proposed Scheme as submitted to the Court for the Directions Hearing
- Regular reports on the responses received to the policyholder communications exercise
- Draft second witness statement from Ann Slade dated 18 September 2025
- Draft second witness statement from Ruth McDiarmid dated 29 September 2025
- Draft witness statement from Stuart Brookes of A McLay & Company Limited dated 30 September 2025

Financial information

- Balance sheets as at 31 December 2024 and 30 June 2025 for each of the Companies on both a UK GAAP and Solvency II basis
- Annual Accounts as at 31 December 2024 for each of the Companies
- ORSA reports for 2025 for each of the Companies (with assessment dates of 31 December 2024)
- Solvency and Financial Condition Reports at 31 December 2024 for each of the Companies
- Actuarial Function reports for 2024 for each of the Companies

Reserving information

- Enstar internal reserve updates as at 31 December 2024 for each of the Companies

Capital information

- Standard Formula SCR as at 31 December 2024 for each of the Companies
- Unapproved Enstar Capital Model Results as at 31 December 2024 for each of the Companies

Non-financial information

- The executed Deed of Variation in respect of Mercantile's ILU Guarantee
- The application sent to the PRA in relation to the revised letter of credit for River Thames

The above information and various other information (including information provided verbally) has been provided by Enstar. I have relied upon the accuracy and completeness of the data and information provided without independent verification. However, I have reviewed the data and information for general consistency and overall reasonableness, and based on my wider experience this gives me no cause for concern.

I have received a statement of data accuracy which confirms the accuracy and completeness of the information provided to me in performing my Independent Expert role. This statement was provided by Michael Heap, Chief Financial Officer of Enstar (EU) Limited.